

Acorn Community Care

(A Company Charity limited by guarantee)

(Charity Registration Number 1095207)

(Registered Company Number 4528689)

Annual Report & Financial Statements for the year ended

31st March 2023

Acorn Community Care

(A Company Charity limited by guarantee)

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Directors' Report (incorporating the Trustees' Annual Report)

For the year ended:

31st March 2023

The Board of Trustees, who are also Directors of the charity for the purpose of the Companies Act 2006, present their annual report and financial statements for the year ended 31st March 2023. 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).

Objectives and activities

Acorn Community Care provides regulated and unregulated support to adults with Learning disabilities either in their home environment or at our day service farm in Ryedale, Norton Yorkshire. The Charity aims to follow its financial objectives in order to improve the quality of life for its beneficiaries.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the objectives and activities and in the planning of future activities. It is the judgement of trustees that activities in pursuit of the above objectives fully meet the public benefit test, which they have kept in mind in planning activities for the charity.

In delivering services and in the appointment of staff, volunteers and trustees, the charity operates a strict policy of no discrimination on any grounds.

Achievements and performance

Day Services

Throughout the reporting year, the day service at Whinflower Hall has warmly welcomed new individuals to our Farm. These individuals have seamlessly integrated into the Acorn Family and quickly established themselves as valued members. In fact, one member had such a positive experience that he made the decision to transition into one of our supported living services. This serves as a testament to the effectiveness of our Day Services, which not only provide a nurturing environment for learning and personal growth but also offer future living accommodation opportunities within an organization that is already familiar and trusted by the individual. We firmly believe in the importance of continuity and the seamless transition from day service to supported living, ensuring a smooth and empowering journey for those we support.

Throughout the reporting year, we successfully completed significant repair and renewal projects at our Whinflower Hall site. The barns were repainted, and new fencing was installed to ensure the safety and security of our animals. Additionally, we addressed the need for repairs in the car park by gravelling one of the parking areas.

We are delighted to report that a new horse has joined our farm, proving to be a popular addition and enhancing our community. Throughout the year, we have made several repairs and updates to our facilities. Additionally, our hatch of five ducklings brought joy to everyone, and the individuals in our day service program created a new enclosure to ensure their well-being.

To raise awareness and exhibit the creative metalwork crafted by the people we support, we actively participated in local agricultural shows. These events showcased the talent and skill within our organization.

Unfortunately, our poultry project faced challenges due to Avian flu, resulting in the need to house the chickens in our polytunnel. The chickens remained in lockdown until Spring 2023, coinciding with the time we required the polytunnel for our horticultural and garden projects.

Supported Living

We successfully opened a new supported living service in January 2023, currently occupied by three individuals. Our dedicated team members have been actively supporting them in becoming valuable members of the Ryedale community while maintaining connections from their previous localities.

Under the guidance of our project manager, we have successfully implemented a comprehensive training programme focused on Daily Note and Record Keeping. This bespoke training was specifically designed to enhance the skills of our operational support workers in effective report writing. We recognised the importance of consistent and accurate record keeping, as it allows us to document and showcase the outstanding practices that align with our charity values.

Since the implementation of this training, we have already witnessed the benefits it brings. Across the charity, there has been a remarkable improvement in the quality and consistency of record keeping. Our operational support workers have gained a deeper understanding of how to effectively document their daily interactions and observations. This not only ensures that vital information is properly recorded but also enables us to provide evidence of the exceptional care and support we offer to the individuals we serve.

By maintaining comprehensive and well-documented records, we are able to demonstrate the positive impact we have on the lives of those in our supported living services. This training has been instrumental in fostering a culture of accountability and excellence, enabling us to consistently uphold our charity values in practice. We are proud of the progress we have made in this area and remain committed to continuously improving our record-keeping practices to ensure the highest standards of care and support for all individuals within our supported living services.

In our supported living services, the Registered Manager transitioned into the Head of Operations role, leaving the long-serving Registered Manager to continue their duties individually. This change is seen as beneficial to the organisation, leading to improved efficiency and coordination.

We had the opportunity to showcase the excellent work done by our Supported Living service during a routine CQC monitoring call. However, it is important to note that these calls do not trigger re-rating opportunities, although we are confident that our registered services are ready for inspection and have sufficient evidence to be re-rated as "Outstanding" when our regulators find an opportunity to visit the service.

Overall Charity

In an exciting development, we acquired a long lease from an external partner. However, significant investment is required to make the property suitable for individuals with learning disabilities to reside in comfortably.

As an organisation, our top priority has been to focus on staff retention and talent preservation. In order to remain competitive within the sector and among local employers, we have made the decision to increase wages. We are pleased to share that we have successfully retained key benefits for our team members, including the Health scheme. Additionally, we have introduced new benefits, such as Death in Service coverage, to provide financial security to the nominated beneficiaries of our employees in the unfortunate event of their death while actively employed.

Across all our services, we have ensured that our operational hours are 150 hours overstuffed per week by employing peripatetic workers. This strategic approach allows us to allocate all additional hours, such as those for sickness and annual leave, to these dedicated workers. By having peripatetic workers available, we are able to cover any vacant hours with individuals who have been trained to our high standards and values. This eliminates the need for expensive agency staff, who would not be able to match the abilities and commitment of our own workers. It is a cost-effective solution that ensures continuity of care and supports the well-being of the individuals we serve. We believe that this approach is one of the key benefits of having peripatetic workers within our organisation.

During Spring 2023, we completed a senior management restructuring process, resulting in the creation of the Head of Operations role while disbanding the Non-Regulated Head position. The Head of Operations will work closely with the charity to review and enhance all operational aspects, including the development of a five-year business plan, which received approval from the Trustees during this reporting year.

Lastly, we proudly announced the launch of our new website in Spring 2022. The upgraded website has received positive feedback, and we take great pride in its content. Notably, it includes an online retail feature, allowing us to showcase and sell our metalwork. Moreover, the website provides an opportunity for individuals to make direct donations to the charity, with the added option of including gift aid for eligible contributions.

Financial Review

The results for the year ending 31st March 2023 show an overall deficit in year of £10,708, comprising; a surplus of £12,052 on unrestricted funds and deficits of £15,033 on designated funds and £7,727 on restricted funds. The surplus in year on unrestricted funds reflects several areas; in particular, an increase in supporting living income and rental contributions, new sources of fundraising income and grant income to support the charity and an increase in interest earned on cash reserves. The deficit on designated funds reflects the spending this year of previously approved planned work on the barn conversion. The deficit on restricted funds in year reflects the spending this year of the balance of the Workforce Recruitment and Retention Fund (WRRF) from NYCC (received in the previous year), supporting the provision of free private healthcare cover with Aviva Health. This was grant funded until October 2022 and has been supported since by general unrestricted funds.

This brings the total cumulative position of reserves to £439,251 comprising £102,425 unrestricted funds; £329,526 designated funds and £7,300 restricted funds.

The level of free reserves, that is those unrestricted funds not tied up in tangible fixed assets, nor held in designated funds, stands at £34,705 at 31st March 2023. The trustees believe that this level of reserves is reasonable to ensure continuity of the charity's services in the event of sudden fluctuations of income. The charity aims to continue increasing the free reserves to achieve the desired policy of holding three months worth of unrestricted expenditure.

The trustees are confident that the charitable company will be able to meet its liabilities as they fall due in the forthcoming year. Accordingly, these accounts have been prepared on a going concern basis.

Plans for the future

Looking ahead, we have several exciting plans for the future. Our first priority is to make the new supported living service ready and operational by Spring 2024. This will provide opportunities for the charity to support more individuals who require specialist care and support. By expanding our services, we aim to make a positive impact on the lives of more people with learning disabilities, ensuring they receive the dedicated care and support they deserve.

Furthermore, we have plans to upgrade the septic tank system at our main Whinflower Hall site. This essential investment will ensure that the site remains fit for purpose and future-proof. By proactively addressing infrastructure needs, we can continue to provide a safe and comfortable environment for the individuals we support.

In addition, we have identified the need for tarmac repairs at both our main site and Whinflower Hall. These repairs are crucial in improving safety for the people we support and our visitors. By maintaining well-maintained pathways and surfaces, we create an inclusive and accessible environment for all.

Looking ahead, we have identified a key area of improvement that requires our attention. Over the past year, we faced challenges due to increased electricity bills caused by national and international issues. In response, we have devised a plan to finalise the upgrade of our electricity meter within the next 12 months. By completing this upgrade, we aim to transition away from the costly tariff we are currently on and secure new contract terms that are much more favourable. This strategic move will help us optimise our energy usage and allocate our resources more efficiently, ultimately benefiting the individuals we support and ensuring the long-term financial sustainability of the charity.

As part of our 5-year business plan, we are committed to introducing a new pension scheme in the next financial year. This step demonstrates our dedication to staff retention and long-term financial security for our team members. By providing an enhanced pension scheme, we aim to attract and retain talented individuals who share our passion for supporting people with learning disabilities.

These future plans align with our overarching goal of enhancing the quality of life for individuals with learning disabilities. By investing in infrastructure, expanding our services, and prioritising staff well-being, we are actively working towards creating a more inclusive and supportive society for those we serve.

Structure, governance and management

Acorn Community Care is a non profit making company limited by guarantee and a charity governed by the Memorandum and Articles of Association with all the trustees of the charity being directors of the company.

At the Annual General Meeting all trustees resign and then nominations are made and seconded to elect trustees for the year ahead.

New trustees undergo an induction meeting whereby they gain a greater understanding of how the charity operates and ongoing training to help ensure they understand their legal obligations under charity and company law and the financial performance of the organisation. The trustees continue to keep in touch with the charity and its current services and building projects. The charitable company is governed by its trustees with day to day management delegated to the Chief Officer.

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The remuneration policy is to benchmark salaries against similar roles in the sector and to implement statutory changes where appropriate. An appraisal process is in place for all staff, undertaken by line managers and regular supervision undertaken for all staff.

Reference and administrative details

Charity name	Acorn Community Care				
Other name(s) the charity is known by					
Change of Name	The company changed its registered name on the 17th October 2009 from Acorn Services (North Yorkshire)				
Registered as a Company on	06/09/2002				
Registered as a Charity on	03/01/2003				
Registered Company number	4528689 (England and Wales)				
Registered Charity number	1095207				
Charity's principal address (& registered office)	Whinflower Hall Scarborough Road Norton, Malton YO17 8EE				
Auditors	Hallgarth Audit Limited 2 Hallgarth Pickering YO18 7AW				
Banks	<table> <tr> <td>CAF Bank Ltd 25 Kings Hill Avenue West Malling, Kent ME19 4JQ</td> <td>Hampshire Trust Bank 55 Bishopsgate London EC2N 3AS</td> </tr> <tr> <td>Charity Bank Fosse House 182 High Street Tonbridge TN9 1BE</td> <td>Virgin Money 46 Coney Street York 9NQ</td> </tr> </table>	CAF Bank Ltd 25 Kings Hill Avenue West Malling, Kent ME19 4JQ	Hampshire Trust Bank 55 Bishopsgate London EC2N 3AS	Charity Bank Fosse House 182 High Street Tonbridge TN9 1BE	Virgin Money 46 Coney Street York 9NQ
CAF Bank Ltd 25 Kings Hill Avenue West Malling, Kent ME19 4JQ	Hampshire Trust Bank 55 Bishopsgate London EC2N 3AS				
Charity Bank Fosse House 182 High Street Tonbridge TN9 1BE	Virgin Money 46 Coney Street York 9NQ				

Names of the directors (trustees) who manage the charity

(unless indicated otherwise all are trustees and directors)

Trustee Name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
F Walls	Chair		
T Bell	Secretary		
S Neal			
C Storr			
M P Harrison			

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Acorn Community Care 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 trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Members of the Board of Trustees, who are directors for the purpose of company law, and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 4.

Disclosure of information

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information of which the charity's Auditor is unaware;
- as directors of the company, they have taken the necessary steps to be aware of the information, which would be relevant for audit purposes and have communicated them to the Auditor.

Declaration

The trustees declare that they have approved the trustees' report above
Signed on behalf of the charity's trustees



T Bell, Trustee

Date 13/12/2023

Independent auditor's report to the trustees of Acorn Community Care Limited

Opinion

We have audited the financial statements of Acorn Community Care Limited] (the "Charity") for the year ended 31st March 2023 which comprise the statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the provisions available for small entities, in the circumstances set out in note [X] to the financial statements], 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees 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 they 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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144* of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144* of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Hallgarth Audit Ltd

Hallgarth Audit Limited

Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

2 Hallgarth

Pickering

North Yorkshire

YO18 7AW

Date: 13/12/23

Acorn Community Care
(Charity Registration Number 1095207)

Statement of Financial Activities for the year ended: 31st March 2023
(incorporating the Income & Expenditure Account)

		2023				2022			
		Unrestricted funds	Designated funds	Restricted funds	Total Funds	Unrestricted funds	Designated funds	Restricted funds	Total Funds
Note		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	3	2,944		-	2,944	1,689		-	1,689
Charitable activities	4	1,706,902		-	1,706,902	1,393,416		30,544	1,423,960
Other trading activities	5	3,820		-	3,820	-		-	-
Investments	6	2,876		-	2,876	40		-	40
Other	7	-		-	-	1,473		-	1,473
Total income and endowments		1,716,542	-	-	1,716,542	1,396,618	-	30,544	1,427,162
Expenditure on:									
Raising funds		7,538		-	7,538	898		-	898
Charitable activities		1,696,952	15,033	7,727	1,719,712	1,337,876		24,342	1,382,218
Total expenditure	8	1,704,490	15,033	7,727	1,727,250	1,338,774	-	24,342	1,363,116
Net income/(expenditure)	9	12,052	(15,033)	(7,727)	(10,708)	57,844	0	6,202	64,046
Transfers between funds		-	-	-	-	(50,981)	50,000	981	-
Net movement in funds		12,052	(15,033)	(7,727)	(10,708)	6,863	50,000	7,183	64,046
Reconciliation of funds									
Total funds brought forward		90,373	344,559	15,027	449,959	83,510	294,559	7,844	385,913
Total funds carried forward		102,425	329,526	7,300	439,251	90,373	344,559	15,027	449,959

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Acorn Community Care
(Charity Registration Number 1095207)

Balance Sheet as at: 31st March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets		67,720	39,471
Total Fixed Assets	13	67,720	39,471
Current Assets			
Cash at bank and in hand	14	472,092	474,134
Debtors & prepayments	15	75,673	68,870
Total Current Assets		547,765	543,004
Current Liabilities: Amounts falling due within one year			
Creditors and accruals	16	130,126	121,190
Net Current Assets/(Liabilities)		417,639	421,814
Current Liabilities: Amounts falling due after more than one year			
Creditors and accruals	16	46,108	11,326
Net Assets/(Liabilities)		439,251	449,959
Funds of the Charity	17		
Unrestricted Funds (General)		102,425	90,373
Unrestricted Funds (Designated)		329,526	344,559
Restricted Funds		7,300	15,027
Total Funds Carried Forward	17	439,251	449,959

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The directors (trustees) acknowledge their responsibilities for:

- i) ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- ii) preparing financial statements which give a true and fair view of the state of affairs of the company at the end of each financial year and of its profit and loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard FRS102.

The financial statements were approved by the trustees and signed on their behalf by:


T Bell, Trustee

13/12/2023
Date

Acorn Community Care
(Charity Registration Number 1095207)

Statement of Cash Flows for the year ending:

31st March 2023

	Note	2023 £	2022 £
Cash used in operating activities	19	<u>50,748</u>	<u>20,907</u>
Cash flows from investing activities			
Interest income		2,876	40
Proceeds from sale of tangible fixed assets		0	13,610
Purchase of tangible fixed assets		(55,666)	(51,704)
Cash provided by (used in) investing activities		<u>(52,790)</u>	<u>(38,054)</u>
Cash used in financing activities		-	-
Increase (decrease) in cash and cash equivalents in the year		(2,042)	(17,147)
Cash and cash equivalents at the beginning of the year		474,134	491,281
Total cash and cash equivalents at the end of the year		<u><u>472,092</u></u>	<u><u>474,134</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the accounts for the year ended:

31st March 2023

1 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 1st 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 charity has taken advantage of the concessions, provided for in the SORP, that are available to Charitable Companies that are not subject to a statutory audit.

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. No restatement was required, therefore no reconciliation of adjustments on transition to FRS 102 in 2016/17 was required.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees are confident that the charitable company will be able to meet its liabilities as they fall due in the forthcoming year. Accordingly, these accounts have been prepared on a going concern basis.

2 Accounting policies

Income and endowments

Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are sufficiently certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations

Grants and donations are only included in the SoFA when the charity has evidence of entitlement to the resources and receipt is probable.

Income from Government

The charity has received income from the government in the reporting period.

Contractual income and performance related grants

In the case of contractual income and performance related grants, income is only recognised once the charity has provided the specified services or performance related conditions.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the Trustees' Annual Report.

Investment income

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

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Notes to the accounts for the year ended:

31st March 2023

Expenditure and Liabilities

Expenditure

Raising funds

Cost of raising funds comprise those costs associated with attracting voluntary income and staging fundraising events.

Charitable activities

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Redundancy cost

The charity made no redundancy payments during the reporting period.

Assets

Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year and cost at least £500 each (increased September 2019 to £1,000). They are valued at cost or, if gifted, at the value to the charity on receipt, less depreciation. Depreciation is provided at rates to write off the cost of the asset over the useful economic life of that asset as follows;

Equipment & Machinery	- over each assets useful life of 2-10 years
Fixture & Fittings	- over each assets useful life of 2-10 years
Vehicles	- over assets life of 4 years

Taxation

The company is a registered charity and is exempt from corporation tax on its charitable activities.

Leases

The company enters into an annual lease agreement for the building which is fully paid each year.

In 2019/20 the company entered into a lease agreement for two company cars with a 36 month term to October 2022. The leased car payments are recognised as an expense in the profit or loss over the lease term on a straight-line basis. These were replaced in October 2022 with one company car on a new lease agreement to October 2025 and the other under a new hire purchase agreement.

Hire purchase and leasing commitments

In 2019/20 the company entered into a hire purchase contract to acquire a pool transporter vehicle until November 2023. This agreement ended in January 2022 when the vehicle was sold. A new hire purchase agreement was entered into January 2022 for a new transporter vehicle until January 2026. Also, as noted above one of the two company cars has been replaced with a hire purchase contract in October 2022. Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

Restricted funds are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their amortised cost using the effective interest method. However all the financial instruments are payable or receivable within one year and are therefore measured at the undiscounted amount of the cash expected to be paid or received.

Acorn Community Care
(Charity Registration Number 1095207)

Notes to the accounts for the year ended:

31st March 2023

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
<u>Voluntary grants</u>						
Grants supporting core			-			-
<u>Voluntary donations</u>						
General donations & Gift Aid	2,944		2,944	1,689		1,689
	<u>2,944</u>	<u>-</u>	<u>2,944</u>	<u>1,689</u>	<u>-</u>	<u>1,689</u>

4 Charitable activities

Fees for Day Services	425,189		425,189	423,756		423,756
Fees for Supported Living	1,187,964		1,187,964	920,895		920,895
Supported Living rent contributions	27,371		27,371	2,794		2,794
Farmhouse rents	33,889		33,889	32,395		32,395
NYCC Infection Control grant			-		11,544	11,544
NYCC Rapid testing fund			-	1,740		1,740
NYCC/NHS WICS grant			-		9,000	9,000
NYCC WRRF fund			-		10,000	10,000
NYCC Market supplement grant	5,804		5,804			-
ESFA Apprenticeship incentive	4,500		4,500			-
Other/Sundry income	22,185		22,185	11,836		11,836
	<u>1,706,902</u>	<u>-</u>	<u>1,706,902</u>	<u>1,393,416</u>	<u>30,544</u>	<u>1,423,960</u>

5 Other trading activities

Fundraising events	3,820		3,820			-
	<u>3,820</u>	<u>-</u>	<u>3,820</u>	<u>-</u>	<u>-</u>	<u>-</u>

6 Investments

Bank interest received	2,876		2,876	40		40
	<u>2,876</u>	<u>-</u>	<u>2,876</u>	<u>40</u>	<u>-</u>	<u>40</u>

7 Other

Gains on disposal of fixed assets			-	1,473		1,473
Total income	<u>1,716,542</u>	<u>-</u>	<u>1,716,542</u>	<u>1,396,618</u>	<u>30,544</u>	<u>1,427,162</u>

Within charitable activities above is income from the Government from:

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
City of York Council	69,596		69,596	16,078		16,078
NHS Humber & Yorkshire ICB	171,928		171,928	82,662		82,662
NYCC Homecare contract	1,196,510		1,196,510	1,086,584		1,086,584
	<u>1,438,034</u>	<u>-</u>	<u>1,438,034</u>	<u>1,185,324</u>	<u>-</u>	<u>1,185,324</u>

All of the above sources of government income represent fees for services provided by the charity.

Plus grant income of:	£	£	£	£	£	£
NYCC Infection Control grant			-		11,544	11,544
RDC COVID worker grant			-			-
NYCC Rapid Testing fund			-	1740		1,740
NYCC/NHS WICS grant			-		9,000	9,000
NYCC WRRF fund			-		10,000	10,000
NYCC Market supplement grant	5804		5,804			
ESFA Apprenticeship incentive	4500		4,500			
	<u>10,304</u>	<u>-</u>	<u>10,304</u>	<u>1,740</u>	<u>30,544</u>	<u>32,284</u>

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Notes to the accounts for the year ended: **31st March 2023**

8 Total expenditure

Analysed by activity	Unrestricted funds				Designated funds	Restricted funds	Total 2023	Total 2022
	Core	Day Services	Supported Living	Total	Barn Conversion	Grant Spend		
	£	£	£	£	£	£	£	£
<u>Raising funds</u>								
Fundraising & open days	5,504	1,017	1,017	7,538			7,538	898
<u>Charitable activities</u>								
Staff costs								
Salaries	757	391,191	898,873	1,290,821			1,290,821	1,007,397
Other staff costs		4,631	14,772	19,403			19,403	14,111
Health Scheme	10,280			10,280		7,727	18,007	2,273
Direct costs								
Activity costs		44,185	1,059	45,244			45,244	53,853
Subscriptions		1,219	3,116	4,335			4,335	4,712
Health & Safety		7,465	5,469	12,934			12,934	5,843
Service user costs/outings		530	22,159	22,689			22,689	12,809
Grant funded spend				-			-	544
Office costs	56	8,006	24,026	32,088			32,088	29,669
Premises costs		66,487	100,998	167,485	15,033		182,518	137,612
Vehicle costs		19,675	9,473	29,148			29,148	35,248
HP finance costs		985	985	1,970			1,970	1,928
Depreciation		18,107	9,310	27,417			27,417	17,263
Governance costs		1,858	9,193	11,051			11,051	10,604
VAT disallowed		10,238	11,849	22,087			22,087	27,332
Sundry expenditure				-			-	1,020
	11,093	574,577	1,111,282	1,696,952	15,033	7,727	1,719,712	1,362,218
Total expenditure	16,597	575,594	1,112,299	1,704,490	15,033	7,727	1,727,250	1,363,116

Wherever possible, costs are allocated directly to the activity. The Salaries costs include the apportioned share of the Key Management staff and central finance/admin totalling £237,782 (2022: £200,824) based on time spent managing and administering each of the charities services. The Office costs and Governance costs are allocated based on the turnover of each service as this is an indicator of the volume of administrative workload. The Premises costs (excluding buildings renovation costs) are allocated according to the time spent on premises and the Vehicles costs are allocated according to service usage.

Governance costs comprise the Audit fee and Legal & Professional fees.

9 Net income/(expenditure) for the year

	Total 2023	Total 2022
	£	£
This is stated after charging:		
Depreciation	27,417	17,263
Audit fee	4,039	3,789
Accountancy Services in year	14,690	12,119

10 Trustee remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. One trustee received out of pocket expenses of £43.70 (2022: £4.05)

No trustees have received any other benefits from the charity during the year.

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Notes to the accounts for the year ended:

31st March 2023

11 Staff costs and emoluments

	2023	2022
	£	£
Gross salaries	1,154,111	903,387
Employers National Insurance	110,829	81,814
Pension Contributions	25,881	22,196
	1,290,821	1,007,397
Average monthly head count of staff employed	40	34

No employee received remuneration in excess of £60,000 (2022: Nil)

The total employee benefits of the key management personnel of the charity were £189,169 (2022: £171,881).

12 Defined contribution pension scheme

The charity operates a defined contribution scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £25,881. The March employer contributions of £2,259 were outstanding at the end of the year and collected by direct debit in April 2023.

The employer pension cost is allocated between the charitable activities in line with the allocation of the corresponding staff salaries.

13 Fixed assets

	Plant, Vehicles & Equipment	Assets under HP agreements	Total
	£	£	£
Tangible fixed assets			
Cost or valuation			
At 1st April 2022	78,290	20,707	98,997
Additions in year	4,650	51,016	55,666
Disposals in year	4,390		4,390
At 31st March 2023	78,550	71,723	150,273
Depreciation	£	£	£
At 1st April 2022	54,349	5,177	59,526
Charge for the year	9,486	17,931	27,417
Prior depreciation on disposal	4,390		4,390
At 31st March 2023	59,445	23,108	82,553
Net Book Value	£	£	£
At 31st March 2023	19,105	48,615	67,720
At 31st March 2022	23,941	15,530	39,471

14 Cash and cash equivalents

	2023	2022
	£	£
CAF Bank current account	185,818	177,176
CAF Gold deposit account	110,047	124,301
Virgin Money	4	3
Charity Bank	85,000	85,000
Hampshire Trust Bank	85,829	85,000
Soldo	5,394	2,654
	472,092	474,134

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Notes to the accounts for the year ended:

31st March 2023

15 Debtors and prepayments	2023	2022
	£	£
Trade Debtors	55,267	40,403
Accrued Income	2,599	708
Prepayments	14,131	23,747
Other	3,676	4,012
	<u>75,673</u>	<u>68,870</u>

16 Creditors and accruals	2023	2022
	£	£
Analysis of creditors falling due within one year		
Accounts payable	9,939	5,158
Payments received on account for contracts or performance related grants	84,323	88,429
Taxation	5,188	7,329
Accruals	20,543	16,279
Hire Purchase agreements	10,133	3,995
	<u>130,126</u>	<u>121,190</u>
Analysis of creditors falling due after more than one year		
Hire Purchase agreements	46,108	11,326
	<u>46,108</u>	<u>11,326</u>

17 Movement of funds

17.1 Movement of major funds

2023

Fund name	Balance b/fwd £	Incoming resources £	Outgoing resources £	Transfers £	Balance c/fwd £
Unrestricted funds					
Designated funds	344,559		15,033		329,526
General unrestricted funds	90,373	1,716,542	1,704,490		102,425
	<u>434,932</u>	<u>1,716,542</u>	<u>1,719,523</u>	<u>-</u>	<u>431,951</u>
Restricted Funds					
Gannett Foundation	7,300				7,300
NYCC WRRF	7,727		7,727		-
	<u>15,027</u>	<u>-</u>	<u>7,727</u>	<u>-</u>	<u>7,300</u>
Total Funds	<u>449,959</u>	<u>1,716,542</u>	<u>1,727,250</u>	<u>-</u>	<u>439,251</u>

2022

Fund Name	Balance b/fwd £	Incoming resources £	Outgoing resources £	Transfers £	Balance c/fwd £
Unrestricted Funds					
Designated funds	294,559			50,000	344,559
General Unrestricted funds	83,510	1,396,618	1,338,774	(50,981)	90,373
	<u>378,069</u>	<u>1,396,618</u>	<u>1,338,774</u>	<u>(981)</u>	<u>434,932</u>

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Notes to the accounts for the year ended:

31st March 2023

17.1 Movement of major funds continued.....

	Balance b/fwd £	Incoming resources £	Outgoing resources £	Transfers £	Balance c/fwd £
Restricted Funds					
Gannett Foundation	7,300				7,300
Care software & equipment (NYCC & Rotary Club)	544		544		-
NYCC Infection Control grant	-	11,544	11,544		-
NYCC/NHS WICS grant	-	9,000	9,981	981	-
NYCC WRRF	-	10,000	2,273		7,727
	<u>7,844</u>	<u>30,544</u>	<u>24,342</u>	<u>981</u>	<u>15,027</u>
Total Funds	385,913	1,427,162	1,363,116	-	449,959

Transfers between funds 2023

From	To	Reason	Amount £
Unrestricted General	Designated		
Unrestricted General	Restricted		
			<u>0</u>

17.2 Details of Funds Held

Designated Funds

Designated funds have been set aside to cover;

1. The cost of bringing in the electricity supply to the farmhouse; £27,000
2. A sewerage upgrade to the farmhouse; £26,970
3. A redundancy/wind down provision of £211,158. This has been increased this year after completion of a detailed calculation of redundancy payments based on current staff in service plus additional provision made for contract obligations in the event of closure.
4. A fund of £60,000 to develop a new housing project: 41 Potter Hill, Pickering.
5. A provision for underfunded contracts: £4,398

Unrestricted Funds (General)

The General fund is unrestricted and available for the general running of Acorn Community Care.

Restricted Funds

The restricted funds are only available for the purposes specified for each fund, which are:

Gannett Foundation - reflects a grant to provide a walk in cold room for the new farm shop development.

Care software & equipment - a digital software and hardware package to record medical care and support to service users. This was grant supported by NYCC and the Rotary Club and was fully spent in 2021/22.

NYCC Infection Control grant - a grant to contribute to the cost of management time spent organising lateral flow testing April to June 2021.

NYCC/NHS WICS grant - Social Care Workforce grant distributed to 28 care workers in the charity in March 2022 in recognition for their efforts over the winter.

NYCC WRRF - Workforce Recruitment and Retention Fund, supporting the provision of free private healthcare cover with Aviva Health for 12 months. This ended during the year with the cost of the health scheme now being supported by unrestricted core funds.

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Notes to the accounts for the year ended:

31st March 2023

18 Net assets between funds	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Balances at 31st March 2023				
Fixed assets	67,720	-	-	67,720
Current assets	51,167	485,835	10,763	547,765
Current liabilities	(16,462)	(156,309)	(3,463)	(176,234)
	102,425	329,526	7,300	439,251
Balances at 31st March 2022				
Fixed assets	39,471	-	-	39,471
Current assets	67,334	455,791	19,878	543,004
Current liabilities	(16,432)	(111,232)	(4,851)	(132,516)
	90,373	344,559	15,027	449,959

19 Reconciliation of net movement in funds to net cash flow from operating activities

	Total	Total
	2023	2022
	£	£
Net movement in funds	(10,708)	64,046
Add back depreciation charge	27,417	17,263
Deduct interest income shown in investing activities	(2,876)	(40)
Decrease (increase) in debtors	(6,803)	(35,423)
Increase (decrease) in creditors	43,718	(24,939)
Net cash used in operating activities	50,748	20,907

20 Lease commitments

The farm rent lease charge recognised as an expense during the year was £27,063 (2022: £27,063). The charity is currently in renegotiation as part of the right to renewal under the business lease arrangement. The new contract is expected to be signed this year for a further 10 years.

There are now two hire purchase agreements in place for company vehicles. The existing Ford Tourneo has an end date of January 2026 and the new Audi Q4 has an end date of October 2026. The total of future minimum lease payments for the new agreement at the end of the reporting period is;

	£
not later than one year	10,133
later than one year and not later than five years	46,108
later than five years	-

The corresponding future interest, which is charged as an expense each year is;

	£
not later than one year	3,579
later than one year and not later than five years	8,401
later than five years	-

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Notes to the accounts for the year ended:

31st March 2023

20 Lease commitments continued....

The lease of company cars recognised as an expense during the year was £13,080 (2022: £16,898). This comprises the lease payments on the previous two company vehicles to October 2022 and a new lease commencing for one company vehicle in October 2022. The other company car has been replaced by a new HP agreement noted above. The charity is committed to the new lease agreement until October 2025. The total of future minimum lease payments at the end of the reporting period is;

	£
not later than one year	11,297
later than one year and not later than five years	19,163
later than five years	-

21 Transactions with connected parties

There have been no related party transactions in the reporting period.

22 Contingent Liabilities

The charity has no contingent liabilities at 31 March 2023 (2022: None).

23 Control

In the opinion of the trustees, no one party controlled the company in the year.