

THE LARCHES TRUST LIMITED

Charity Registration No. 1049243

Company Registration No. 03101192 9(England and Wales)

THE LARCHES TRUST LIMITED

TRUSTEES REPORT AND UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

THE LARCHES TRUST LIMITED

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Legal and Administrative Information

Company Charity Name:

The Larches Trust Limited

Charity Registration No.

1049243

Company Registration No.

03101192

Registered Office and Operational address:

Larches House, 1 Rectory Lane
Edgware, Middlesex, HA8 7LF

Trustees/Directors

Sasha Holyoke – Treasurer

Gemma Gordon Johnson

Tirza Waisel

Chief Executive & Company Secretary

Linda Edwards MBE

Bankers:

Barclays Bank PLC, 1 North End, Croydon, Surrey, CR9 1RN

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Trustees Report

The trustees are pleased to present their annual directors' report for the year ending 30th September 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Trustees

Trustees that served during the year are as follows:

Sasha Holyoke – Treasurer Appointed 18/12/18

Gemma Gordon Johnson – Appointed 29/11/18

Tirza Waisel – Appointed 29/11/18

None of our trustees are body corporate, but are individuals in their own right. We are governed by Memorandum and Articles of Association, Incorporated 12th September 1995.

The methods adopted for the recruitment and appointment of new trustees are subject to the provisions of the Act. The trustees may appoint one or more of their numbers to the Board. Any such appointment may be made upon such terms as the trustees determine. We recruit trustees from our supporters and from local and national businesses and the community. Potential trustees are initially invited to visit the charity and to meet with the CEO, chair and any other trustees as appropriate. Following an initial period of familiarisation, potential trustees are invited to attend one or more meetings of the Trustee Board as observers and to make a short presentation to the Board, following which they will be considered for election to the Board by the service trustees, any appointment of a trustee to an executive office shall terminate if he/she ceases to be a trustee. A managing director and a trustee holding any other executive office shall not be subject of retirement by rotations.

Public Benefit - the Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objects of the charity - to relieve adults with a learning disability (particularly, but not exclusively, those of the Jewish faith) by the management of suitable accommodation and provision of facilities for education, training and recreation for such persons.

Summary of the main achievements of the charity during the year

We began the year providing the high standard of service with our learners with our 'Learning for Life' Programme. At the end of the first term we had an Open Day where we showcased the drama and dance course with a 'drop in' to family and friends. Our craft and mosaic were on display.

We continued consulting learners and began formalising these consultations. Learners requested that our pilot Laughter Club continues and they began discussing their needs for the new building for which we have Planning Consent.

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Through our Monitoring and Evaluation we implemented the evaluation triangle, agreeing the organisation aims, outcomes and activities with staff and trustees and identifying key indicators for all outcomes. Success for each indicator is agreed before the start of each project.

We developed our new Memorandum of Articles of Association as our previous one was out of date and did not serve our purposes in the 21st Century. We also updated our Trustee Pack and began updating our Values with the support of a Values consultant, followed by an update of our Strategic Objectives.

We agreed to have meetings every two weeks mainly with increased work around the redevelopment. Trustee meetings would include working meetings, strategy, reviewing values, evaluation and redevelopment meetings.

In October 2019 IBM visited for a day filming learner during their Learning for Life courses and enjoying a shared lunch together. This will be included in the film IBM have already made for our publicity and marketing purposes.

London Borough of Barnet Contracts Manager accepted our invitation to visit our Learning for Life courses and shared with our learners about his role in the Council.

We participated in Trusted Charity training (previously known as PQASSO) and look forward to working through the criteria to achieve accreditation.

Our January 2020 term began as usual but in March 2020 we had to close down our Learning for Life programme being delivered at Larches House suddenly due to the outbreak of Covid. Like most organisations we had no warning and were unprepared for the long break that disconnected us physically with each other. We also lost our hall hire income, and had to make position of the research administrator redundant.

We were successful in securing some Covid funding, and began to offer Learning for Life via zoom. This presented difficulties for many who either did not want to communicate in this way or were unable to without effective support. Those who began to use zoom to access our Learning for Life courses gained confidence and skills in managing communication in this new way. In the summer we recruited a new part time Learning for Life coordinator who is developing our courses 'on line'.

Due to Covid our Ambassadors Programme with secured London Borough of Barnet support and fund did not begin and we are needing to readapt the programme to be able to deliver via zoom.

Financial Review

The income for the year was £79,635 (2019: £99,865). Total expenditure was £78,904 (2019: £102,146). Overall savings in this year were £731. The organisation continues to review its fundraising strategy and is taking action to containing expenditure and applies for more funding in the forthcoming year.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity undertake
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and

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- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The Trustees constantly review risks relevant to the charity. Any risks identified are reported to the Trustees and decisions made on how to minimise risk.

Reserves policy and going concern

The Larches needs reserves to provide working capital for activities that are not underpinned by restricted reserves; to meet planned and foreseeable unplanned maintenance and repair costs for property and office equipment, and to ensure that it can meet its contractual liabilities (including redundancy pay and amounts owing to creditors) in the event of a shortfall in expected income. In the current, uncertain funding environment, the trustees consider that the optimal level of reserves for the charity to hold to ensure that it can continue to provide a stable and quality service to its stakeholders is equivalent to three months of its operating income. The trustees have agreed we should aim to have 4 months reserves in our policy. We have no funds held as a Custodian trustee.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with its members must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported other than that mentioned in note 24.

Responsibilities of the directors/trustees

The charity trustees (who are also the directors of The Larches Trust Ltd for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence 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

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governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Trustees



Sasha Holyoke (Treasurer) Dated: 18.08.2021

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Independent examiner's report to the trustees of The Larches Trust Limited

I report on the accounts of the company for the year ended 30th September 2020, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10 (1)(a) to (c) of The Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of the Association of Independent Examiners.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

examine the accounts under section 145 of the 2011 Act);

to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention (other than that disclosed below *) to indicate that:

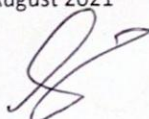
- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records:
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR END 30 SEPTEMBER 2020

	Notes	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
Incoming Resources						
Donations & Legacies	12	2,520		-	2,520	888
Investment income	13	41,714		-	41,714	56,842
Income from Charitable activities	21	35,401		-	35,401	42,136
Other income					-	
Total Incoming Resources		<u>79,635</u>	<u>-</u>	<u>-</u>	<u>79,635</u>	<u>99,865</u>
Resources Expended						
Expenditure on raising funds					-	
Expenditure on charitable activities	19	72,468	3,436	3,000	78,904	102,146
		<u>72,468</u>	<u>3,436</u>	<u>3,000</u>	<u>78,904</u>	<u>102,146</u>
Net income/(outgoings)		<u>7,167</u>	<u>(3,436)</u>	<u>(3,000)</u>	<u>731</u>	<u>(2,281)</u>
Balances brought forward		<u>11,064</u>	<u>218,570</u>	<u>7,318</u>	<u>236,952</u>	<u>239,233</u>
Balances carried forward		<u>18,231</u>	<u>215,134</u>	<u>4,318</u>	<u>237,683</u>	<u>236,952</u>

Dated: 18 August 2021



Eric Asamoah, Independent Examiner, Everglade Strand, London NW9 5QJ

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BALANCE SHEET AS AT 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
Fixed Assets			
Tangible assets	18	521,679	525,115
Current Assets			
Debtors	15	26,590	24,729
Cash at bank and in hand		14,302	17,281
Current Liabilities			
Creditors: Amount falling due within one year	16	25,720	18,280
Net Current Assets		<u>15,172</u>	<u>11,824</u>
Creditors: Amount falling due after more than a year	17	299,170	311,893
Net Assets		<u><u>237,683</u></u>	<u><u>236,952</u></u>
As represented by:			
Restricted Fund	14	4,318	7,318
Unrestricted Fund			
Designated Fund		215,134	218,570
Other Charitable Funds		18,231	11,064
Total Funds		<u><u>237,683</u></u>	<u><u>236,952</u></u>

(The notes form part of this account)

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Directors on 18 August 2021 and signed on their behalf by:



Sasha Holyoke (Treasurer)

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2020

1. Accounting basis.

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

a) 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Larches Trust Limited 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).

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. At the date of transition in applying the requirement to recognise liabilities arising, no restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

c) Preparation of the accounts on a going concern basis

The Charity trustees are of the view that measures taken subsequent to the year-end to reduce operating costs and successful in applying for continuation funding have secured the immediate future of the Charity for the next 12 to 18 months and that on this basis the charity is a going concern.

2. Cash Flow Statement The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

3. Income is recognised in the period to which it relates, unless specified otherwise by the funder. Project funding is, in general, repayable if not expended within the relevant project. Such income is only recognised to the extent that it ceases to be repayable. The income is accounted for on a receivable basis.

4. Resource Expended Resources expended are included in the Statement of Financial Activities inclusive of VAT which cannot be recovered. Direct charitable expenditure includes the direct costs of the activities. Where such costs relate to more than one functional cost category, they have been apportioned in line with the direct costs of the relevant service.

5. Fund Accounting Fund accounting unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted

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funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

6. Support Cost: Allocation of support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, and governance costs which support the Charity activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 20.

7. Leasing and hire purchase commitments: Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

8. Taxation: The Larches Trust limited is a registered charity and is not liable for corporation tax on its income under section 505 of the Income and Corporation Taxes Act 1988 to the extent that it is applied to its charitable activities.

9. Tangible fixed assets: Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost, of all fixed assets over their expected useful life as follows:

Fixtures and Fittings - Property improvements -

20% reducing balance

5% straight line

10. Staff Costs and numbers

Staff Costs and numbers

	2020	2019
	£	£
Salaries and Wages	44,200	53,280
Social Security Costs	6,529	5,942
	<u>50,729</u>	<u>59,222</u>

The total numbers of employee were 2 in this year.

None of the employees received emoluments in excess of £60,000 in the year or the previous year. Trustees are not remunerated.

11. Status

The Larches Trust Limited is a registered charity and registered company limited by guarantee

12. Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
Donations and Legacies	<u>2,520</u>		<u>2,520</u>	<u>888</u>

The charity would like to acknowledge and thank the following donors for their contributions.

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We would like to thank all our individual donors who continue to support the Larches as well as attend our events and continue to motivate the staff and our learners

13. Investment Income

	2020	2019
Rental Income	41,712	56,842
Interest Receivable	1.7	1
	<u>41,714</u>	<u>56,843</u>

14. Analysis of Restricted Fund

	Bal at 1st Oct-19 £	Incoming Resources £	Outgoing Resources £	Balance at 30-Sep-20 £
Shoresh	4,899	-	2,000	2,899
Awards for All	2,419	-	1,000	1,419
	<u>7,318</u>	<u>-</u>	<u>3,000</u>	<u>4,318</u>

The purpose of the fund: -

- Social Enterprise - People with learning disabilities are making handmade cards, candles, diffusers, bookmarks and household accessories in our pilot craft social enterprise from a business plan developed by a volunteer from Middlesex University.

15. Debtors & Accrued Income

	2020 £	2019 £
Accrued Income	26,551	24,690
Prepayments	39	39
	<u>26,590</u>	<u>24,729</u>

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16. Creditors – Amount falling due within one year

	2020	2019
	£	£
Bank Loan	8,900	8,900
Social security & pension	15,278	3,980
Other creditors	342	4,000
Accruals	2,600	1,400
	<u>25,720</u>	<u>18,280</u>

17. Creditors – Amount falling due after more than one year

	2020	2019
	£	£
Other creditors	79,000	79,000
Bank loans	220,170	232,893
	<u>299,170</u>	<u>311,893</u>

Loan maturity analysis

	2020	2019
	£	£
Debt due in one year or less	8,900	8,900
In more than one year but not more than two years	8,900	8,900
In more than two years but not more than five years	26,700	26,700
In more than five years	175,670	188,393
	<u>220,170</u>	<u>232,893</u>

Included within the liabilities above is a loan of £79,000 from the Chief Executive made to the charity. The loan is interest free and to be repaid by the charity as and when it can afford to do so. There was no repayment in the year.

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18. Tangible Fixed Asset

2020

FIXED ASSET

	Land and Buildings	Fixtures, Fittings & Equipment £	Property	Total £
<u>Cost</u>				
At 1 Oct 2019	499,522	68,559	20,991	589,072
Additions in year		-	-	-
At 30 September 2020	<u>499,522</u>	<u>68,559</u>	<u>20,991</u>	<u>589,072</u>
<u>Depreciation</u>				
At 1 Oct 2019	-	58,473	5,484	63,957
Charge for the year		2,522	914	3,436
At 30 Sept 2020	<u>-</u>	<u>60,995</u>	<u>6,398</u>	<u>67,393</u>
Net Book Value 30 September 2020	<u>499,522</u>	<u>7,564</u>	<u>14,593</u>	<u>521,679</u>
Net Book Value 30 September 2019	<u>499,522</u>	<u>10,086</u>	<u>15,507</u>	<u>525,116</u>

19. Expenditure on Charitable Activities

	<u>Unrestricted Funds</u>	<u>Designated Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2020</u>	<u>Total Funds 2019</u>
Charitable Activities					
Salary cost	47,729		3,000	50,729	59,222
Sessional worker				-	-
Volunteers Expenses	36			36	-
Project activity costs & Mosaic	4,236			4,236	12,451
Staff Training				-	559
Subscriptions & Reference Materials	788			788	916
Publicity & Advertising	68.4			-	195
Staff Expenses & Travel				-	175

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Administration & Office Expenses	800			800	3,857
Independent Examination	1,200			1,200	1,400
Professional and Consultancy fees	300			300	3,597
Insurance	2,800			2,800	2,627
Trustees Expenses				-	15
Premises Cost	6,489			6,489	6,343
Finance Cost	5,090			5,090	7,353
Depreciation		3,436		3,436	3,436
Total Charitable Activities	69,535	3,436	3,000	75,904	102,146

20. Support and Governance Costs

	General Support £	Governance £	Total £
Administration and Office Expenses	800		800
Independent Examination		1,200	1,200
Professional Fees		300	300
Insurance		2,800	2,800
Trustees Expenses		-	-
Premises Cost	6,489		6,489
Finance Cost		5,090	5,090
Depreciation	3,436		3,436
	10,725	9,390	20,115

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21. Restricted Grant Receivable Funder

	2020 £	2019 £
Awards for All	-	10,000
Shoresh Trust	-	7,483
Learning for Life	-	1,500
	<u>18,983</u>	<u>18,983</u>

22. Analysis of net assets between funds

	Unrestricted fund £	Designated fund £	Restricted fund £	Total £
Funds balance at 30th September 2020 are represented by:-				
Tangible fixed assets		521,679		521,679
Current assets	36,574		4,318	40,892
Creditors: Amount falling due within one year	(16,820)	(8,900)		(25,720)
Creditors: Amount falling due after more than a year	(79,000)	(220,170)		(299,170)
	<u>(59,246)</u>	<u>292,610</u>	<u>4,318</u>	<u>237,683</u>

23. Reserves

The restricted funds are restricted income funds given to the charity for specific purposes. They are expendable by the trustees in furtherance of particular projects within the charity objects. Where the restriction relates to the acquisition of fixed assets, then it is treated as having as having been satisfied once the particular assets have been purchased and the appropriate amount is transferred to the unrestricted funds.

The unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity.

	Unrestricted funds reserve £	Designated funds reserve £	Restricted funds reserve £	Total £
At October 2019	11,064	218,570	7,318	236,952
Surplus/(Defici) for the year	7,167	(3,436)	(3,000)	731
Transfer between funds				

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At September 2020

18,231	215,134	4,318	237,683
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24. Related Parties

The charity's Chief Executive, Linda Edwards loan of £75,000 to the charity. Additional £10,000 was advanced by the Chief Executive in the previous year bringing the loan total to £85,000. £6,000 was repaid in previous year. The loan balance £79,000 was outstanding at 30 September 2020.