

Charity Registration No. 1004477

Company Registration No. 02593533 (England and Wales)

PENTREATH LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

PENTREATH LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J D Coad C T Hazell L M Mannall D McAuley M Steer J A Tyson J Parry I Ross A Wills	(Appointed 20 May 2021) (Appointed 20 May 2021) (Appointed 20 May 2021)
Secretary	B Hill	
Patron	Johanna Harrison	
Charity number	1004477	
Company number	02593533	
Registered office	St Enoder Barns Glebe Farm, Narrow Lane Summercourt Newquay Cornwall TR8 5EE	
Auditor	Azets Audit Services Woodlands Court Truro Business Park Truro Cornwall TR4 9NH	
Bankers	National Westminster Bank Plc 5 Fore Street Bodmin Cornwall	

PENTREATH LTD

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PENTREATH LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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) (effective 1 January 2019)".

Objectives and activities

PENTREATH'S MISSION: To promote good mental health through education and employment.

Pentreath's objectives as defined by its memorandum and articles of association are:

'The practice of employment rehabilitation as a technique for the relief and rehabilitation of those suffering or recovering from a disability or mental illness, and the advancement of public education in such practices in England and Wales.'

Many years after this definition was written, we interpret these objectives in the following way:

- Pentreath offers training, work experience, recreational and employment opportunities to people in Cornwall who are recovering from mental health problems.
- People recovering from mental ill health often experience lethargy, lack of motivation, social withdrawal and a lack of confidence and self-esteem.
- We recognise the important part that work has to play in helping recovery. The focus of our projects is on giving people confidence, together with the skills and training that will help them start the important journey towards employment.
- Our ethos is to combat the social stigma that can attach to people who have experienced mental illness, and to promote equality of opportunity.
- In order to advance this, we encourage local employers to sign up to the 'Mindful Employer' initiative, and our Community Development team works to remove barriers experienced by black and minority ethnic communities in accessing mental health services.
- We also operate an equal opportunities policy, together with a complaints procedure and policy, which takes particular account of the needs and rights of people with a mental illness.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

OUR VALUES



APPROACHABLE

We are easy to talk to and open minded. We are accessible and easily understood

INSPIRING

We inspire our clients and those we work with to achieve their goals.



KNOWLEDGEABLE

WE UNDERSTAND OUR PROFESSION, WE ARE EDUCATED AND RECOGNIZED IN THE INDUSTRY



PEOPLE CENTRED

We are committed to having open and effective communication both inside and outside of the organisation, this ensures we remain focused on the needs of our clients

TRUSTWORTHY

We are reliable and trusted. We take responsibility for our own actions and behaviours

DIVERSE

WE RESPECT THE DIVERSITY AND INDIVIDUALITY OF ALL AND STRIVE TO REACH ALL COMMUNITIES IN CORNWALL



ENCOURAGING

WE ENCOURAGE AND SUPPORT OURSELVES, EACH OTHER AND OUR CLIENTS



ADAPTABLE

We change how we work according to the needs of the person

CREATIVE

We think of new ideas to best support individuals in a recovery process suited to them.

PENTREATH LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Strategic aims

Pentreath have a strategic plan in place for the next 5 years, this has been developed with Trustees, Senior Management Team (SMT) and all staff were asked at a training day to input on our values. We have 2 staff representatives who input into all board meetings and we are currently working on a strategy to reintroduce Client Representation on our Board. The strategic aims are reviewed in Senior Management Team meetings and at Board level to ensure that we are striving to achieve our strategic aims.

By providing high quality Information, Advice and Guidance (IAG) and continuing with our reputation of being open, honest and offering gentle encouragement to support people to move forward with their lives, every member of staff at Pentreath is supporting the organisation to achieve our wider organisational aims. We have clear strategic aims outlined in our business plan which we have made good progress with. To help with the financial impact of Covid 19, we were able to secure £10,000 from Cornwall Community Fund Emergency Fund that supported clients with food, clothing, white goods and lots more.

One of our strategic aims is to **improve our IT systems**, this was fast-tracked during 2020 as we all moved from working in an office or face to face to working remotely. We have recently signed up to Office 365 which has opened up many opportunities for us. Our emails are now hosted by a Microsoft 365 server and it has made accessing emails much quicker and integrated with the wider work completed by the staff. We are still learning how to use the platform; however, we envisage this changing the way we work considerably. Staff now have access to key policies and procedures off site where previously these could only be accessed from the server in either of our offices. This will be a central resource for all the advisors in the team to draw on to enable them to continue to provide high quality IAG.

We are making good progress towards achieving our strategic aims. We are now embedded Mental Health Advisors in Job Centre Plus and have Social Prescribers in GP surgeries across Cornwall. We have recently started a project in partnership with Citizens Advice Cornwall (CAC) called Mental Health, Employment Need and Debt (MHEND). This allows our MHEND Advisors to work collaboratively with CAC accredited debt advisors to enable us to move clients forward if they have become overwhelmed by their debt and mental health. This is in response to the pandemic but there is talk of the project being extended as there has been such good feedback about the support the project is offering and the partnership.

We have **developed our Individual Placement and Support (IPS) service** and we are now embedded across Community Mental Health Teams (CMHT) across Cornwall. We have Employment Specialists and Peer Mentors working from CMHTs to support those people receiving secondary care for their mental health to move towards employment. The IPS model focuses on gaining employment first and then dealing with any issues such as confidence, anxiety etc as they arise.

Recovery College Cornwall has been running since 2018 and continues to support learners to take charge of their own recovery. It directly links to our strategic aim of **'Promoting prevention and resilience'**. We are currently looking at how we can engage employers and also community groups to upskill them in Mental Health Awareness and how to engage the people they work with to enable them to move forward and overcome their mental health issues. We have received feedback from the Family Hubs and Health Visitors that this training would be extremely useful for them when dealing with the general public. This also closely links to our strategic aim to increase recovery services.

In relation to the strategic aim of **increasing recovery services**, we have recently introduced two new services which are 'High Intensity Users (HIU)' and 'Bridging the Gap'. The HIU service is a partnership between frontline services and Pentreath to deal with frequent 999 callers who would otherwise benefit from being supported to overcome their mental health issues and to reduce their dependence on the emergency services. The aim of the Bridging the Gap service is to reduce dependence on primary care and Derriford hospital. The service is delivered in South East Cornwall with a primary aim to reduce mental health admissions to Derriford hospital and support people with any mental health crisis they may be facing. We also work in partnership with Rethink, Cornwall Mind, and Health4Homeless (H4H) for our Next Steps service for people experiencing homelessness.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Expanding services for young people is another strategic aim which we are making good progress towards achieving. We have recently secured funding from Youth Futures for our Re-Ignite project for young people aged 16-24. The grant which was awarded was a development grant which means we will be assigned an External Evaluator who will work closely with our Fundraising and Evaluation Coordinator to effectively evaluate the project and the impact it has for young people. This will allow us to apply for the Impact Grant which will secure services for young people for more years to come.

Develop strategies to mitigate against adverse change will always be an ongoing challenge and is in some ways 'just the nature of the work we do'. Contracts will always be time limited but we continue to be instrumental in Cornwall's voluntary and community sector in developing new initiatives. We are currently integral to developing an Outcomes Framework along with Commissioners from Kernow Clinical Commissioning Group and academics from Exeter University.

We have invested in a new Fundraising and Evaluation Coordinator post and this post was filled in November. This is beginning to fulfil our aim of **investing in bid writing and business development capacity**. We will continue to invest in bid writing when needed.

We are currently in the early stages of reviewing our website and refreshing our brand.

Quality and measurements

We use a range of measures across projects to demonstrate success on both the individual level and organisational. Many of our outcomes are set by our funders, however, we do influence these decisions through open dialogue and implementing our own systems such as the vocational wellbeing scale.

Across all projects we utilise the Short Warwick Edinburgh Mental Wellbeing Scale to measure improvements in wellbeing. We use outcome forms to record harder outcomes such as employment, volunteering, further education and signposting to additional or alternative support. We also track 'progress measures' completed with clients using the Outcome form. Progress Measures are units developed by Pentreath which support clients to improve their mental health. Units covered include Confidence Building, Raising Self-Esteem, Anxiety Management, Condition Management, Social Inclusion and Accessing Transport, Employability Skills and more. These units are designed to be delivered as focused sessions and contain a workbook for the client to complete and keep to refer to when and if they need to.

We use SMART (Specific, Measurable, Achievable, Realistic and Timebound) action planning across all projects which then leads to outcomes. If the actions are SMART, we believe outcomes will automatically be generated in most incidences. Advisors complete weekly outcome forms. We feel it is important for the outcomes to be submitted weekly to avoid any being missed and to ensure our data is as up to date as possible so we can draw confident conclusions from it.

For some of our Young People's projects, we utilise My Mind Star from the Outcomes Star as a distance travelled assessment. This allows us to support young people to monitor their wellbeing in a holistic way involving many aspects of their lives and naturally creating an action plan to enable them to work towards the goals identified from the My Mind Star Assessment.

Staff take part in regular supervisions and an annual appraisal. The appraisal sets the objectives for a year and this is monitored regularly through supervisions. Clear targets for outcomes, for example, employment and education, are set and monitored through regular supervision and caseload monitoring. Targets are ordinarily set by the contracts and shared out equally between the team. Team meetings are held once a month and in the team meetings, targets are highlighted and either celebrated or if the team are not meeting their targets, they work together to find a solution or look at pipeline figures to understand the reality of the situation and put measures in place to ensure they are met.

PENTREATH LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Pentreath has a Quality Working Party which all staff are invited to join. The membership is made up of a range of staff members from different teams from across the organisation. We find this group is most effective when it can meet face to face. The sub groups were Leadership and Management (concentrating on supervisions and inductions), Equality and Diversity (9 separate focus groups were held for each of the 9 protected characteristics), Service Quality and Client Feedback (developing the client feedback form, identifying new ways to encourage feedback and entering the digital world of feedback), and Observations (developing an observation form to support reflective practice and continuous professional development).

We welcome feedback from clients and staff alike. We currently collect Client Satisfaction Surveys and plan to run in person focus groups in Autumn 2021 with clients, staff and partners to gain feedback and identify any improvements which could be made.

We are currently developing our analysis of SWEMWBS (Short Warwick-Edinburgh Mental Wellbeing Scale) to help us to identify patterns and any improvements we can make in terms of supporting clients to achieve the best outcomes they can during their time with us in terms of health and wellbeing. We have been working alongside Professor Barney Dunn from Exeter University and a Researcher from Cornwall Partnership Foundation Trust (CPFT) to robustly and academically analyse the scores from the SWEMWBS. We have learnt a lot from this process and are now in a better position to state the changes happened as a result of the service we deliver and not by pure chance.

We are in the process of setting up a Young Person's Panel as part of our funding for the Re-Ignite project funded through Youth Futures Foundation. This panel exists to advise Re-Ignite and wider Pentreath on the youth provision for young people and how to improve what we offer to young people whether that is how we market ourselves or changes to delivery. This panel is in the early stages of development and young people have been fully involved since the start. We are aware that during the lockdowns of covid-19, our client representation has declined and we are determined to reinstate this and involve clients more in the developments of our service.

Staff have a range of opportunities to feedback. Team meetings provide a place for team members to talk openly about the project they work on and there are opportunities for staff to provide feedback. Supervisions offer a confidential space for staff members to speak to their line manager on a regular basis and there are opportunities for the staff member to discuss their workload, successes, challenges etc and together, the staff member and manager work together to find solutions. We hold bi-annual staff training days when we can and various activities are organised to seek input from staff members. We run an annual staff survey which is anonymous and staff are invited to provide their feedback on a range of different work related issues. This year focussed on covid-19 and health and wellbeing along with the usual HR elements of a staff survey. We mirrored some of the questions with the NHS staff survey to allow us to benchmark ourselves against a national organisation to compare how we fit.

Public Benefit

The trustees confirm that they have complied with the duty under Section 4 of the Companies Act 2006 to have due regard to the Charity Commission's general guidance on public benefit. References have been made in this report as to how public benefit has been promoted through the advancement of education activities of Pentreath Limited.

Activities

The pandemic has had a major effect on Pentreath during 2020. Staff practices have adapted and evolved so that clients have been supported as before, project targets have been met and Pentreath's values and ethos maintained.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Clients

Members of Staff have been unable to work in their usual manner. Where staff would normally meet clients in cafes, meeting rooms and even outside when the weather permits this has not been possible. The new normal has been to meet virtually where possible and at other times by telephone.

While there may be efficiencies and savings in travelling time and the working day being more productive the virtual environment can be less effective than a face to face meeting with clients. A virtual environment does not suit many clients due to a combination of anxieties and technology issues. Conversely, some clients prefer virtual meetings as they can be more convenient and less anxiety provoking.

Staff and managers have maintained regular supervision meetings. These have been virtual and even more frequent than is normal in order to share experiences and good practice and so that staff are well supported.

Administration

Much of the admin has continued at the office and in person so that confidentiality and security could be maintained. This has been possible because most advisors have worked from home freeing up office space for use by the admin staff. At times and according to the guidelines issued at the time admin staff have adapted and changed their working practices so that they and others feel safe.

Furlough

A small number of staff have been released under the Furlough scheme as they were unable to work because of their own health and technology issues or where they have been shielding family members. Other members of staff have worked to cover their absence.

Management

The management team has maintained a presence in the office throughout the lockdown period and has also worked from home supporting the client facing teams and the admin staff. They have been in close contact and have maintained relationships with prime contractors, funders and other third sector groups. From the early stages of the pandemic the managers have portrayed a business as usual approach while dealing with each of the challenges presented to them.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Governance

Trustees have continued to meet virtually throughout the period through scheduled bi-monthly meetings mainly via MS Teams. The Chair and Vice Chair have met together and with managers, the finance team, admin team and others virtually, by telephone and at times in person. We feel that we have maintained a sensible and safe working relationship and that the Trustees have continued to challenge and support managers throughout. We have even recruited 3 new trustees during lockdown. While they have been unable to meet as many staff as they would have liked they have attended board meetings and on line induction and have thrown themselves into ongoing Governance.

Performance

Trustees have been kept up to date on the performance of each of the projects at board meetings and through virtual visits. From the early days of the pandemic it has become clear that Pentreath Staff have risen to any challenges presented. They have adapted and have met and exceeded targets. It has been very clear that advisers have worked hard with their clients. When the media was telling us that vast numbers of the national workforce were Furloughed and that redundancies and job losses were at their highest the data showed that the numbers of clients who were helped into employment met and exceeded targets.

Finance

Clients need more support than ever before both in the number of clients needing support and the intensity of that support. More funding is available than before which has led to a large increase in turnover and levels of staffing. This in turn has led to increases in admin staff and in management. Pentreath is well set in order to take on extra projects when there is a need and to adapt to the specific requirements of each of those projects. A flat management structure allows Pentreath to expand and adapt to more projects and staff while maintaining the ethos and values of the organisation.

Future

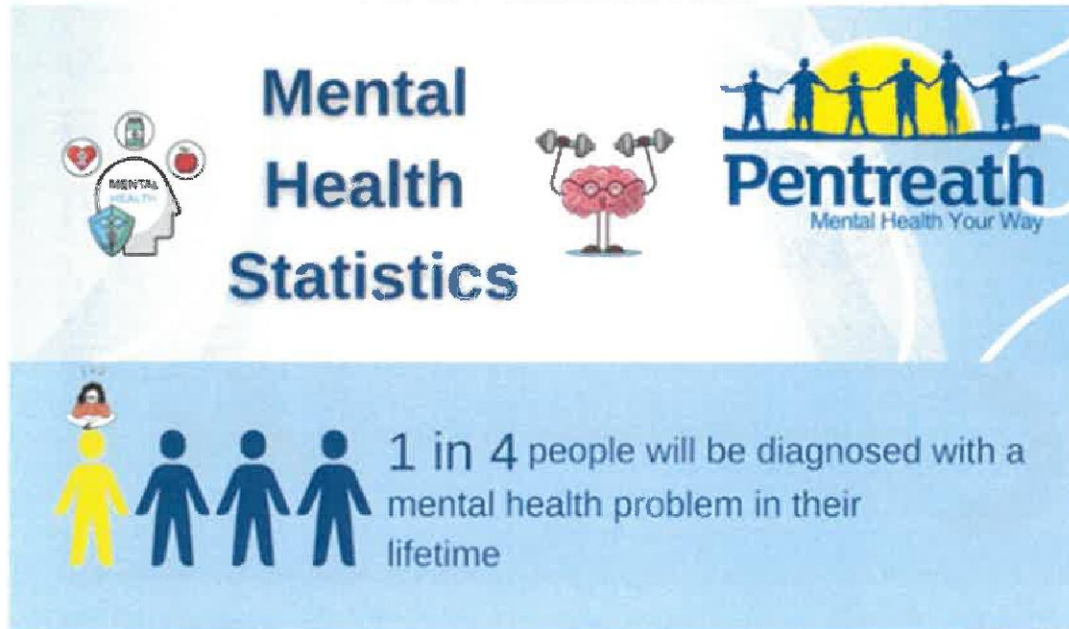
We have learned much from the periods of lock downs and restrictions. Client appointments may become a blend of virtual and in person meetings where this will be an advantage to the client. It may be advantageous for some staff to work from home in the future.

Pentreath is a client centred organisation and any changes we make to our working practices will endeavour to keep the focus on the needs and wants of clients. To maintain a client centred approach our staff wellbeing is vitally important.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Mental Health Statistics and Context



52,042 people in **CORNWALL** have a diagnosis of depression

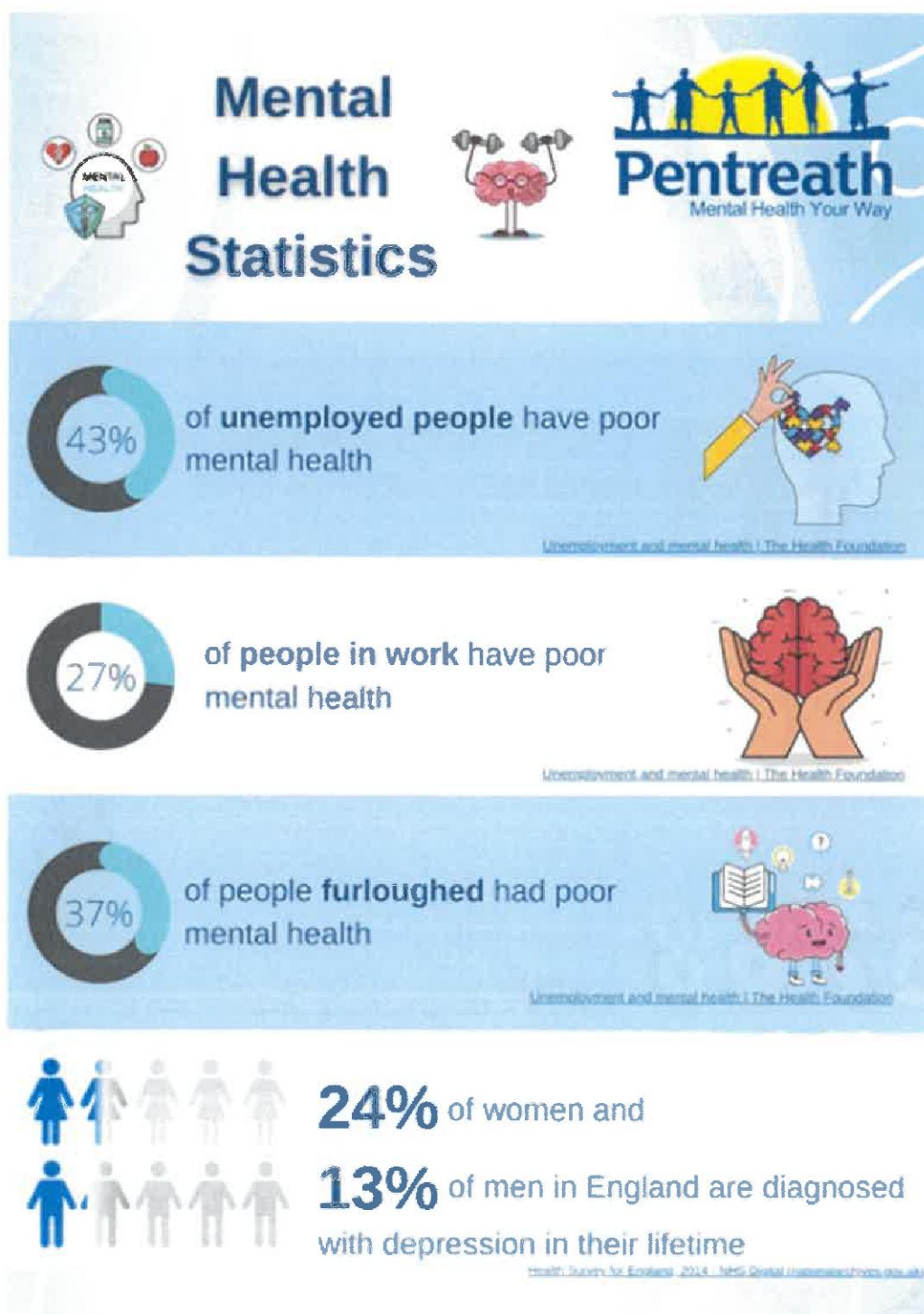


9.8% of the local population in Cornwall have a long term mental health condition

National General Practice Profiles - Data - PHE

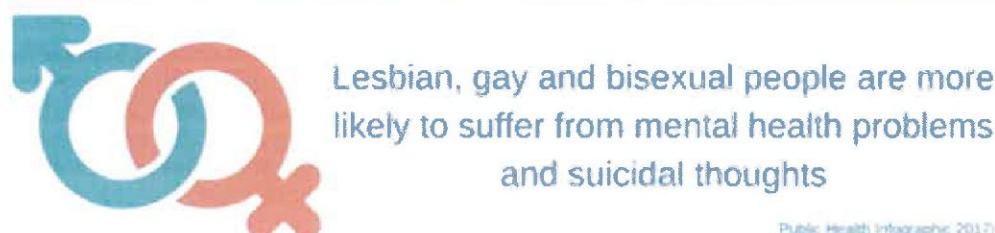
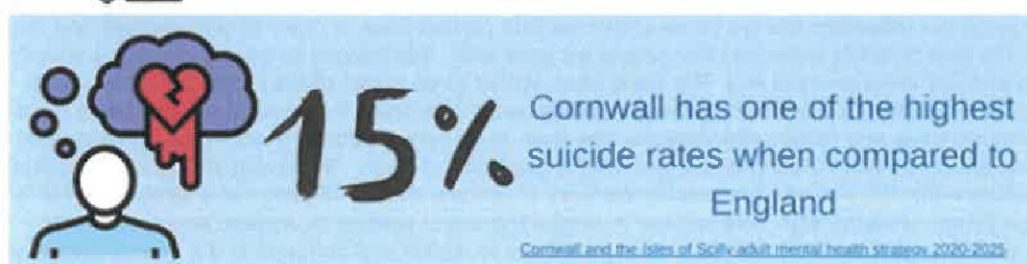
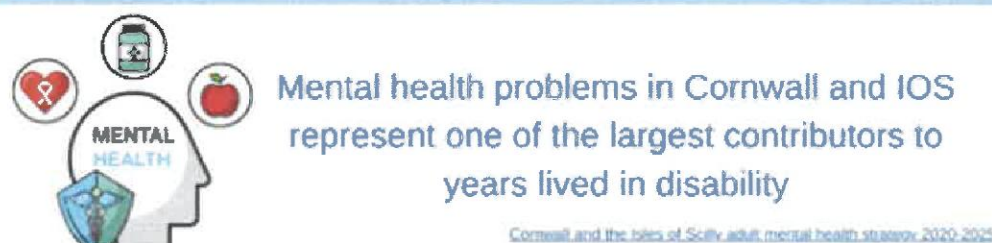
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020



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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020



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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Partnerships

Louise Knox (CEO) chaired the mental health alliance for voluntary sector organisations and sits on the mental health delivery board with NHS Kernow. In addition to this she sits on the mental health delivery board for Cornwall Partnership Foundation Trust Fund. (CPFT)

We have developed a Recovery College in Cornwall and work alongside key partners such as Cornwall Partnership NHS Foundation Trust, Cornwall College and 3rd sector organisations. Our CEO sits on the Recovery College steering group.

Our CEO also sits on the following boards:

- Mental Health operations group which includes members from NHS Kernow, CPFT and Voluntary Sector.
- Crisis Care Concordat, to look at prevention and management of mental health crisis

In response to Covid, when Lockdown was announced, our CEO worked closely with CPFT and as a result a mental health telephone helpline was set up to support people whose mental health was affected due to the pandemic and impact. We acted quickly and our advisers adapted within their roles to be available to deliver this service.

Our CEO was asked to attend 'The Vera' – Voluntary emergency response alliance. This is where 13 chief executives within Cornwall meet regularly to share intelligence and joint collaboration in response to COVID. This group will continue to operate for the foreseeable future.

All of our projects are partnerships whether that be a partnership with our funder or other organisations. Some examples of our partnerships are Citizen's Advice Cornwall, SEETEC PLUS, RIO (Real Ideas Organisation), Primary Care Networks (PCNs), DWP (Department of Work and Pensions), Cornwall Partnership NHS Foundation Trust, Kernow Clinical Commissioning Group (KCCG), Learning Partnership for Cornwall and the Isles of Scilly and many more.

Working in partnership with other organisations adds value to the work we do with our clients. We know our market, we know our expertise and we know where we fit in partnerships in order to complement one another and to offer the best possible service to the people we work with. We believe strong relationships with Prime Contractors and Commissioners is key. We have been invited to be a part of the Outcomes Framework development through the KCCG which involves developing an Outcomes Framework which can be used by all commissioned services and those organisations who wish to be commissioned in the future to ensure all organisations are on an even footing and know what is expected of them. By having strong relationships and being respected within the industry and county we work in, we are able to influence at a strategic level for the benefit of the people we work with. We believe in supporting organisations to achieve and are open to supporting smaller organisations to develop to enable them to upskill and compete in the competitive tender market.

Over the last couple of years we have seen more projects being developed with a co-located element to them. Our Social Prescribers are based in GP surgeries across Cornwall, we have Mental Health Advisors based in Job Centres across the county and we have Employment Specialists embedded within the CMHT's through our IPS (Individual Placement Support) Service. This integrated way of working has come with its own successes and challenges and managers have worked closely with staff and partners and listened to feedback from all sides to make the partnerships and co-location work as best as it can.

Digital inclusion

The pandemic has been a benefit in terms of accelerating and facilitating the need to be more digitally inclusive. We have been offering appointments through Skype, Microsoft Teams and Zoom (where appropriate). We have offered telephone calls as an alternative to digital platforms to ensure all clients were able to access our service throughout the lockdowns.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

We were fortunate to secure an Emergency Fund through Cornwall Community Foundation to provide funding for clients who were experiencing a crisis and needed immediate support to help them out of it. We were able to purchase digital equipment for a few clients who had a strong case. We did find it was quite difficult to issue funding for laptops and tablets due to them being seen as an asset by funders. We were able to overcome this through our strong partnerships with other organisations who were able to provide participants with technology if needed. We also held a fund through the Community Development Worker (CDW) service which was specifically aimed at supporting clients from Black, Asian, Minority Ethnic (BAME) communities if they were experiencing a crisis. This fund has bought white goods and technology for clients when needed. Access to these funds has meant we have the financial resources available to support clients when they are facing a crisis. We believe in Maslow's hierarchy of needs and if the basic needs of an individual aren't met, we find it difficult to support them to progress onto education and employment.

During the pandemic we have signed up to Office 365. This has opened up a whole new world for us in terms of digital possibilities. As an organisation, it has allowed us to look at ways we can reduce our paper use and increase the engagement with our clients. We are currently working on transferring our Client Satisfaction Survey to Office 365 to reduce the amount we send out in the post and also to make it easier for clients to feedback on the service they have received. We are still learning Office 365 and realising its potential but we hope to be able to utilise lots of it to enable us to become more digitally inclusive, particularly the accessibility parts such as subtitles, read aloud etc.

We have begun to utilise SLIDO in training to gain live feedback from participants and ensure the sessions are interactive. This has been working really well and we are really seeing a benefit from this, particularly on the Cultural Capability Training which Dean Harvey delivers.

The advisors within the IPS service have been utilising Attend Anywhere which is an NHS system which enables secure video calling for pre-arranged appointments. This has meant our IPS service has been able to continue to support individuals in their search for employment.

We have really seen the benefit to using the digital platforms and increasing engagement. It is important to note that all of this was learnt relatively quickly in response to the pandemic and staff and clients alike have adapted amazingly.

All staff have laptops which they use during appointments with clients. The clients can use the laptops alongside the advisor to find relevant information for their progression. This means people who do not have access to technology can still be digitally included through Pentreath's resources.

We are closely linked to Cornwall People First who have put our Privacy notice and Participation notice into an easy read format which we use across the organisation. We have a contract with Language Line who provide interpreters and translate documents when needed. .

All staff have smart phones which enable them to be able to access the internet when their laptop is not available

Staff Wellbeing and support

We conducted a staff survey and can confidently say that Pentreath provides a workplace where people feel comfortable, enjoy working and fosters enthusiasm for the service which is delivered.

The majority of staff members are satisfied with the recognition and support they receive, the freedom they have to foster their own style of working and the support they receive from colleagues. Pentreath is seen as a positive place to work, staff feel their skills are valued, they are given a good amount of responsibility and their work is valued.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Staff feedback

Easily the best place I've ever worked or am likely to work in - that you're asking my opinion and I'm filing this questionnaire in is testimony to that.

Pentreath are a fantastic organisation to work for. I think that there may be a need for some more recognition around the issues faced by people who are co located. Although I understand there is a staff rep representing this area now which is great. its the fact that working in the core of Pentreath is so supportive and fantastic that really highlights that it is not the same with other organisations :)

I love working for Pentreath and I appreciate all the support that is offered when things are difficult and situations need resolving. I love the feel that we are a team. I have missed team days since lockdown.

I think Pentreath is a fantastic employer and one of the best I have had. I feel very supported by management and my colleagues. I always recommended Pentreath to anyone who is looking for work.

I love working at Pentreath and I have never felt so supported.

It's a great organisation, I cannot imagine working anywhere else.

You are a wonderful employer and I feel blessed to be within such a friendly, supportive organisation.

I think that Pentreath is a well-respected organisation, and I am very proud to be a part of it.

I'd like to thank you for being a wonderful place to work, being so supportive - especially during this past 13 months or so, and taking the time to make sure that all staff have what they need and that the clients are being supported in the correct way - so 'Thank you'.

You are all fab. you really help people to live better, healthier, worthwhile lives. You are all very supportive in the workplace also. Thank you for being great people, Great human beings. Your values and intentions make a difference in this world.

I have never worked for such a supportive and caring company like Pentreath before and love working for them.

"Fantastic place to work amongst a huge number of people with hearts of gold. I am very grateful

Thank you"

A great organisation to work for and feel their genuine care about employee's wellbeing from all staff and management. ♥

Pentreath is the best organisation I have ever worked for. The values it practices, both in terms of staff support and client support

I am very impressed with the way that Pentreath actually care about their staff, and their wellbeing as individuals, and their safety.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance



PENTREATH LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Despite the pandemic in 2020 our income levels have held up well and are only down slightly from 2019. Our total income for the year was £2,603,881 (2019: £2,789,314). Even though our income was lower than 2019, our staffing levels increased through the year as new projects and services started. In the second half of the year a number of new projects started, some were secured with funding via normal means but others were in relation to the impact of Covid 19. We were approached to provide services from Covid response funds as well as projects being extended to help deal with the needs of clients during the lockdowns.

We are very proud that with the use of the Furlough scheme no staff lost their jobs during the year.

The charitable company continues to be principally funded through contracts from the NHS to provide services to the people of Cornwall as part of its charitable activities. Our 5 contracts funded by the National Lottery and European Social Fund continued throughout the year. We continue to have a subcontract with The Learning Partnership for Cornwall and Isles of Scilly to host HeadStart young people's facilitators & to run the Recovery College. Throughout the year we also secured funding for more Social Prescriber Link Workers, High Intensity User workers, 2 new ESF direct funded projects and the Mhend project which is in partnership with the Citizen Advice Bureau.

The charitable company is very grateful for the support from these funders, which has enabled it to greatly enhance the range and type of provision it has been able to offer clients.

The Board of Trustees recognises that in order that the charitable company may fulfil its objectives, it requires adequate liquid reserves to finance its charitable activities. To this end it has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 3 and 6 months of the expenditure. Budgeted expenditure for 2021 is £3.6 million and therefore the target is £900,000 to £1,800,000 in free reserves.

At the end of 2020 the totals funds held by the charitable company were £1,525,053. This includes restricted funds of £328,874 and tangible fixed assets of £536,569 therefore leaving a free reserves balance of £659,610 (2019: £548,211).

The present level of reserves available to the charity has increased during 2020 but due to the scale that Pentreath has grown it falls outside the lower end of the budgeted range of the reserves policy. Pentreath is currently reviewing its reserve policy. Pentreath have introduced a range of income generating services such as training & spot purchase support which is intended to bring in additional unrestricted funds to bolster the charity's reserves.

The Board is aware that certain funds are restricted in nature and therefore are earmarked for future specific projects only.

The investment strategy is reviewed annually by the trustees and takes into account the income requirements, the risk profile and the view of the market's prospects in the medium term. All funds are invested in low risk investments of short term fixed deposits which produced interest income during the year.

PENTREATH LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Risk management

The existing risk register has been developed further to form part of our business continuity plan and is reviewed annually to determine and quantify the risks to which the company is exposed. The board has approved the plan and risk register, which are updated through the senior management team and finance sub-committee.

Structure, governance and management

Constitution

Pentreath is a company limited by guarantee, and a registered charity.

The company was established in 1990 under a Memorandum of Association, which sets its objectives and powers, and is governed by its Articles of Association. Trustees are also directors and members, and in the event of the company being wound up, are required to contribute an amount not exceeding £1.

The company's objectives are also outlined in its registration with the Charity Commission.

The board of trustees oversees the proper running of the company and provides strategic direction. Day-to-day management is devolved to the chief executive, who is appointed by the board.

Financial matters are considered by a sub-committee of the board, which reports to the main board by exception.

It is the practice of the chief executive to solicit the views of trustees in all major decisions, and to involve them in staff training days, social occasions and planning events.

Trustees

The number of trustees is currently 6. The skills within the board are varied; we have trustees with a background in education, criminal justice system, law, governance, accounting and health. We also have appointed a new patron, Johanna Harrison, we are thrilled to welcome her and look forward to working with her for many years to come.

All new trustees are given an induction to the company including information on policies and procedures, and staff are able to share information about their projects. All trustees are offered courses through the training department covering a range of topics including mental health awareness, safeguarding and other related areas.

We have a number of training and strategy days throughout the year where trustees are encouraged to attend. This broadens their knowledge of Pentreath's day to day activities and allows them to get to know the staff. New project development and updates are regularly presented to the board to ensure Trustees maintain an accurate understanding of current delivery. Trustees are involved in sub-groups that develop particular areas of strategy and delivery within the company. Pentreath constantly evaluates, and where appropriate updates, the methods of delivery to ensure that the organisation is utilising all its resources in the most efficient and effective way.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J D Coad

C T Hazell

L M Mannall

D McAuley

M Steer

J A Tyson

T Bromwich

(Resigned 22 March 2021)

G N Davies

(Resigned 29 April 2020)

C J Iremonger

(Resigned 29 April 2020)

J Parry

(Appointed 20 May 2021)

PENTREATH LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

I Ross
A Wills

(Appointed 20 May 2021)
(Appointed 20 May 2021)

Statement of trustees' responsibilities

The trustees, who are also the directors of Pentreath Ltd for the purpose of company law, 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

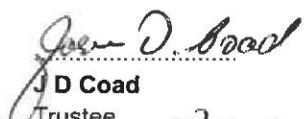
Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees 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 auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.


J D Coad
Trustee
Dated: 22nd September '21

PENTREATH LTD

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PENTREATH LTD

Opinion

We have audited the financial statements of Pentreath Ltd (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 19 to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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.

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 charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report, which includes 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 directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

PENTREATH LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF PENTREATH LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PENTREATH LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF PENTREATH LTD

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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. 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 auditors' 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.

Matthew Webb

Matthew Webb (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

24 Sept 2021

Woodlands Court
Truro Business Park
Truro
Cornwall
TR4 9NH

PENTREATH LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	2	668	-	668	1,983	-	1,983
Charitable activities	3	247,256	2,354,153	2,601,409	461,295	2,323,679	2,784,974
Investments	4	1,803	-	1,803	2,357	-	2,357
Total income		249,727	2,354,153	2,603,880	465,635	2,323,679	2,789,314
Expenditure on:							
Charitable activities	5	133,641	2,234,132	2,367,773	327,059	2,182,318	2,509,377
Net incoming resources before transfers		116,086	120,021	236,107	138,576	141,361	279,937
Gross transfers between funds		(15,429)	15,429	-	500,000	(500,000)	-
Net income for the year/ Net movement in funds		100,657	135,450	236,107	638,576	(358,639)	279,937
Fund balances at 1 January 2020		1,095,522	193,424	1,288,946	456,946	552,063	1,009,009
Fund balances at 31 December 2020		1,196,179	328,874	1,525,053	1,095,522	193,424	1,288,946

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PENTREATH LTD

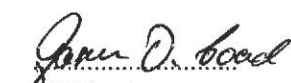
BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		536,569		547,311
Current assets					
Debtors	10	393,604		314,382	
Investments	11	100,798		100,798	
Cash at bank and in hand		552,777		423,452	
		1,047,179		838,632	
Creditors: amounts falling due within one year	12	(58,695)		(96,997)	
Net current assets			988,484		741,635
Total assets less current liabilities			1,525,053		1,288,946
Income funds					
Restricted funds	13	328,874		193,424	
Unrestricted funds		1,196,179		1,095,522	
		1,525,053		1,288,946	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22nd September '21


J D Coad
Trustee

Company Registration No. 02593533

PENTREATH LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	16		158,176		135,933
Investing activities					
Purchase of tangible fixed assets		(30,654)		(563,332)	
Interest received		1,803		2,357	
Net cash used in investing activities			(28,851)		(560,975)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			129,325		(425,042)
Cash and cash equivalents at beginning of year			423,452		848,494
Cash and cash equivalents at end of year			552,777		423,452

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Pentreath Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is St Enoder Barns, Glebe Farm, Narrow Lane, Summercourt, Newquay, Cornwall, TR8 5EE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In making their assessment, the trustees have considered the impact of the Covid-19 pandemic on the charitable company's ability to continue as a going concern. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. There are no material uncertainties which may create significant doubt over the charitable company's ability to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Expenditure

Expenditure is accounted for on an accruals basis inclusive of irrecoverable VAT.

Costs of generating funds are those costs incurred in trading activities that raise funds.

Charitable activities comprise expenditure associated with providing mental health services and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include head office salaries and overheads, and are allocated to charitable activities and funds on the basis of staff hours.

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Allocation and apportionment of costs

Head office costs are allocated according to the apportionment of staff hours.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures and fittings	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Investments

The charity has defined short-term, highly liquid investments with an original maturity greater than three months, as Current Asset Investments. Current Asset Investments are measured at amortised cost.

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Donations and gifts	668	1,983

3 Charitable activities

	Mental Health Services 2020 £	Mental Health Services 2019 £
Performance related grants	2,576,409	2,772,474
Charitable rental income	25,000	12,500
	2,601,409	2,784,974
Analysis by fund		
Unrestricted funds	247,256	461,295
Restricted funds	2,354,153	2,323,679
	2,601,409	2,784,974

4 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	1,803	2,357

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Mental Health Services 2020 £	Mental Health Services 2019 £
Staff costs	1,886,622	1,749,959
Depreciation and impairment	41,396	33,573
Rent	2,904	4,974
Insurance	1,941	1,753
Utilities	20,574	23,899
Beneficiary costs	31,258	46,858
Motor, travel and subsistence	52,399	263,052
Training	9,011	10,914
Printing, postage and stationery	5,126	4,884
Advertising	1,872	3,360
Lease rental equipment	2,273	1,345
Repairs and renewals	9,895	12,562
Cleaning	2,519	2,101
Canteen	108	631
Bad debts	-	121
Staff recruitment	737	2,325
Other charitable expenditure	1,198	326
	<u>2,069,833</u>	<u>2,162,637</u>
Share of support costs (see note 6)	282,523	330,946
Share of governance costs (see note 6)	15,417	15,794
	<u>2,367,773</u>	<u>2,509,377</u>
Analysis by fund		
Unrestricted funds	133,641	327,059
Restricted funds	2,234,132	2,182,318
	<u>2,367,773</u>	<u>2,509,377</u>

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	158,217	-	158,217	173,955	-	173,955
Rent and utilities	49,216	-	49,216	49,252	-	49,252
Insurance	12,454	-	12,454	11,812	-	11,812
Motor, travel and subsistence	9,451	-	9,451	10,285	-	10,285
Training	6,669	-	6,669	11,318	-	11,318
Printing, postage and stationery	7,855	-	7,855	15,846	-	15,846
Advertising	1,187	-	1,187	1,362	-	1,362
Lease rental equipment	5,011	-	5,011	4,891	-	4,891
Repairs and renewals	18,195	-	18,195	28,531	-	28,531
Other support costs	14,268	-	14,268	8,938	-	8,938
Irrecoverable VAT	-	-	-	14,756	-	14,756
Audit fees	-	6,750	6,750	-	5,150	5,150
Accountancy	-	3,419	3,419	-	2,402	2,402
Legal and professional	-	5,248	5,248	-	8,242	8,242
	<u>282,523</u>	<u>15,417</u>	<u>297,940</u>	<u>330,946</u>	<u>15,794</u>	<u>346,740</u>
Analysed between Charitable activities	<u>282,523</u>	<u>15,417</u>	<u>297,940</u>	<u>330,946</u>	<u>15,794</u>	<u>346,740</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2019: £nil).

Expenditure was refunded to, or paid on behalf of, T Bromwich, a trustee, of £43 (2019: £258).

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Mental Health Services	<u>94</u>	<u>88</u>
Employment costs	2020 £	2019 £
Wages and salaries	1,862,823	1,752,743
Social security costs	144,929	136,997
Other pension costs	37,087	34,174

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Employees

(Continued)

	2,044,839	1,923,914
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There were no employees whose annual remuneration was £60,000 or more.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020	523,010	130,184	653,194
Additions	-	30,654	30,654
At 31 December 2020	523,010	160,838	683,848
Depreciation and impairment			
At 1 January 2020	9,589	96,294	105,883
Depreciation charged in the year	10,460	30,936	41,396
At 31 December 2020	20,049	127,230	147,279
Carrying amount			
At 31 December 2020	502,961	33,608	536,569
At 31 December 2019	513,421	33,890	547,311

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	134,619	129,931
Other debtors	2,213	3,813
Prepayments and accrued income	256,772	180,638
	393,604	314,382

11 Current asset investments

	2020 £	2019 £
Term deposits	100,798	100,798

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	-	23,947
Trade creditors	29,478	27,909
Other creditors	4,002	11,082
Accruals and deferred income	25,215	34,059
	<u>58,695</u>	<u>96,997</u>

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 31 December 2020
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended		
	£	£	£	£	£	£	£	£
NHS Kernow - Community Development Worker	39,829	95,477	(114,015)	21,291	95,476	(101,621)	-	15,146
NHS Kernow - Community Enablement Project	1,068	94,800	(95,161)	707	99,790	(96,395)	-	4,102
Fit for Life 2 (Big Lottery Fund)	689	-	-	689	-	-	-	689
NHS Kernow - Primary Care Vocational Workers	6,487	45,279	(43,003)	8,763	11,320	(20,083)	-	-
CCF Crisis Fund	48	1,015	(606)	457	-	(146)	-	311
Henry Smith	9,607	45,099	(46,319)	8,387	-	(8,387)	-	-
Pencil This In - Awards for all	410	-	-	410	-	-	-	410
BBO - Positive People C2C	(10,938)	265,637	(264,569)	(9,870)	156,897	(147,816)	-	(789)
BBO - Who Dares Works	(546)	338,005	(340,170)	(2,711)	318,614	(317,646)	-	(1,743)
BBO - Positive People S&E	(13,560)	339,656	(334,378)	(8,282)	205,700	(199,763)	-	(2,345)
BBO - Atlantic & Moor	(74)	187,622	(188,459)	(911)	96,682	(97,203)	1,432	-
BBO - Game Changer	(153)	127,332	(127,787)	(608)	100,985	(101,057)	-	(680)
Fit For Life - CRCC Grants	1,020	1,250	(969)	1,301	-	(312)	-	989
ESF Living Well	4,919	14,125	(19,044)	-	-	-	-	-
Glasspool Trust	-	2,910	(2,560)	350	1,150	(1,000)	-	500
Social Prescribers	-	29,732	(29,349)	383	28,692	(28,897)	-	178
Job Centre & Advisers West	10,206	49,924	(41,083)	19,047	47,272	(78,184)	-	(11,865)
CPFT EIT Workers	1,987	85,613	(79,329)	8,271	92,103	(82,029)	-	18,345
Headstart - Learning Partnership	1,064	111,339	(111,884)	519	115,414	(115,968)	-	(35)
JH donation for new building	500,000	-	-	-	-	-	-	-
Recovery College	-	107,000	(103,529)	3,471	255,322	(256,447)	-	2,346
CCF - Winter Fund	-	685	(685)	-	1,000	(700)	-	300
IPS	-	313,751	(177,338)	136,413	423,171	(395,118)	-	164,466

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Restricted funds

(Continued)

Job Centre+ East	-	62,424	(41,756)	20,668	47,272	(84,111)	-	(16,171)
Ambitions	-	3,243	(9,157)	(5,914)	1,854	(514)	4,574	-
Food For Change	-	1,761	(11,168)	(9,407)	-	(16)	9,423	-
ESF Health Works	-	-	-	-	7,505	(7,443)	-	62
Mhend	-	-	-	-	20,230	(6,044)	-	14,186
Next Step Worker	-	-	-	-	28,012	(212)	-	27,800
SPLW Salary Uplift	-	-	-	-	593	(694)	-	(101)
North Coast SPLW	-	-	-	-	12,765	(13,627)	-	(862)
Penwith SPLW	-	-	-	-	30,442	(29,527)	-	915
South Kerrie SPLW	-	-	-	-	30,442	(29,349)	-	1,093
HIU Worker	-	-	-	-	37,000	(9,257)	-	27,743
Penwith PCN Enabling Fund	-	-	-	-	3,600	-	-	3,600
South Kerrier PCN Enabling Fund	-	-	-	-	3,600	-	-	3,600
NHS Kernow - MHEA	-	-	-	-	71,250	-	-	71,250
CCF CDW Emergency Fund	-	-	-	-	10,000	(1,329)	-	8,671
CPFT Peer Mentors	-	-	-	-	-	(470)	-	(470)
Bridging The Gap (Winter Pressures Fund)	-	-	-	-	-	(692)	-	(692)
Skills Your Way	-	-	-	-	-	(932)	-	(932)
Re-Ignite (Youth Futures)	-	-	-	-	-	(1,143)	-	(1,143)
	552,063	2,323,679	(2,182,318)	193,424	2,354,153	2,234,132	15,429	328,874

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Restricted funds

(Continued)

NHS Kernow - Core Vocational Workers project supporting people with mental ill health to access employment and education

NHS Kernow - Community Development Workers supporting people from Black and Ethnic backgrounds to access mental health services.

NHS Kernow - Community Enablement Project funds advisers to support people to access leisure and recreational activities.

NHS Kernow - Primary Care Vocational Workers based in GP surgeries to offer vocational support and information.

Local Supplier Framework - A provision that offers 1:1 mental health interventions to people from job centre plus and other agencies

CCF Crisis Fund - Grant to funding to help our vulnerable clients in emergencies.

The Henry Smith Charity - Ignite offers 1;1 support to young people with mental health / emotional health problems.

Pencil This In - Awards For All - grant funding to provide training to carers in Cornwall.

Head start - Staff employed by Pentreath and work with learning partnership for Cornwall and Isles of Scilly to support children and young people with emotional health problems.

BBO/ESF Positive People C2C - Building Better Opportunities (Lottery) and ESF funded project supporting people who are socially isolated and combating poverty, aged 18 +. This project is led by PLUSS and covers the coast to coast area of Cornwall.

BBO/ESF Positive People S&E - Building Better Opportunities (Lottery) and ESF funded project supporting people who are socially isolated and combating poverty, aged 18 +. This project is led by PLUSS and covers the South and East area of Cornwall.

EIT/CPFT Advisers - CPFT funded to provide employment specialists to the early intervention for Psychoses team

BBO/ESF Who Dares Works - Building Better Opportunities (Lottery) and ESF funded project supporting people who are socially isolated and combating poverty, aged 18 +. This project is led by Active Plus and covers the West of Cornwall.

BBO/ESF Atlantic & Moor - Building Better Opportunities (Lottery) and ESF funded project supporting people who are socially isolated and combating poverty, aged 18 +. This project is led by The Learning Partnership for Cornwall and IOS and covers the Atlantic and Moor area of Cornwall.

BBO/ESF Game Changer - Building Better Opportunities (Lottery) and ESF funded project supporting young people aged 15-24 who are NEET or at risk of becoming NEET through activity leading to employment and training. This project is led by RIO and covers the County

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Restricted funds

(Continued)

BBO/ESF Positive people specialist - a project within Pentreath that provides health and wellbeing support to those clients on Positive People

Fit For Life - CRCC Grants - Grant funding to cover venue costs for the continuation of Fit For Life throughout 2019 as client led community groups.

ESF Living Well - An ESF funded project led by the Learning Partnership for Cornwall and IOS. The purpose of which is to work with the early intervention Service, with clients aged 15-35 years who are experiencing Psychosis to return to work.

Social Prescribers - a collaborative project led by Volunteer Cornwall to place adviser in Primary care.

JH Donation - A donation to Pentreath to enable us to purchase a Head Office property that will save money in future years and make us more sustainable.

Recovery College - ESF funded project through the learning partnership, enabling recovery through Learning.

CCF Winter Fund - small grants scheme specifically for those facing hardship during the winter months

IPS - Specialist employment specialists embedded within Cornwall Partnership NHS Foundation Trust mental health teams.

Job Centre+ East - Mental Health Advisers co located in Job centre in the East of Cornwall providing support to claimants with Mental Ill Health

Job Centre + West - Mental Health Advisers co located in Job centre in the West of Cornwall providing support to claimants with Mental Ill Health

Ambitions - The Ambitions project supports unemployed or inactive 15 – 24-year olds in Cornwall and the Isles of Scilly to help them progress into education, employment or training. Ambitions is fully funded by the European Social Fund.

Food for Change - Food for Change was a programme led by the Cornwall Food Foundation to support people to overcome barriers to work, training and inclusion in their local community.

ESF Health Works - This is funded by the European Social Fund (ESF) and Department of Work and Pensions (DWP) which is managed by Cornwall Development Company. The project will support individuals to build confidence and self-esteem whilst boosting independence and building employability skills.

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Restricted funds

(Continued)

Mhend – A Public Health funded Partnership project between Pentreath Ltd and Cornwall Citizens Advice which is funded by Cornwall Council Public Health to identify and support clients with severe debt issues which are preventing them from moving forward or maintaining their lives.

Next Step Worker -funded by the Ministry of Housing, Communities and Local Government (MHCLG). It is a partnership project with Pentreath Ltd, Cornwall Mind, Health for Homeless (H4H) and Rethink Mental Illness providing mental health and social wellbeing support to help individuals to develop the resilience, resources and skills they need to transition out of homelessness and remain in accommodation

North Coast SPLW - Social Prescribing Link Workers (SPLWs) are based within GP surgeries within the North coast PCN.

Penwith SPLW - Social Prescribing Link Workers (SPLWs) are funded by and based within GP surgeries within the Penwith PCN.

South Kerrier SPLW Social Prescribing Link Workers (SPLWs) are funded by and based within GP surgeries within the South Kerrier PCN.

HIU Worker – funded by NHS , Working in partnership with Volunteer Cornwall, Pentreath support people who use A&E, Ambulance Services and Primary care on a frequent basis with the aim of reducing these call outs or admissions.

Penwith PCN Enabling Fund – Enabling Fund to support Social Prescriber clients in the Penwith Surgeries

South Kerrier Enabling Fund - Enabling Fund to support Social Prescriber clients in the South Kerrier Surgeries

NHS Kernow –funded by NHS Kernow , MHEA Advisers work on a 1:1 outreach basis to support people to move towards vocational goals. (Volunteering, Employment or Training)

CCF CDW Emergency Fund – Cornwall Community Foundation Fund to support BAME people in Cornwall in crisis.

CPFT Peer Mentors – funded by Cornwall Partnership Trust to enable those people with lived experience to work within the NHS

Bridging the Gap (Winter Pressures Fund) this is a new project funded by NHS Kernow to help relief pressure on admissions to hospital .

Skills Your Way – funded by ESF through the Learning Partnership for Cornwall and the Isles of Scilly. working with young people who are NEET on a one to one basis to help them to discover their aspirations and ambitions for the future.

Re-Ignite (Youth Futures) funded by the youth futures foundation, working with young people for (both those in education or NEET/at risk of NEET) a one to one basis to help them to discover their aspirations and ambitions for the future.

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	536,569	-	536,569	547,311	-	547,311
Current assets/ (liabilities)	659,610	328,874	988,484	548,211	193,424	741,635
	<u>1,196,179</u>	<u>328,874</u>	<u>1,525,053</u>	<u>1,095,522</u>	<u>193,424</u>	<u>1,288,946</u>

15 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	39,755	45,121
Between two and five years	20,568	60,323
	<u>60,323</u>	<u>105,444</u>

16 Cash generated from operations

	2020 £	2019 £
Surplus for the year	236,107	279,937
Adjustments for:		
Interest income recognised in statement of financial activities	(1,803)	(2,357)
Depreciation and impairment of tangible fixed assets	41,396	33,573
Movements in working capital:		
(Increase) in debtors	(79,222)	(195,700)
(Decrease)/increase in creditors	(38,302)	20,480
Cash generated from operations	<u>158,176</u>	<u>135,933</u>

17 Analysis of changes in net funds

The charity had no debt during the year.

PENTREATH LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	369,163	251,981

Transactions with related parties

During the financial year R Coad, daughter of Trustee J Coad, was employed by the charity and received a gross salary of £14,728 (2019: £13,890).

19 Company limited by guarantee

Pentreath Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member. The company is incorporated in England & Wales.