

# THE OUTWARD BOUND TRUST

(COMPANY LIMITED BY GUARANTEE)

## Trustees' Report and Financial Statements for the year ended 30 September 2023

Company Number: 6748835

Registered Charity in England and Wales (1128090) and in Scotland (SC040341)

Incorporating Stafford House Trust (registered charity in England and Wales 305271)



The Outward Bound Trust is extremely grateful to the following donors and supporters for their generous support over the course of the year:

All our major donors  
All our dedicated challenge event participants  
All our generous alumni supporters  
All our volunteer Outward Bound Associations  
All supporters of our Scotland's Next Generation project  
All supporters of the Mark Scott Leadership for Life Award  
All supporters who remembered the Trust in their wills  
All trusts and foundations supporters  
Accord ESL  
AkzoNobel UK  
Annington Management Ltd  
Arc'teryx Equipment  
Bacon Foundation Limited  
Major Matthew Bacon Legacy Fund  
Robert Barr's Charitable Trust  
Barratt Developments PLC  
TP Bennett  
Berghaus Ltd  
Bulkhaul Ltd  
The George Cadbury Trust  
The W A Cargill Fund  
Castle View  
The Chartley Foundation  
Clarion Solicitors  
CNOOC International  
John Coates Charitable Trust  
The Community Foundation for Tyne & Wear & Northumberland  
The Peter Cundill Foundation  
Dalziel Ltd  
Defra Green Recovery Fund  
Deltec International  
DHL UK Foundation/DHL  
The DJ Sidebottom/Glasdon Charitable Programme  
The Dulverton Trust  
The Education Endowment Foundation  
Equip UK (RAB & Lowe Alpine)  
Esri UK  
Evotix  
Fidelity UK Foundation  
The Fort Foundation  
The Gannochy Trust  
Gapuma  
Garfield Weston Foundation  
Glasgow City Council  
The Gosling Foundation  
Great Portland Estates  
Hammerson PLC  
The Hands Trust  
The Andrew Harris Charitable Trust  
The Hearth Foundation  
Hemraj Goyal Foundation  
Howgills Nordic Walking  
Hugh Fraser Foundation  
The Sandy and Zorica Glen Charitable Settlement  
GMAC-RFC Ltd  
The Mike Gooley Trailfinders Charity  
Halewood International  
The Hutchinson Charitable Trust  
The Ingram Trust  
The Johnnie Johnson Trust  
Keela  
Klondyke Garden Centres Ltd  
The Sir James Knott Trust  
London Stock Exchange Group Foundation  
John Lyons Charity  
The MacRobert Trust  
The Midcounties Co-operative Ltd  
M & J Construction Group  
Mondrian Investment Partners Ltd  
Mowi Scotland  
MS Amlin  
Northwood Charitable Trust  
PF Charitable Trust  
The Portman Foundation  
Provident Financial  
The Derek Raphael Charitable Trust  
Reliance Worldwide Corporation  
Scot JCB  
The Mark Scott Foundation  
Scott Pallets  
The Scottish Government  
SEGRO plc  
Sigma Capital Group Limited  
Souter Charitable Trust  
Sport England  
The Stevenson Trust  
Stichting West Coast Foundation  
The Taylor Charitable Trust  
The Thompson Family Charitable Trust  
The Constance Travis Charitable Trust  
Trendsetter Home Furnishings Ltd  
The 29th May 1961 Charitable Trust  
U-POL Ltd  
The Vardy Foundation  
VF International SAGL (The North Face)  
The Jo Walters Trust  
The Watson Foundation  
Welsh Government

# THE OUTWARD BOUND TRUST FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

<b>CONTENTS</b>	<b>PAGE</b>
Reference and Administrative Details	2
Trustees' Report (incorporating the Strategic Report)	3 - 12
Independent Auditors' Report	13 - 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18-31

# THE OUTWARD BOUND TRUST FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## REFERENCE AND ADMINISTRATIVE DETAILS

**BACKGROUND and STATUS:** The Outward Bound Trust was established as a charity in 1941 and incorporated as a company limited by guarantee on 27 February 1946. Following a reorganisation of the group in April 2009 the assets and liabilities of The Trust were transferred to a new company which was incorporated on 13 November 2008 and registered as a charity on 14 February 2009. At the date of the transfer the new company was renamed The Outward Bound Trust and the preceding company became Outward Bound Global.

**GOVERNING DOCUMENT:** The Trust was established under a Memorandum and Articles of Association which includes the objects and powers of the charitable company

**COMPANY NUMBER:** 6748835

**CHARITY NUMBER:** 1128090 and in Scotland SC040341

**REGISTERED AND OPERATING OFFICE:** Hackthorpe Hall  
Hackthorpe  
Penrith  
Cumbria, CA10 2HX

Website: outwardbound.org.uk  
Email: enquiries@outwardbound.org.uk  
Telephone: 01931 740000  
Fax: 01931 740001

**DEPUTY PATRONS:** The Lord Kirkham CVO  
Sir Chris Bonington CVO CBE

**TRUSTEES:** Charles Philipps – Chairman \*\*  
Her Royal Highness Princess Beatrice of York  
Julia Abel  
Ian Ashman (resigned 6 October 2023)  
Nicholas Gair MBE \*\*\*  
Youlande Harrowell \*\*  
David Hempleman-Adams KCVO OBE KStJ DL \*\*  
Leo Houlding  
Philippa Kramer (resigned 20 March 2023)  
Jonathan Lewis \*  
Fasha Mahjoor (resigned 12 December 2022)  
Nick Sanderson\*  
Paul Voller  
Christine Walker (resigned 3 March 2023)  
Guy Williams \*\*\*  
Helen Wright \* / \*\*

\* Member of the Audit Committee  
\*\* Member of Remuneration & Nominations Committee  
\*\*\*Member of Operational Risk Management Committee

**SENIOR EXECUTIVES:** Martin Davidson  
Alan Bolchover  
Martin Cooper  
Natalie Harling  
Kim Parry

Chief Executive  
Director of Fundraising  
Director of Learning and Adventure  
Director of Business Development  
Director of Finance and Resources

**COMPANY SECRETARY:** Kim Parry

**AUDITORS:** Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**BANKERS:** Barclays Bank Plc  
Level 27  
1 Churchill Place  
London, E14 5HP

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## OBJECTIVES AND ACTIVITIES

The Trust is driven by the words of its co-founder, Kurt Hahn: *"We are all better than we know. If only we can be made to realise this, we may never again be prepared to settle for anything less"*. The mission and values of The Outward Bound Trust are as follows:

### **The Outward Bound Trust mission:**

Our mission is to inspire young people to believe they can achieve more than they ever thought possible.

### **The Outward Bound Trust core values:**

- A belief that we all have undiscovered potential. We aim to create moments when everyone can see and believe in themselves as never before and to translate such moments into lessons for everyday life.
- A belief in the power and intensity of learning through adventure. A means of bringing out the best in people.
- A deep appreciation of the balance between risk, reward and responsibility. We want people to have intense experiences with real consequences and powerful, positive and memorable outcomes.
- A spirit of respect and compassion. We aim to stretch people both physically and mentally. In doing so we act with care, concern and generosity towards people and the natural environment.
- A belief that everyone has the right to feel valued, welcomed and encouraged to be themselves.

Outward Bound® courses share the same distinctive features. These can be characterised as follows:

### **The mountains, sea, rivers and lakes**

The Trust sets out to provide direct and dramatic experiences in inspiring and unfamiliar settings. Our competence lies in using the mountains, seas, rivers and lakes as our classroom.

### **The Outward Bound instructor**

The Trust's instructors have the technical skills to take young people into the wild. However, of paramount importance are the facilitation and mentoring skills that enable an instructor to translate the events of an adventure into lessons for life.

### **Experiential learning**

People learn best by reflecting on an experience, planning to do better the next time and then acting on that plan. Over the years we have evolved a standard pedagogy which we call 'What It Means to Be Outward Bound', and this is the essential development tool we use with participants on courses.

### **"Impelling" into experience**

The Trust sets out to encourage people to go out and do things they at first believe to be impossible.

### **Journey**

The concept of a journey is fundamental to the Outward Bound experience and the journeying metaphor is important to us. Courses involve physical journeys but are also journeys of development and discovery for the individual and the team.

### **The individual, the team and the environment**

Anyone attending an Outward Bound course participates as an individual and also as a team member, working alongside the same instructor for the duration of the course. The Trust's courses focus on the development of the individual, the team and the interaction of both with the natural environment.

Even before one considers the impact of the recent Covid pandemic, the world had changed hugely since The Trust was founded during the Second World War with a view to teaching physical and mental survival skills to young merchant seaman about to serve as part of the North Atlantic convoys. However, in today's world, the pressures on young people and the issues they face are as intense and varied as ever, albeit markedly different to those of nearly 80 years ago. Research suggests that the pandemic had a huge and negative impact on the life prospects and well-being of young people and that this is being further compounded by the economic crisis and global uncertainty precipitated by war in Europe. Everything has been amplified by the upheaval of the last few years. The Trust's work has and will make a significant contribution to the personal development of young people, helping to build their confidence and equipping them with the resilience to meet the challenges they face both now and in the future.

® Outward Bound and the compass rose device are each registered trademarks of The Outward Bound Trust.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### GOVERNING DOCUMENT

The Governing document of The Trust is its Memorandum and Articles of Association. The Trust's charitable objectives, as described in the Memorandum, are "to promote for the public benefit the personal development of young people by education and instruction through participation in a wide variety of activities with special emphasis on physical endeavour in the outdoors". In 1994 the Trustees agreed with the Charity Commission that in this context young people mean those under the age of 25.

In setting our objectives and planning our activities The Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. This is borne out by our commitment to provide a first class Outward Bound experience to as wide a range of young people as possible, irrespective of their financial circumstances. 76% of young people who came to our centres from schools this year were awarded bursary funding that enabled them to attend.

### Trustees

The current Trustees, listed in this Report, are also the directors and members of the company. The liability of members is limited, and their individual limit of guarantee is £10. There are no members of The Trust who are not Trustees.

Trustees are appointed on the recommendation of the Remuneration and Nominations Committee, which aims to ensure that the Board is well balanced and represents the breadth of work undertaken by The Trust. The Committee is responsible for reviewing the specific skills and the rotation of the Trustees and identifying what training may be required.

The Board of Trustees appointed Martin Davidson to succeed Nick Barrett as Outward Bound's Chief Executive in April 2023. Martin Davidson had worked for Outward Bound in a number of senior management capacities since 2006. The appointment followed a thorough process, overseen by the Remuneration and Nominations Committee, which included consideration of external candidates sourced by an independent search firm.

Nick Barrett had been Chief Executive for 17 years and had successfully led Outward Bound from a period of significant instability in the 1990's to its prestigious and financially sound status, able to thrive in a post pandemic environment. We are deeply grateful to Nick for his dedication to Outward Bound's mission.

During the year under review Fasha Mahjoor, Philippa Kramer and Christine Walker resigned as Trustees, with Ian Ashman resigning in October 2023. We thank our Trustees for their service to Outward Bound.

Charles Philipps, the Chairman since 2019 and a Trustee since 2010, is retiring from the Board in December 2023, having overseen the transition to a new Chief Executive. We also thank Charles for helping to successfully steer Outward Bound through some very challenging times. The Board has resolved to appoint Jonathan Lewis, a Trustee since 2017, as the next Chairman.

All new Trustees undergo an induction programme that includes a visit to one of the centres operated by The Trust and meetings with existing Trustees, senior executives and other key members of staff.

Ordinarily the Trustees meet formally four times a year and take responsibility for the strategic direction of the organisation. Day to day decision making is delegated to the Chief Executive who also advises the Trustees as to overall strategy. The Chief Executive meets and briefs the Chairman on a regular basis.

One of these Board of Trustees meetings is held at a centre, preceded by an afternoon of activities and observation at the centre and an evening of informal planning and discussion. This closer engagement with the work of The Trust consolidates the working knowledge of the Trustees and helps build a better understanding between the Trustees and the staff.

The Trustees have considered The Trust's governance practices in the light of the Charity Governance Code. The Trustees believe that governance practices at The Trust substantially conform to those best practices advocated within the Charity Governance Code. Every year Trustees are asked to complete a Board Effectiveness Survey, with the latest survey being completed in September 2022. This survey is coordinated by the Chairman and the results are used to improve the workings of the Board.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

### COMPANIES ACT, SECTION 172 STATEMENT

Director's duties under Section 172(1) of the Companies Act require that a director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, parents, the community and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly between members of the company

All Directors of the Company have acted in good faith in a manner most likely to achieve the long-term success of The Trust in achieving its charitable objectives as described in the objects, aims objectives and activities section of this report.

### COMPANIES ACT, SECTION 172 STATEMENT (CONTINUED)

The Trustees have specific regard to the employees' interests as described in the Statement of Engagement with Employees. The Board also pays close attention to the relationships that are formed with our suppliers, customers, donors and wider community stakeholders, and these are described in the Statement of Engagement with Suppliers, Customers, Donors and the Community. These two statements are provided within this Report of the Trustees.

The Directors have considered the impact of the Charity on the community in complying with public benefit requirements as described in the objectives and activities section of this report. The Directors have also considered the Charity's impact on the environment as outlined in the Carbon and Energy Reporting Statement on page 8 of this report.

The Directors recognise the importance of acting in good faith and fairly between Directors and other stakeholders of The Trust.

### STATEMENT OF ENGAGEMENT WITH SUPPLIERS, CUSTOMERS, THE COMMUNITY AND OTHERS

The Trustees are committed to building positive long-term relationships with all suppliers, customers, donors and the wider communities within which we operate. The Trust has worked hard to establish open and honest communication with all of our key stakeholder groups, building trust and mutual respect wherever possible:

- With suppliers we continue to apply our normal timely payment processes, enabling strong relationships to be maintained.
- We work closely at all times with our clients, ensuring that the needs of the young people in question remain central to our planning for the future.
- We are also in constant contact with our donors and maintain these relationships through a range of events throughout the year.
- And with our communities we are careful to consider the local impact of our activities upon these important stakeholders.
- More broadly we aim to work positively and constructively as part of the wider community, taking our responsibilities seriously in this domain

### STATEMENT OF ENGAGEMENT WITH EMPLOYEES

The Trustees also pay very close attention to the well-being and interests of all Trust employees, meeting regularly with the Senior Management Team and attending events at centres and offices throughout the year, when possible, to meet with staff. The Board is provided with regular updates on staff matters.

We ensure that our recruitment and selection policies and processes are regularly reviewed to ensure they comply with our equality and diversity principles, ensuring all applicants are treated solely based on their abilities and potential, regardless of race, colour, nationality, ethnic origin, religious or political belief or affiliation, age, gender, gender identity, gender reassignment, marital and civil partnership status, sexual orientation, disability, socio-economic background, or any other inappropriate distinction."

### Organisation

The Trust owns four residential centres in the United Kingdom: Aberdovey in Snowdonia and Ullswater, Howtown and Eskdale in the Lake District. In addition, The Trust leases a fifth centre at Loch Eil in the Highlands of Scotland and a sixth centre at Ogwen Cottage in Eryri (Snowdonia) which is operated in partnership with the National Trust. The Trust also operates the Mark Scott Leadership for Life Award from a base in Glasgow; this is a non-residential operation working with young people from the central belt area of Scotland.

A subsidiary company, Outward Bound Corporate Limited, delivers experiential outdoor learning and development programmes for apprentices and graduates. Profits from this company are transferred to The Trust under a gift aid payment.

The Trust's Head Office, incorporating the offices of the Chief Executive, the financial and administrative functions, the operational management and the sales and marketing teams, is based at Hackthorpe near Penrith in Cumbria. The fundraising office is located on Waterloo Road, London. There is also a Scottish fundraising office located on Bath Street, Glasgow.

The Outward Bound Trust is also the sole trustee of the dormant charity, Stafford House Trust.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

### OUR ACCESS AND BURSARY POLICIES

The Outward Bound Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of The Trust and at a level that is consistent with our aim of providing a first-class experience to all participants.

The Trust welcomes participants from all backgrounds. To admit a prospective participant, we need to be satisfied that The Trust will be able to engage with the young person to the best of their potential and in line with the general standards achieved by their peers. With this in mind we work closely with schools, employers and other organisations sending students on our courses. An individual's economic status, gender, ethnicity, race or religion do not form part of our assessment processes.

The Trust is committed to safeguarding and promoting the welfare of our participants and expects all staff and volunteers to share this commitment. We provide customer feedback questionnaires at the end of all courses for completion by participants and visiting members of staff from the participants' schools and employers. The comments received are taken very seriously and all questionnaires are reviewed centrally. We are constantly striving to make sure that our courses are linked to relevant learning outcomes and provide genuine educational benefits for participants.

We believe our participants benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our participants develop an understanding of the perspectives of other people that will be vital in their adult lives.

The Trust has an Evaluation Team dedicated to monitoring the learning outcomes achieved on our courses. We aim to produce a regular, comprehensive Social Impact Report that brings together the internal and external research related to The Trust's effectiveness in delivering its mission.

Our bursary policy contributes to a widening of access to the courses we offer and the facilities we enjoy. It is important to us that access to the courses we offer is not restricted only to those who can afford our full fees. The Trustees view our bursary awards as important in helping to ensure young people from families who would otherwise not be able to afford the fees can access the courses we offer. Our bursary awards are available to all who meet our requirements. These are made based on participants qualifying for free school meals, low-income families, English as a second language, special educational needs, poor educational attainment, at risk of offending, ethnic minority backgrounds and any other valid reasons for bursary assistance put forward by schools or parents.

The bursary awards range in scale from 10% through to almost 100% remission of fees depending on the nature of the specific funding stream and the particular circumstances of the young people in question. Further details of our bursary policy and how to apply are available on our website, [www.outwardbound.org.uk](http://www.outwardbound.org.uk), and movements in our bursary funds are set out in note 14(c) to the accounts.

### RELATED PARTIES AND ORGANISATIONS

#### *Volunteer Outward Bound Associations*

Volunteers, operating within the regionally based Outward Bound Associations, undertake immensely valuable work by promoting The Trust, working with young people in the local area and by raising funds to help pay for course fees. Associations work as branches under the umbrella of The Trust. The working relationship between the Outward Bound Associations and The Trust are governed by an Accreditation Agreement. These Agreements entitle the Associations to use The Trust's trademarked name and logo and set standards for the conduct of their work. The Trust does not currently include a valuation of volunteers' time within the financial statements.

## STRATEGIC REPORT

### ACHIEVEMENTS AND PERFORMANCE OVER THE YEAR

2022/23 was the first full year since the pandemic that the organisation was able to operate at more normal levels of capacity.

The main achievements in the year ended to 30th September 2023 have been:

- We worked with 24,254 young people during the year, returning to pre-pandemic numbers of participants benefiting from Outward Bound.
- We disposed of an out of use property at our Ullswater Centre, realising a significant contribution to help support the future goals of the organisation.
- We began the year forecasting a budget deficit of £600k, which due to additional income and careful cost management converted into a small year-end surplus.
- We have raised funds, gained planning permission and appointed contractors for the Loch Eil Centre Learning Village development.
- We have implemented a new CRM and bookings system, the most significant element of the Digital Transformation project.
- Nearly all staff have completed a half day training on better understanding and responding to the needs of young people.
- We have developed and published an organisational 'Carbon Net Zero Road Map' that sets an ambition to achieve net zero by 2035.
- We have successfully transitioned Chief Executive, following the retirement of Nick Barrett after 17 years of outstanding service.
- We have embarked on refreshing our strategy with a view to successfully increasing our capacity to serve young people.
- Since the year-end we have entered into a memorandum of understanding with another charity to jointly develop a site which, if it proceeds as planned, would enable Outward Bound to increase its capacity to provide courses to young people by up to 2,500 young people.



# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## FINANCIAL REVIEW

### FINANCIAL RESULTS

The financial statements confirm a robust financial position for The Trust at the balance sheet date in spite of the ongoing difficulties created by the wider economic situation in the country. The organisation has continued to recover from the challenges that were encountered during the Covid19 pandemic, with demand for our courses and programmes particularly positive and reassuring. Our donors have continued to provide outstanding support through the year and our staff teams are all back at full strength. Having said this, we are still challenged by ongoing cost increases across many areas of core expenditure, not least in terms of staffing, energy and food costs. We have been able to contain these cost increases this year, returning a small trading surplus in our General Fund activity before exceptional items, but this has only been achieved with significant assistance from the interest receivable income on our cash balances.

The Consolidated Statement of Financial Activities for the year ended 30 September 2023 shows a total surplus of £1,648,000 (2022: surplus of £306,000); this is made up of a surplus of £1,005,000 (2022: £260,000) in Unrestricted Fund activities and a surplus of £643,000 (2022: £46,000) in Restricted Fund movements. Within the Unrestricted Funds a General Fund surplus of £1,540,000 was recorded before designations, due largely to the impact of the exceptional surplus realised on the disposal of West Lodge, an out of use property at our Ullswater site. The underlying Unrestricted Fund performance was also better than initially anticipated, this is due to strong demand for our courses and programmes throughout the year and is assisted by total operating costs that were slightly lower than projected.

As a result of the General Fund performance during the year, and given the revisions to our Reserves Policy (see below) the Trustees have agreed to make a number of designated fund transfers to prioritise and enable a range of strategic projects. We have transferred £3.2m from the General Fund to Designated Funds at the balance sheet date; these transfers include the allocation of £2.0m to capital growth projects, of £750,000 towards the ongoing upkeep of our existing sites and facilities, £250,000 to a Special Projects Fund that will help us to deliver our new strategy and £200,000 to further the delivery of our Digital Transformation project. These reserve allocations provide funding for essential next stage investments for the Charity without reducing our General Fund reserve to an inappropriate or unsustainable position.

Net assets at 30 September were £28.5m (2022: £26.8m), with net current assets of £12.0m (2022: £13.4m); this apparent reduction in net current assets in the year is due to the medium term loan facility now being shown as repayable in less than one year. Cash balances stood at £16.2m at the balance sheet date (2022: £15.1m), with the increase in the year largely due to the disposal of West Lodge. We expect our cash position to reduce during the coming financial year, in part due to the repayment of the Barclays loan in March 2024, which will be repaid out of existing resources, and also due to planned capital expenditure on capital improvement and growth-related projects.

Overall, the results for the 2022-23 financial year confirm that The Trust has a solid financial position from which to invest and grow during 2023-24 and the years ahead. We are ambitious to increase our operating capacity and to enable more young people to benefit from a life changing Outward Bound opportunity, but we are aware also that we need to balance these aspirations against the importance of maintaining a sustainable long term financial model for the organisation. As a result we will be focussing time and effort during the coming year on adding resilience to our General Fund trading position, so that we can invest with confidence in the infrastructure and growth projects that lie ahead. Our updated Reserves Policy takes full account of these issues.

### RESERVES POLICY

The Reserves Policy, which is reviewed and approved by the Board on an annual basis, sets out an assessment of an appropriate level of free reserves after designations.

Prior to the Covid19 pandemic the Board had approved a minimum level of General Fund reserves set at £2m; this represented approximately two months of operating costs and the Trustees considered that this level of reserves was appropriate given the risks and mitigations that were a feature of the organisation's financial model at that time.

During the Covid pandemic the Board established and maintained a much-increased reserves target of £8.5m for the duration of the ongoing restrictions given the range of ongoing financial uncertainties. This Reserves Policy was re-considered at 30 September 2022, when The Trust was returning to a more stable operating position, with the reserves target reduced to £5.5m. This target was based on an assessment of the various risks that The Trust was still confronting at that time; in particular the Board took account of the ongoing trading deficit and also of the potential negative impact upon bookings of the ongoing 'cost of living' and wider economic crisis.

The Trustees have again considered the Reserves Policy at 30 September 2023, taking full account of the current range of risks that face the organisation and as reflected in our updated Risk Register. In establishing the updated reserves target the Trustees have also taken account of The Trust's robust forward order book and the stability of our staff team. This approach to determining our target has resulted in a revised target level of General Fund reserves of £4.0m (2021: £5.5m), another overall reduction compared to the prior year due to the changes in our assessment of risk as our position has stabilised further.

In addition to our General Fund reserves target of £4.0m, the Board also consider it appropriate and prudent to carry a Bursary Fund reserve with a target of £3.5m; this sum being equivalent to the total value of bursaries allocated in any given twelve month period. This reserve recognises that most of our client bookings for the following financial year have already been made at the balance sheet date, meaning that we have already committed a significant amount of fundraised income at that time. At 30 September 2023 we were carrying a restricted Bursary Reserve of £3.9m.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## FINANCIAL REVIEW (CONTINUED)

Total reserves, excluding those associated with The Trust's properties, were £15.5m at 30 September; of these £4.0m are now General Funds, £5.8m are Designated Funds for ongoing and future projects and £5.7m are Restricted Funds; this means that we are carrying General Fund reserves that meet the target level established by our updated policy. This is a sound financial position and will help support our ambition to increase our capacity to provide courses to young people whilst ensuring that our centres meet appropriate standards.

The Trustees consider that the practices adopted by the Board, Committees and the Senior Management Team in planning and evaluating ongoing operational and financial performance are appropriate for monitoring and maintaining this revised Reserves Policy.

### **PAY POLICY FOR SENIOR STAFF**

The Trustees consider that the Board of Trustees and the Senior Executive Team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the Charity on a day to day basis.

The pay of the Senior Executive Team and all staff is reviewed annually and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the organisation, the Trustees benchmark against pay levels in other charities. The remuneration benchmark is in the upper quartile of the range paid for similar roles in similar charities and sizes.

All Trustees give of their time freely, and other than as specified in note 7 of the financial statements, no Trustee received remuneration in the year.

The charity undertakes fundraising activity with its supporters via direct mail, telephone and email in line with the Fundraising Code of Practice set by Fundraising Regulator. Below is our fundraising promise, this is also available on our website to reassure supporters of our approach).

### **FUNDRAISING APPROACH AND PERFORMANCE**

When you support us, you can be sure of the following:

- We will never sell your contact details to anyone.
- We will only contact you if you have expressed an interest in our work.
- If we phone you, we will always check you are happy to take the call.
- If you ask us to change how we communicate with you, or stop, we will respect that.
- We do not engage in cold-calling, door to door or street fundraising.
- We try hard to ensure no one ever feels pressurised to support our work.
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice.
- All our activities are open, fair, honest and legal.

We have a training programme for all our fundraising staff to regularly reinforce our fundraising promise.

Charity supporters registered on the Telephone Preference Service are only called with an appeal if they have agreed to receive such calls. Callers are thoroughly trained and updated on the charity's work and calls are regularly monitored.

No complaints about fundraising activity were received in the year.

Our fundraising activities generated funds of £5.4m from donations and legacies with a further £316k of net income raised from various one-off events.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

## FINANCIAL REVIEW(CONTINUED)

### CARBON & ENERGY REPORTING

This is the first full reporting year where we have been able to operate without Covid-19 restrictions. We delivered 9,793 Group Activity Days in 2022-23 compared to 8,229 Group Activity Days in 2021-22. This uplift in activity at all centres has led to an increase in energy consumption and related emissions from transport used within the delivery of our courses and from staff travel. Fuel consumption for company-owned vehicles has increased by 27% and reimbursed staff travel in hire cars and employee-owned vehicles has doubled during the year under review.

We continue to move our electricity supply contracts to 100% renewable generation, with only two minor contracts remaining on standard fuel mix tariffs. Rationalisation and investment in staff housing at one of our sites has contributed to a 24% drop in emissions at that location.

Continued maintenance programmes at all centres are delivering minor improvements in energy performance, more significant capital programmes are required to realise greater gains. One such project - the replacement of a legacy oil heating system with a bivalent Air Source Heat Pump and bio-Liquid Petroleum Gas system - is expected to be completed within the 2023-24 reporting year.

Across the year, improvements in carbon performance, mainly due to Scope 2 electricity procurement, have helped the carbon intensity of our courses reduce by 9% to 0.0661 tCO<sub>2</sub>e/Group Activity Day.

We have set a target to become Net Zero within Scopes 1 and 2 in 2030, and within Scope 3 in 2035.

### ENERGY EFFICIENCY AND EMISSIONS REDUCTIONS MEASURES UNDERTAKEN IN THIS FINANCIAL YEAR

	2023	2022	
UK energy use kWh	3,780,581	3,507,976	Gas, oil, electricity and fuel
Associated greenhouse gas emissions Tonnes CO <sub>2</sub> equivalent	636.7 Tonnes	571.6 tonnes	
Intensity ratio Emissions per Group Activity Day 9,793 (2022: 8,229)	0.065 tonnes	0.069 tonnes	The intensity ratio measures energy usage compared with an appropriate business metric.
Outside of scope emissions from biogenic content of combusted fuels	294.8 tonnes	281.1 tonnes	

### METHODOLOGY

Activity data is collected from fuel supplier invoices, meter readings and expense claims. Energy consumption, where not provided directly, is calculated based on fuel net calorific value data. Where fuel is claimed for by cost rather than volume, the mean price for the fuel over the reporting period is taken from the Department for Energy Security and Net Zero monthly and annual prices of road fuels and petroleum products and used to estimate the volume of fuel purchased.

The 2023 Government greenhouse gas conversion factors for company reporting are used to calculate tonnes of CO<sub>2</sub> equivalent emissions from activity data.

The 'Group Activity Day' used in the intensity ratio relates to one day of programmed activity delivered to one group of up to twelve young people; this is a standard unit of measurement used for various purposes within the organisation.

We have clarified the allocation of energy consumption and emissions at our Glasgow and London offices and these are now reported within Scope 3 to avoid double counting with the landlords' reporting. This affects 58,000 kWh of electricity consumption and 12.2 tCO<sub>2</sub>e of emissions.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## PLANS FOR FUTURE YEARS

Good progress has been made with our plans set out in 'Outward Rebound, Emerging from the pandemic 2022-24', which details the following four priorities:

- Priority One – To return to our pre-pandemic scale of operation running high quality Outward Bound courses from our existing centres.
- Priority Two – To run a limited number of experiments to test how best we can have a positive impact on a greater number of young people – with particular emphasis on reaching those young people who might never ordinarily come to one of our residential centres.
- Priority Three – To take steps to modernise the charity and make it fit for purpose in the post Covid era. This modernisation programme has a digital element to it, a Net Zero element to it, it involves continued investment into the fabric of our centres, and a plan to further develop our Equity Diversity and Inclusion work
- Priority Four – To return to financial sustainability after a deficit-making period during the pandemic.

There are specific success criteria against each of these four priorities. The detail of the Outward ReBound strategy is prominently displayed on our website.

The most significant indicator of progress is that we are back to working at full capacity at our centres and in the year to 30 September 2024 we expect to work with even more young people than was the case prior to the pandemic.

Now that the disruption and impact of the pandemic has diminished, the time is right to consider how the charity can best support young people and society for the remainder of the decade. Arguably young people need the skills and attributes Outward Bound fosters now more than ever to enable them to respond to increasing uncertainty in their lives and the big global challenges faced. Therefore, the Board of Trustees and the Senior Management Team are currently considering the future strategic ambition and priorities for the organisation, aiming to publish a new strategy in the spring of 2024.

## PRINCIPAL RISKS AND UNCERTAINTIES

### RISK MANAGEMENT

The Chief Executive, who reports directly to the Trustees, is responsible for the overall management of The Trust's operations and activities and any associated risks.

A summary of the major risks to The Trust and their mitigating controls is held on a risk register, and this is reviewed every six months by the Board. These risks are derived from an internal exercise which is led by the Chief Executive and the senior managers across the organisation, with mitigation plans owned and managed by specific members of senior staff.

Example of key risks and their mitigation plans include the following:

#### **Operational safety failure or accident risk**

Managed through detailed scrutiny, review and reporting through the Operational Risk Management Committee.

#### **Child protection or safeguarding failure**

Mitigation plans involve Trust-wide staff induction, on-going training and briefings, and whistle-blowing policies.

#### **Client or donor income shortfall**

Three year rolling income projections are maintained and reviewed regularly. High risk clients and income streams are monitored closely and there is a focus on high quality relationship management. The reserves policy also helps address this risk.

#### **IT system failure or cyber security risk**

These risks are managed in partnership with key third party partners and suppliers, alongside a specific cyber risk register and management strategy.

In addition, The Trust has an Operational Risk Management Committee which is chaired by Dr Nick Gair, who is also a Trustee. The Chief Executive sits on this Committee, as do a range of external experts and senior operational staff, and it considers and reviews the operational working practices of the day to day activities of the organisation, considering any reported incidents in detail. This Committee reports formally to the main Trustee Board twice a year. The Chair of the Operational Risk Management Committee also meets annually with the Chair of the Audit Committee, to help ensure that all aspects of risk to which The Trust might be exposed are being attended to.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## FINANCIAL RISK MANAGEMENT

The following statements summarise The Trust's position on managing identified forms of financial risk:

### **Price risk**

The Trust manages price risk through two key mechanisms. Firstly, selling prices are reviewed annually to take account of cost changes and market conditions. Secondly, salaries, which represent the most significant cost to The Trust, are also reviewed annually to take account of inflation and other market factors. All other costs are kept under review through monthly and annual accounting and budgeting procedures.

### **Credit risk**

Credit risk on amounts owed to The Trust by its customers is considered to be low since the standard Terms and Conditions of business require that, in the majority of cases, amounts due are settled in full prior to the commencement of the relevant course.

### **Liquidity risk**

The availability of cash resources remains a key focus for the organisation, with cashflow projections reviewed on a regular basis.

### **Interest rate cash flow risk**

The Trust places surplus funds on short and medium term deposits with Barclays Bank plc. Interest rate cash flow risk is considered to be insignificant.

## INVESTMENT POWERS AND POLICY

There are no restrictions on the charity's power to invest. The Trust's investments continue to be managed by our Investment Managers, who manage our portfolios in accordance with the approved investment policy.

The cash in The Trust bank accounts is retained for its liquidity and short term capital investment needs and the level of cash held is reviewed on an ongoing basis.

# THE OUTWARD BOUND TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of the charitable company, are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue on that basis.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

### AUDITORS

Haysmacintyre LLP have expressed their willingness to continue in office as auditors. A resolution proposing that Haysmacintyre LLP be reappointed as auditors of the charitable company for the forthcoming year will be put to members at the Annual General Meeting.

By order of the Board



Jonathan Lewis, Trustee  
12 December 2023

# THE OUTWARD BOUND TRUST INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OUTWARD BOUND TRUST

### Opinion

We have audited the financial statements of The Outward Bound Trust for the year ended 30 September 2023 which comprise the Consolidated Statement of Financial Activities, the Group and charity Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 September 2023 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

# THE OUTWARD BOUND TRUST INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Health & Safety regulations, safeguarding, fundraising regulations, GDPR, and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and income tax, payroll tax and sales tax regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of trustee meeting minutes for discussion of non-compliance with laws and regulations.
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates relating to income recognition and valuation of assets held for sale.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Kathryn Burton** (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

21st December 2023



**THE OUTWARD BOUND TRUST**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating the income and expenditure account)  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	General Funds 2023 £000	Designated Funds 2023 £000	Restricted Funds 2023 £000	Total 2023 £000	Unrestricted Funds 2022 £000	Restricted Funds 2022 £000	Total 2022 £000
<b>INCOME</b>								
Donations, grants and legacies	2	1,179	-	4,261	5,440	882	4,646	5,528
<b>Income from charitable activities:</b>								
Outward Bound young people course, net course fees	3	7,134	-	-	7,134	5,406	-	5,406
<b>Income from other trading activities:</b>								
Activities for generating funds	4	4,382	-	-	4,382	5,031	-	5,031
<b>Other income:</b>								
Investment income		659	-	4	663	99	3	102
Gain on disposal of assets held for resale		1,412	-	-	1,412	-	-	-
<b>Total income</b>		<b>14,766</b>	<b>-</b>	<b>4,265</b>	<b>19,031</b>	<b>11,418</b>	<b>4,649</b>	<b>16,067</b>
<b>EXPENDITURE</b>								
Raising donation, grants and legacies		(1,998)	-	-	(1,998)	(1,640)	-	(1,640)
<b>Expenditure on charitable activities:</b>								
Outward Bound young people courses		(12,501)	-	(4)	(12,505)	(11,134)	(1)	(11,135)
<b>Expenditure on other trading activities:</b>								
Activities for generating funds		(3,181)	-	-	(3,181)	(2,693)	-	(2,693)
Bank interest paid		(188)	-	-	(188)	(119)	-	(119)
<b>Total expenditure</b>	5	<b>(17,868)</b>	<b>-</b>	<b>(4)</b>	<b>(17,872)</b>	<b>(15,586)</b>	<b>(1)</b>	<b>(15,587)</b>
<b>Net income/expenditure</b>		<b>(3,102)</b>	<b>-</b>	<b>4,261</b>	<b>1,159</b>	<b>(4,168)</b>	<b>4,648</b>	<b>480</b>
<b>Other recognised gains/(losses):</b>								
Gains/losses on investment assets	9	(10)	-	(25)	(35)	(51)	(123)	(174)
Revaluation adjustment	8	-	-	-	-	-	-	-
<b>Net movement of funds before transfers</b>		<b>(3,112)</b>	<b>-</b>	<b>4,236</b>	<b>1,124</b>	<b>(4,219)</b>	<b>4,525</b>	<b>306</b>
Bursary funds transfer	3	3,060	-	(3,060)	-	2,176	(2,176)	-
Transfers to intangible assets	14	-	-	524	524	-	-	-
Transfers between other funds	14	1,592	(535)	(1,057)	-	2,303	(2,303)	-
<b>Net movements of funds before designations</b>		<b>1,540</b>	<b>(535)</b>	<b>643</b>	<b>1,648</b>	<b>260</b>	<b>46</b>	<b>306</b>
Transfers to Designated Funds		(3,200)	3,200	-	-	-	-	-
<b>Net movement of funds</b>		<b>(1,660)</b>	<b>2,665</b>	<b>643</b>	<b>1,648</b>	<b>260</b>	<b>46</b>	<b>306</b>
<b>Total fund balances at 1 October 2022</b>		<b>5,706</b>	<b>16,112</b>	<b>5,013</b>	<b>26,831</b>	<b>21,558</b>	<b>4,967</b>	<b>26,525</b>
<b>Total fund balances at 30 September 2023</b>		<b>4,046</b>	<b>18,777</b>	<b>5,656</b>	<b>28,479</b>	<b>21,818</b>	<b>5,013</b>	<b>26,831</b>

The notes on pages 18 to 31 form part of these accounts.

All income and expenditure relates to continuing activities. There are no gains and losses other than those recognised above therefore no separate statement of total recognised gains and losses has been prepared.

**THE OUTWARD BOUND TRUST  
BALANCE SHEETS  
AT 30 SEPTEMBER 2023**

**COMPANY REG NO: 6748835**

	Note	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
<b>FIXED ASSETS</b>					
Tangible assets	8(a)	14,456	14,751	14,441	14,731
Intangible assets	8(c)	524	-	524	-
Investments	9	1,548	1,494	1,548	1,494
		<u>16,528</u>	<u>16,245</u>	<u>16,513</u>	<u>16,225</u>
<b>CURRENT ASSETS</b>					
Asset held for resale		-	550	-	550
Stocks	10	176	200	167	191
Debtors	11	2,352	1,838	1,481	2,251
Cash at bank and in hand		11,664	8,292	11,377	7,789
Short term cash deposits		4,500	6,820	4,500	6,820
		<u>18,692</u>	<u>17,700</u>	<u>17,525</u>	<u>17,601</u>
<b>Creditors: amounts falling due within one year</b>	12	(6,741)	(4,268)	(5,559)	(4,149)
<b>Net current assets</b>		<u>11,951</u>	<u>13,432</u>	<u>11,966</u>	<u>13,452</u>
<b>Creditors: amounts falling due after one year</b>	13	-	(2,846)	-	(2,846)
<b>NET ASSETS</b>		<u><b>28,479</b></u>	<u><b>26,831</b></u>	<u><b>28,479</b></u>	<u><b>26,831</b></u>
<b>UNRESTRICTED FUNDS</b>					
General Fund Reserves		4,046	5,706	4,046	5,706
Designated Project Funds		5,838	2,943	5,838	2,943
Designated Property Funds		12,939	13,169	12,939	13,169
		<u>22,823</u>	<u>21,818</u>	<u>22,823</u>	<u>21,818</u>
<b>RESTRICTED &amp; ENDOWMENT FUNDS</b>					
Restricted Bursary Funds		3,876	4,046	3,876	4,046
Other Restricted Funds		1,694	879	1,694	879
Endowment Funds		86	88	86	88
		<u>5,656</u>	<u>5,013</u>	<u>5,656</u>	<u>5,013</u>
<b>TOTAL FUNDS</b>	14	<u><b>28,479</b></u>	<u><b>26,831</b></u>	<u><b>28,479</b></u>	<u><b>26,831</b></u>

The surplus of the parent charity was £1,648,000 (2022: £306,000). The notes on pages 18 to 31 form part of these accounts.

The financial statements were approved and authorised for issue by the Board of the Trustees on 12th December 2023 and were signed below on its behalf by:



Jonathan Lewis, Trustee



Charles Philipps, Trustee

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
<b>Cash flows from operating activities</b>	20	(1,491)	1,649	(1,277)	2,342
<b>Cash flows from investing activities:</b>		-	-	-	-
Interest income		663	102	663	102
Purchase of tangible fixed assets		(37)	(167)	(35)	(166)
Purchase of investments		(272)	(350)	(272)	(350)
Sale of investments		184	340	184	340
Sale of tangible fixed assets		-	-	-	-
Sale of assets held for resale		1,962	-	1,962	-
Loan (repaid)/received		43	(123)	43	(123)
<b>(Decrease)/increase in cash and cash equivalents in the year</b>		<b>1,052</b>	<b>1,451</b>	<b>1,268</b>	<b>2,145</b>
Cash at bank and in hand at the beginning of the year		8,292	6,841	7,789	5,644
Short term cash deposits at the beginning of the year		6,820	6,820	6,820	6,820
Total cash and cash equivalents at the beginning of the year		<b>15,112</b>	<b>13,661</b>	<b>14,609</b>	<b>12,464</b>
Cash at bank and in hand at the end of the year		11,664	8,292	11,377	7,789
Short term cash deposits at the end of the year		4,500	6,820	4,500	6,820
<b>Total cash and cash equivalents at the end of the year</b>		<b>16,164</b>	<b>15,112</b>	<b>15,877</b>	<b>14,609</b>

The notes on pages 18 to 31 form part of these accounts.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## NOTES TO THE FINANCIAL STATEMENTS

### 1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2020) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Outward Bound Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **Preparation of accounts on a going concern basis**

The Trustees have given careful consideration to the Charity's ability to continue as a going concern.

During the period the Audit Committee, on behalf of the Board, has continued to work closely with the Senior Management Team to review the trading and cashflow projections for the current and future years.

In the year to 30 September 2023 these reviews confirmed ongoing stability in the cash position and an improvement in the underlying financial sustainability, enabled by our return to full operating capacity, by strong demand from our school and corporate clients and with ongoing support from our donors and reinforced by the disposal of an out of use property. The combined effect of the property disposal and an improved General Fund performance provides the organisation with a stronger than expected balance sheet and cash position at 30 September, giving us a robust platform for the period ahead.

We currently expect to make a small General Fund deficit in 2023-24 due to the ongoing pressure of the cost increases experienced by the organisation and in spite of our return to very positive operating volumes. Having said this we are confident that we have an appropriate level of reserves and cash resources to withstand the ongoing challenge, and our revised Reserves Policy reflects a fair and thorough assessment of the potential risks that lie ahead. We are also working on a range of financial sustainability projects that we expect to deliver improvements in our General Fund resilience within the next 12 months. Given the strong balance sheet position at 30 September and having carried out a detailed analysis of a range of possible scenarios in 2023-24 and 2024-25 the Trustees are confident that the charity remains a going concern for the foreseeable future.

#### **Group accounts**

The financial statements consolidate the results of the charity and its two wholly owned subsidiaries, Outward Bound Corporate Ltd and Outward Bound Trading Ltd, on a line-by-line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The Outward Bound Associations are branches of the charity. Their income and expenditure, assets and liabilities as reported in their latest accounts, are consolidated into the charity's financial statements.

The Outward Bound Trust is the only trustee of Stafford House Trust (charity number 305271), which has been dormant for the current and prior year.

#### **Critical accounting judgements and estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Income recognition**

All income is recognised once the charity has entitlement to income, it is probable that income will be received, and the amount of income receivable can be measured reliably.

#### **Donations and legacies**

Donations and legacies are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

## 1 ACCOUNTING POLICIES (CONTINUED)

### **Gifts in kind**

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

### **Grants**

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

### **Income from charitable activities**

Income from charitable activities is recognised as earned as the related services are provided, that is the total value invoiced to customers of Outward Bound courses which have a start date falling in the financial year. This income includes the value of bursary assistance provided by The Trust towards course fees. Income from other trading activities is recognised as earned as the related goods are provided.

### **Investment income**

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises the costs of the London and Glasgow based fundraising teams and associated costs along with an allocation of overheads.
- Expenditure on charitable activities comprises the costs of providing the courses that we run at our centres along with an allocation of overheads.
- Other trading expenditure represents the costs of our fundraising events and the provision of our Outward Bound Corporate work, our apprentice training courses.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

### **Allocation of costs**

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

### **Operating leases**

Rental charges are charged on a straight line basis over the life of the lease.

### **Investments**

Investments are a form of basic financial instrument and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 1 ACCOUNTING POLICIES (CONTINUED)

### Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets costing more than £1,000 are capitalised.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows, all straight line:

Freehold buildings	2% per annum
Listed freehold buildings	1% per annum
Capital improvements to leasehold buildings	Over the remaining term of the lease
Other equipment	10% to 33% per annum as appropriate
Leasehold improvements	Life of lease

When property is redeveloped all costs are capitalised, the property is then valued and written down to the market value at completion. The property then continues to be written down in the normal way over the life of the asset.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Stock

Stocks are valued at the lower of cost and net realisable value and are used on a first in first out basis.

### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### Deferred income

Deferred income represents the value of courses invoiced to customers before the year end with start dates after the year end and income received prior to 30 September 2023 for fundraising events being run after the year end.

### Financial instruments

The group and charity only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss and debt	1,548	1,494	1,548	1,494
Cash and cash equivalents	11,664	15,112	11,383	14,642
Financial assets measured at amortised cost	1,732	1,489	1,882	1,848
	<b>14,944</b>	<b>18,095</b>	<b>14,813</b>	<b>17,984</b>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(4,133)	(4,267)	(4,051)	(4,214)
	<b>(4,133)</b>	<b>(4,267)</b>	<b>(4,051)</b>	<b>(4,214)</b>

Financial assets measured at fair value through profit or loss comprise fixed asset investments

Financial assets measured at amortised cost comprise of trade debtors, other debtors and amounts due from subsidiary undertakings.

Cash and cash equivalents comprise cash at bank and in hand and short term deposits.

Financial liabilities measured at amortised cost comprise trade creditors, accruals, and other creditors

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 1 ACCOUNTING POLICIES (CONTINUED)

### Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust

Endowment funds are those where the capital is held in perpetuity to generate income for bursaries.

### Employee benefits

#### Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

#### Employee termination benefits

Termination benefits where appropriate are accounted for on an accrual basis and in line with FRS 102.

## 2 DONATIONS AND LEGACIES

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Donations for bursaries and general expenditure	4,391	4,496
Grants for specific projects	745	1,002
Legacies	304	30
	<u><b>5,440</b></u>	<u><b>5,528</b></u>

Donations for bursaries and general expenditure include intangible income of £24,790 (2022: £13,604) resulting from gifts in kind received from supporters. These gifts relate to legal and professional fees, materials for centre improvements and gifts for fundraising events.

## 3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Outward Bound young people courses, gross course fees	10,194	7,582
Less: bursary fund contributions from restricted funds	(3,060)	(2,176)
Outward Bound young people courses, net course fee income	<u><b>7,134</b></u>	<u><b>5,406</b></u>

## 4 ACTIVITIES FOR GENERATING FUNDS

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Fundraising events	316	537
Corporate learning and development income	4,066	4,494
	<u><b>4,382</b></u>	<u><b>5,031</b></u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 5 ANALYSIS OF GROUP EXPENDITURE

	Staff Costs £000	Other Costs £000	Support Costs £000	Depreciation £000	2023 Total £000
Donations & legacies	1,314	353	110	1	1,778
Course delivery costs	8,195	3,353	730	275	12,553
Fundraising events	-	152	34	-	186
Corporate learning and development	1,912	997	221	37	3,167
Bank interest paid	-	188	-	-	188
	<b>11,421</b>	<b>5,043</b>	<b>1,095</b>	<b>313</b>	<b>17,872</b>
<b>Prior year comparatives</b>					
	Staff Costs £000	Other Costs £000	Support Costs £000	Depreciation £000	2022 Total £000
Donations & legacies	1,136	383	119	2	1,640
Course delivery costs	7,326	2,912	634	262	11,134
Fundraising events	-	176	39	-	215
Corporate learning and development	1,740	576	122	40	2,478
Bank interest paid	-	119	-	-	119
	<b>10,202</b>	<b>4,166</b>	<b>914</b>	<b>304</b>	<b>15,586</b>

## 6 ANALYSIS OF SUPPORT COSTS

	Donations & Legacies £000	Course Delivery Costs £000	Activities for Generating Funds £000	2023 Total £000
Management	22	46	19	87
Sales and Marketing	13	124	34	171
Finance	14	67	32	113
Resources	94	494	136	724
	<b>143</b>	<b>730</b>	<b>221</b>	<b>1,095</b>
<b>Prior year comparatives</b>				
	Donations & Legacies £000	Course Delivery Costs £000	Activities for Generating Funds £000	2022 Total £000
Management	18	40	14	72
Sales and Marketing	11	108	25	144
Finance	12	58	23	93
Resources	78	428	99	605
	<b>119</b>	<b>634</b>	<b>161</b>	<b>914</b>

(Resources includes costs of IT, premises and evaluation)



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 6 ANALYSIS OF SUPPORT COSTS (CONTINUED)

	2023 £000	2022 £000
Staff costs	11,421	10,202
Auditors' remuneration - charity	23	18
Auditors' remuneration - subsidiary	9	9
Auditors' remuneration - other services	2	3
Depreciation	313	304
Operating leases – equipment hire	165	146
Operating leases – rent payable	128	74

## 7 STAFF COSTS AND NUMBERS

### Staff costs:

	2023 £000	2022 £000
Wages and salaries	9,655	8,539
National Insurance costs	830	775
Pension costs	520	492
Other staff benefits and costs	416	396
	<u>11,421</u>	<u>10,202</u>

### Mean average number of employees during the year:

	2023	2022
Charitable activities	276	234
Corporate training and development	42	41
Fundraising	17	14
Management and administration	6	7
	<u>341</u>	<u>296</u>

### Employees of the charity whose emoluments (excluding pension contributions) were in excess of £60,000 per annum:

	2023 £000	2022 £000
£ 60,001 - £ 70,000	1	1
£ 70,001 - £ 80,000	2	2
£ 80,001 - £ 90,000	2	2
£ 90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£120,001 - £180,000	1	-

The total employee benefits of the key management personnel of the Group were £545,000 (2022: £677,000). The key management personnel of The Trust are considered to be the Senior Executive Team which comprise the Chief Executive and four senior executives. Management remuneration includes a bonus paid in respect of performance during the year under review.

Pension contributions in respect of these five employees totalled £53,000 in the year (2022: six employees £58,519).

Trustee received remuneration in the year was £nil (2022: £nil). Two Trustees received expenses for travelling expenses and accommodation of £1,000 (2022: £1,112).

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 8 FIXED ASSETS

### (a) Group tangible fixed assets

	Land & Buildings £000	Short Leasehold Improvements £000	Fixtures, Fittings & Equipment £000	Group Total £000
<b>Cost or valuation</b>				
At 1 October 2022	14,319	2,697	2,635	19,651
Additions	-	-	37	37
Disposals	-	-	(20)	(20)
<b>At 30 September 2023</b>	<b>14,319</b>	<b>2,697</b>	<b>2,652</b>	<b>19,668</b>
<b>Depreciation</b>				
At 1 October 2022	(1,842)	(815)	(2,243)	(4,900)
Charge for the year	(151)	(89)	(89)	(329)
Disposals	-	-	16	16
<b>At 30 September 2023</b>	<b>(1,993)</b>	<b>(904)</b>	<b>(2,316)</b>	<b>(5,213)</b>
<b>Net Book Value</b>				
<b>At 30 September 2023</b>	<b>12,326</b>	<b>1,793</b>	<b>336</b>	<b>14,455</b>
<b>At 30 September 2022</b>	<b>12,477</b>	<b>1,882</b>	<b>392</b>	<b>14,751</b>

### (b) Charity tangible fixed assets

	Land & Buildings £000	Short Leasehold Improvements £000	Fixtures, Fittings & Equipment £000	Charity Total £000
<b>Cost or valuation</b>				
At 1 October 2022	14,319	2,697	2,356	19,372
Additions	-	-	35	35
Disposals	-	-	(20)	(20)
<b>At 30 September 2023</b>	<b>14,319</b>	<b>2,697</b>	<b>2,371</b>	<b>19,387</b>
<b>Depreciation</b>				
At 1 October 2022	(1,842)	(815)	(1,985)	(4,642)
Charge for the year	(151)	(89)	(82)	(322)
Disposals	-	-	16	16
<b>At 30 September 2023</b>	<b>(1,993)</b>	<b>(904)</b>	<b>(2,051)</b>	<b>(4,948)</b>
<b>Net Book Value</b>				
<b>At 30 September 2023</b>	<b>12,326</b>	<b>1,793</b>	<b>320</b>	<b>14,439</b>
<b>At 30 September 2022</b>	<b>12,477</b>	<b>1,882</b>	<b>371</b>	<b>14,730</b>

### (c) Intangible fixed assets

	Software development costs £000	Group & Charity Total £000
<b>Cost or valuation</b>		
At 1 October 2022	-	-
Additions	524	524
Disposals	-	-
<b>At 30 September 2023</b>	<b>524</b>	<b>524</b>
<b>Depreciation</b>		
At 1 October 2022	-	-
Charge for the year	-	-
Disposals	-	-
<b>At 30 September 2023</b>	<b>-</b>	<b>-</b>
<b>Net Book Value</b>		
<b>At 30 September 2023</b>	<b>524</b>	<b>524</b>
<b>At 30 September 2022</b>	<b>-</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 8 FIXED ASSETS (CONTINUED)

There is a debenture held by Barclays Bank PLC from 2009 in respect of the Eskdale property.

The Loch Eil centre is operated by The Trust under a repairing lease from The Dulverton Trust. A new lease commenced in 2020 and will expire in 2045, with an option to extend to 2070 subject to the landlord not requiring the property for redevelopment. This centre is not valued in the balance sheet other than capital improvements to the buildings which at 30 September 2023 are shown at cost. The boathouse facility at Loch Eil, which has been capitalised, is disclosed within freehold land and buildings as these assets are located on a piece of freehold land which was gifted to the Trust in 2002.

The Trust's operational properties are held in the accounts at value in use, in line with the accounting policies on pages 18-21.

The trustees disposed of West Lodge, an out of use property at the Ullswater site, during the year under review. The property had been disclosed as a current asset at the previous year end and was revalued to market value in accordance with FRS 102.

All tangible fixed assets are held for charitable use, with the exception of land and buildings at Eskdale and also certain equipment having a net book value totalling £25,000 (2022: £25,000) which is held for operational use by The Trust's subsidiary, Outward Bound Corporate Limited.

## 9 FIXED ASSET INVESTMENTS

### Listed UK investments at market value:

	Group and Charity	
	2023 £000	2022 £000
Valuation at 1 October 2022	1,494	1,658
Additions in year	272	350
Disposals in year	(184)	(340)
Increase / (Decrease) in market value	(35)	(174)
Valuation at 30 September 2023	<u>1,547</u>	<u>1,494</u>
Historical cost (or market value at date of gift) of investments	<u>1,198</u>	<u>1,198</u>

No individual investments make up 5% or more of the total market value of Group investments:

Note 14(d) shows the allocation of the above investments between the different types of funds.

The charity also holds investments in its two wholly owned subsidiaries, Outward Bound Trading Limited and Outward Bound Corporate Limited being two ordinary shares of £1 in each company (see also note 17).

## 10 STOCKS

	Group	Group	Charity	Charity
	2023 £000	2022 £000	2023 £000	2022 £000
Catering & equipment stock	<u>176</u>	<u>200</u>	<u>167</u>	<u>191</u>

Stock recognised in cost of sales during the year as an expense was £627,000 (2022: £514,000).

An impairment loss of £nil (2022: £nil) was recognised in cost of sales against stock during the year due to slow- moving and obsolete stock.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 11 DEBTORS

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Charity 2023 £000</b>	<b>Charity 2022 £000</b>
Trade debtors	1,480	1,320	573	858
Amounts due from subsidiary undertakings	-	-	1,057	882
Prepayments	621	349	614	342
Other debtors	252	169	252	169
	<b><u>2,353</u></b>	<b><u>1,838</u></b>	<b><u>2,496</u></b>	<b><u>2,251</u></b>

### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Charity 2023 £000</b>	<b>Charity 2022 £000</b>
Deferred income	2,003	1,902	1,929	1,850
Trade creditors	587	782	505	730
Accruals	604	945	593	930
PAYE, National Insurance and VAT	532	514	532	514
Dulverton Trust loan	145	-	145	-
Bank loan	2,869	125	2,869	125
	<b><u>6,740</u></b>	<b><u>4,268</u></b>	<b><u>6,573</u></b>	<b><u>4,149</u></b>

A £3.0m medium term loan facility, provided by Barclays Bank plc, was drawn down in April 2021 to provide further resilience to the cash flows of The Trust. This facility had an initial one year capital repayment holiday, with repayments calculated over a 15 year term starting in June 2022 and with a final bullet repayment at the maturity date in March 2024.

A £145,000 short-term loan was provided by The Dulverton Trust in August 2023 for the development of the Loch Eil Learning Village, this will be repaid in 2024.

#### Deferred income

	<b>Balance 1 Oct-22 £000</b>	<b>Deferred income released 2022-23 £000</b>	<b>New deferred income 2022-23 £000</b>	<b>Balance 30 Sep-23 £000</b>
Deferred income	<u>1,902</u>	<u>(1,815)</u>	<u>1,916</u>	<u>2,003</u>

### 13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Charity 2023 £000</b>	<b>Charity 2022 £000</b>
Bank loan	<u>-</u>	<u>2,846</u>	<u>-</u>	<u>2,846</u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 14 FUNDS

### (a) Types of Funds

- (i) Unrestricted Funds
- The General Reserve Fund is an unrestricted fund which is used for all activities of The Trust which are not designated or restricted.
- (ii) Unrestricted Designated Funds
- Infrastructure fund – to be spent at our centres to improve their facilities and for smaller scale capital improvements.
  - Digital project – to be spent matched with restricted funds on the digital transformation of our IT systems.
  - Centre maintenance funds – to be spent on the ongoing work of maintaining our sites.
  - The Peter Cundill Foundation bursary – to be spent on additional bursary in cases of particular need.
  - Capital growth – to be spent on projects that enable the Trust to reach an increasing number of young people
  - Special projects – to be allocated to projects that enable certain aspects of Outward Bound's new strategy.
  - Designated Property Funds – represent funding for capital projects that have been fully completed, with the funds raised for the project in question transferred in from Restricted Funds. These funds are amortised over the life of the asset to which they relate, matching the depreciation charged in the General Fund.
- (iii) Restricted Bursary Funds
- The Restricted Bursary Fund holds donations from corporate and individual donors and provides bursaries for young people to attend Outward Bound courses. Also included in this fund are Trust, Foundation and Statutory Funds gifted specifically to fund young people attending Outward Bound courses.
  - There are also other Restricted Funds relating to projects with specific objectives which have been funded by supporters and other agencies, and also the investment income earned from the Endowment Fund investments intended for future use as bursaries.
- (iv) Endowment Bursary Fund
- The Endowment Fund holds specific legacies and donations which are to be retained in perpetuity in the form of investments to provide income for bursaries.
- (v) Restricted Capital Funds
- These Funds relate to funding that is to be spent on the refurbishment of our existing centres, the purchase of equipment and on other important projects.

From time to time The Trust also receives other income and donations which are subject to restrictions imposed by the donor. Funds are released to the General Fund when the original restriction on the donation has been satisfied.

### (b) Movements in Unrestricted Funds:

	Balance 1 Oct 2022	Income £000	Bursary allocation £000	Expenditure, Gains and Losses £000	Amortisation £000	Fund Transfers £000	Balance 30 Sep 2023
General Fund Reserves	5,706	14,756	3,060	(17,868)	230	(1,838)	4,046
<b>Designated Funds:</b>	-	-	-	-	-	-	-
Infrastructure funds	1,000	-	-	-	-	553	1,553
Digital project	250	-	-	-	-	200	450
Centre maintenance	143	-	-	-	-	116	259
Peter Cundill Foundation bursary	1,550	-	-	-	-	(223)	1,327
Capital growth	-	-	-	-	-	2,000	2,000
Special projects	-	-	-	-	-	250	250
Property funds	13,169	-	-	-	(230)	(0)	12,939
Total Designated Funds	16,112	-	-	-	(230)	2,896	18,778
<b>Total Unrestricted Funds</b>	<b>21,818</b>	<b>14,756</b>	<b>3,060</b>	<b>(17,868)</b>	<b>-</b>	<b>1,058</b>	<b>22,824</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 14 FUNDS (CONTINUED)

### (c) Movements in Restricted and Endowment Funds:

	Balance 1 Oct 2022 £000	Income £000	Bursary allocation £000	Expenses, gains and losses £000	Unrealised gains on revaluation £000	Fund transfers £000	Transfer to intangible fixed assets £000	Balance 30 Sep 2023 £000
Restricted Bursary Funds	4,046	3,535	(3,060)	(4)	(23)	(617)	-	3,877
Endowment Funds	88	-	-	-	(2)	-	-	86
Restricted Capital Funds	879	731	-	-	-	(441)	524	1,693
	<b>5,013</b>	<b>4,266</b>	<b>(3,060)</b>	<b>(4)</b>	<b>(25)</b>	<b>(1,058)</b>	<b>524</b>	<b>5,656</b>

### (d) Analysis of net assets held by Funds

	General Fund £000	Designated Property Funds £000	Designated Project Funds £000	Endowment & Restricted Funds £000	Total £000
Tangible fixed assets	1,517	12,939	-	-	14,456
Intangible fixed assets	-	-	-	524	524
Investments	321	-	-	1,263	1,584
Cash balances	6,477	-	5,838	3,849	16,164
Other net current assets / (liabilities)	(4,269)	-	-	20	(4,249)
Net assets	<b>4,046</b>	<b>12,939</b>	<b>5,838</b>	<b>5,656</b>	<b>28,479</b>

### (e) Movements in Unrestricted Funds - Prior Year:

	Balance 1 Oct 2021	Income £000	Bursary allocation £000	Expenditure, Gains and Losses £000	Amortisation £000	Fund Transfers £000	Balance 30 Sep 2022
General Fund Reserves	8,521	11,417	2,176	(15,636)	215	(987)	5,706
<b>Designated Funds:</b>							
Infrastructure funds	-	-	-	-	-	1,000	1,000
Digital project	-	-	-	-	-	250	250
Centre maintenance	-	-	-	-	-	143	143
Cundill bursary fund	-	-	-	-	-	1,550	1,550
Property Funds	13,037	-	-	-	(215)	347	13,169
Total Designated Funds	13,037	-	-	-	(215)	13,290	16,112
	<b>21,558</b>	<b>11,417</b>	<b>2,176</b>	<b>(15,636)</b>	<b>-</b>	<b>2,303</b>	<b>21,818</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 14 FUNDS (CONTINUED)

### (f) Movements in Restricted and Endowment Funds - Prior Year:

	Balance 1 Oct 2022	Income £000	Bursary allocation £000	Expenditure, Gains and Losses £000	Unrealised gains on revaluation £000	Fund Transfers £000	Balance 30 Sep 2023
Restricted Bursary Funds	3,990	3,760	(2,176)	(1)	(100)	(1,427)	4,046
Endowment Funds	98	-	-	-	(10)	-	88
Restricted Capital Funds	879	889	-	-	(13)	(876)	879
	<b>4,967</b>	<b>4,649</b>	<b>(2,176)</b>	<b>-</b>	<b>123</b>	<b>(2,303)</b>	<b>5,013</b>

Movements in the funds of the parent charity are the same as for the group, less only the profits payable under a gift aid payment by the trading subsidiary company as disclosed in note 17.

For details of transfers between funds see note 15. The detailed movements on reserves for the comparative period were contained in the prior year accounts, which are available to view on the Charity Commission website.

## 15 TRANSFERS BETWEEN FUNDS

During the year net transfers of £1,288,000 were made between Restricted & Unrestricted Funds, the main components of which are as follows:

### Transfers into General Fund from Restricted Funds donated and available for these purposes:

Purpose	Fund	Amount £000
Costs of fundraising	Bursary	840
Costs of digital transformation	Digital project	225
Costs of various other small projects	Various	223

### Transfers into Designated Funds from General Funds:

Purpose	Amount £000
Development of new capital projects for growth	2,000
Development and improvement of the infrastructure at our centres	750
Ongoing maintenance work at our centres	375
Digital transformation	200
Other special projects	250

## 16 RELATED PARTY TRANSACTIONS

During the year under review five Trustees made donations totalling £50,763 (2022: £140,827).

No other significant transactions with Trustees or companies controlled by Trustees occurred during the year.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 17 SUBSIDIARY UNDERTAKINGS

The Trust has two wholly owned subsidiary companies, both registered in England.

Outward Bound Corporate Limited, registered office Hackthorpe Hall, Hackthorpe, Penrith CA10 2HX, (Company No 2892257) delivers learning and development programmes for corporate clients. Costs of £3,354,000 (2022: £2,900,000) were charged by the parent charity to Outward Bound Corporate Limited, representing the costs incurred by The Trust in connection with the employment of all staff formerly employed through Outward Bound Corporate Limited and an allocation of the costs of running apprentice courses in young people centres and of Head Office support services.

Outward Bound Trading Limited (Company No 3596931) is now dormant.

Both companies, when appropriate, transfer profits under a gift aid payment to the parent charity. A summary of their results is shown below. Full financial statements are filed annually with the Registrar of Companies and are available from the Company Secretary at The Outward Bound Trust's Head Office at Hackthorpe.

### a) Profit and loss accounts for the year ended 30 September 2023

	Outward Bound Corporate Ltd		Outward Bound Trading Ltd	
	2023 £000	2022 £000	2023 £000	2022 £000
Turnover	4,066	4,486	-	-
Cost of sales and administration costs	(4,064)	(3,465)	-	-
Operating profit for the year	2	1,021	-	-
Covenanted to the parent charity	(2)	(1,021)	-	-
Retained in subsidiary	-	-	-	-
Average no. of employees including part-time	-	-	-	-

No employees in either company received emoluments in excess of £50,000 (2022: Nil Employees).

The Directors received no emoluments or expenses (2022: £ nil).

### (b) Summarised balance sheets at 30 September 2023:

	Outward Bound Corporate Ltd		Outward Bound Trading Ltd	
	2023 £000	2022 £000	2023 £000	2022 £000
Tangible fixed assets	15	20	-	-
Current assets	1,167	982	1	1
Current liabilities	(1,182)	(1,002)	(1)	(1)
Net current liabilities	(15)	(20)	-	-
Net liabilities	-	-	-	-
Called up share capital and profit and loss account	-	-	-	-



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

## 18 OPERATING LEASES

At 30 September 2022 the company was committed to make the following payments in total in respect of operating leases:

	Group				Charity			
	Land & Buildings		Equipment		Land & Buildings		Equipment	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
<b>Leases which expire:</b>								
Within one year	94	37	69	50	94	37	65	46
Within two to five years	0	30	91	49	0	30	91	45
	<b>94</b>	<b>67</b>	<b>160</b>	<b>99</b>	<b>94</b>	<b>67</b>	<b>156</b>	<b>91</b>

## 19 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for its charitable purpose. The charity is not exempt from VAT which is included with the expenses to which it relates on the Statement of Financial Activities.

## 20 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Group	Group	Charity	Charity
	2023 £000	2022 £000	2023 £000	2022 £000
<b>Net income for the year</b>	1,159	480	1,159	480
Add back depreciation charge	329	305	322	295
(Profit) / loss on sale of tangible fixed assets	(1,408)	-	(1,408)	-
Deduct interest income shown in investing activities	(663)	(102)	(663)	(102)
Increase in stocks	24	(38)	24	(34)
Decrease / (increase) in debtors	(515)	(295)	(246)	149
(Decrease) / increase in creditors	(417)	1,299	(465)	1,554
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(1,491)</b>	<b>1,649</b>	<b>(1,277)</b>	<b>2,342</b>

Cash held by Outward Bound Associations is not directly available to The Trust and cannot be set off against overdrafts. Association cash balances are raised primarily by local fundraising efforts, and the balances are used by Associations to pay for Outward Bound courses booked by them on behalf of local participants.

Outward Bound Associations raise funds to support the activities of The Trust. Association income is disclosed as fundraising income and the related expenditure disclosed as expenditure of the Association and as income of The Trust for course fees.

## 21 PENSIONS

The Outward Bound Trust operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of The Trust in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year. The majority of employees are in this scheme.

The Trust also supports membership of a small number of private pension schemes for certain individuals. Total contributions for these schemes for the year to 30 September 2023 were £37,700 (2022: £31,000). Contributions of £5,900 (2022: £6,050) were outstanding at the year end.

## HEAD OFFICE

The Outward Bound Trust  
Hackthorpe Hall, Hackthorpe  
Penrith, Cumbria CA10 2HX  
Tel: 01931 740000  
Email: [enquiries@outwardbound.org.uk](mailto:enquiries@outwardbound.org.uk)  
Web: [www.outwardbound.org.uk](http://www.outwardbound.org.uk)

## THE OUTWARD BOUND TRUST IN SCOTLAND

Robertson House  
152 Bath Street  
Glasgow, G2 4TB  
Email: [enquiriesscotland@outwardbound.org.uk](mailto:enquiriesscotland@outwardbound.org.uk)

## FUNDRAISING OFFICES

Glasgow, Scotland  
London, England

## CENTRES

Aberdovey, Snowdonia, Wales  
Ogwen Cottage, Snowdonia, Wales  
Ullswater, The Lake District, England  
Howtown, The Lake District, England  
Eskdale, The Lake District, England  
Loch Eil, The Highlands, Scotland

\*Outward Bound is a registered trade mark of The Outward Bound Trust as is its device.  
The Outward Bound Trust is a registered charity in England and Wales (1128090)  
and in Scotland (SC040341) and a company limited by guarantee,  
registered in England and Wales (company number 6748835).  
Registered Office: Hackthorpe Hall, Hackthorpe, Penrith, Cumbria CA10 2HX.  
Printed on 50% recycled paper. Printed by H&H Reeds Printers.

