

**Charity Registration No. 1097098**

**Company Registration No. 04457125 (England and Wales)**

**FENLAND AREA COMMUNITY ENTERPRISE TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	J Potter W Papworth G Ashby D Bye	(Appointed 21 February 2020)
<b>Secretary</b>	J Turner	
<b>Chief Executive Officer</b>	L Ingram	
<b>Charity number</b>	1097098	
<b>Company number</b>	04457125	
<b>Registered office</b>	Marwick Centre 21 Marwick Road March Cambridgeshire United Kingdom PE15 8PH	
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP	
<b>Bankers</b>	Barclays Bank PLC 12 Old Market Wisbech Cambridgeshire United Kingdom PE13 1NN	
<b>Solicitors</b>	Hunt and Coombs Solicitors 35 Thorpe Road Peterborough United Kingdom PE3 6AG	

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# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## CHAIRWOMAN'S STATEMENT

**FOR THE YEAR ENDED 31 JULY 2020**

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Letter from our Chairwoman, Wendy Papworth



It is with great pleasure that I commit a few words to paper in my first year as Chairwoman of the Board of Trustees for FACET. Our Annual Report for 2019/2020 covers a turbulent time for the charity from issues specific to FACET to the impact of the worldwide Coronavirus pandemic which like, for so many has had a major impact on the services we have been able to provide and the effect that this has undoubtedly had on our students; their parents and carers, our staff and volunteers.

Let me turn first to the pandemic, the Board in consultation with the CEO and senior staff at FACET took the decision to close our main site to students on the 24th March which meant furloughing a number of staff. We continued to employ a skeleton staff to provide on-going support in the community for families in need and some staff to maintain the centre and prepare for a COVID-19 safe re-opening. These actions have had a very positive impact on our reputation and we are extremely grateful to all our members of staff who worked tirelessly throughout to do their absolute best for all concerned. The work of our Senior Management Team meant we were able to take advantage of the support made available by funders. We were also very appreciative of the support offered by some of our suppliers, which meant we were able to achieve reductions in our operating costs, and we are very grateful to them for the assistance they provided. All of which has helped protect our financial position as we move towards the full re-opening of the centre.

It is fortunate that we have such a large main site, with lots of external space, which has enabled us to respond to the COVID-19 requirements more positively than might otherwise have been the case. Also, that we have some retail premises in the town centre, with an adjacent office building, which lend themselves to being converted into an overspill training and social care establishment for our students, and hence reduce pressure on our main site. The cost of conversion is being met by our recently awarded Power to Change grant.

We continue to invest in all our properties, working to ensure a safe, healthy and interesting working environment, creating new opportunities for our students both in our main site and in the community. I would like to thank Cambridgeshire County Council for their support over the year, especially in the context of the much-needed repairs to our roof but also throughout the Coronavirus pandemic.

I would like to thank the CEO, Linda Ingram for her hard work and dedication to FACET and in a personal note for the openness and candour in which she works with me as Chair and my fellow Trustees. I'm also grateful for the specialist knowledge of each member of the Senior Management Team on whom the day to day smooth running of FACET we entrust. In particular our General Manager, Kris Harrold who was awarded the Markel Third Sector Leading Change for Compassion Award in October 2019 at an event in London hosted by Dame Esther Rantzen.

It has been a difficult time for our staff, both those who have worked throughout the pandemic and those on furlough. I thank them all for their support, hard work and tenacity during this time.



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## CHAIRWOMAN'S STATEMENT

**FOR THE YEAR ENDED 31 JULY 2020**

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I'm incredibly honoured to be the Chair of such a wonderful organisation as FACET, the whole team, including parents, carers and volunteers work hard to create such a wonderful place for our students to learn, grow and thrive. But, most of all it is the students themselves which make FACET the place it is. Their obvious enjoyment in coming to FACET is clear to any visitor to the site and they make it the happy and friendly place it is. Finally, I would like to thank my fellow Board members for their very active support, which is highly valued and much appreciated.



**Wendy Paprworth**

Chairwoman

Dated: 1/4/21

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 JULY 2020**

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The trustees present their report and financial statements for the year ended 31 July 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)". Reference has also been made to the Charity Commission's publication on Charities and Public Benefit.

### **Legal Status**

As a company limited by guarantee No: 4457125, the Fenland Area Community Enterprise Trust is incorporated at, and regulated by, Companies House, and hence is subject to the Companies Acts and governed by a Memorandum and Articles of Association. The liability of the members in the event of the company being wound up is in the sum of £1. Additionally, as a Registered Charity No: 1097098, the Trust is also subject to charity law and is regulated by the Charity Commission.

### **An overview of the governance of the charity**

The Board of Trustees is elected by the Members at a General Meeting. Trustees can also co-opt additional Trustees to the Board, who must subsequently be elected by Members at the General Meeting. All the existing Trustees have been elected by Members at a General Meeting; currently we have five Trustees.

The Trustees have continued to meet monthly, initially face to face, but virtually since April 2020. The need to meet monthly initially stemmed from problems affecting the roof of our building, which is owned by the County Council, but more recently on account of the impact being sustained due to the pandemic, which has adversely affected the work of the charity. A virtual Annual General Meeting was held on 21st August 2020, although we plan to revert back to the AGM taking place in December each year, commencing December 2021, by which time some form of normality will hopefully have been resumed. Financial issues are always high on our agenda and our Treasurer presents his report at the start of every meeting, which incorporates a review of the monthly Management Accounts, an overview of current position and comparisons with past performance, together with a formal review to confirm our position on cash reserves. Risk Management, Safeguarding and Health and Safety legislation feature prominently, as well as issues affecting our future growth and development. Consideration has been given to the charity's future expansion, in particular setting up another facility in a new location and we remain committed to offering our services in new geographic locations, looking at external facilities and also new potential partnerships and communities. A new facility has recently been established in March town centre, but this was more to do with getting our existing students back with us safely after the initial lockdown, rather than being part of our expansion plan as such.

Trustees do not receive any payment in the context of being Trustees, although they are entitled to claim expenses for attending meetings and generally supporting the work of the charity, but no such claims have been submitted to date.

The Trustees as a whole are totally committed to the principle of 'Good Governance' and indeed have previously measured their performance against this code as well as the 'Hallmarks of an Effective Charity'. The Trustees have an excellent induction process in place for new Trustees, which has previously been rated as excellent. All Trustees have been provided with a personal copy of the Good Governance Code published by the NCVO and note has been taken of the forthcoming changes relative to Equality Diversity and Inclusion.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

FOR THE YEAR ENDED 31 JULY 2020

### Structure, governance and management

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 Potter

F Allen

(Deceased 17 March 2021)

A Pugh

(Resigned 13 December 2019)

G Philpott

(Resigned 22 May 2020)

W Papworth

G Ashby

D Bye

(Appointed 21 February 2020)

Our Trustees and Elected Officers are as follows:

Wendy Papworth, Chairwoman: Our Chairwoman is a Human Resources Consultant having formerly been the Global Head of Diversity and Inclusion for Barclays plc. Prior to joining Barclays, Wendy worked for IBM as the Workforce Diversity Manager for IBM's Major Markets Division (Europe, Japan and Canada). Before joining the HR Team Wendy was a Consultant in the Financial Services Sector of Global Business Solutions. Prior to that Wendy worked for RSA Insurance group in various management positions both UK and internationally. Wendy has previously sat on the Advisory Board for Catalyst Europe; the Advisory Board for The Trestle Group Foundation; the Advisory Board for International Women of Excellence and was a member of the Heads of Diversity and Inclusion Council for UK Finance formerly the British Bankers Association. She currently acts as an Ambassador for Everywoman, a network for professional women.

Our Treasurer is Frank Allen. Frank is a Management Accountant, who started his working life in the mill trade, followed by 3 years with the National Coal Board, and then went back to textiles with the CWS, where he ended up as Group Accountant. He later moved to Austin Reed's clothing subsidiary, ending his career with Thwaites Brewery. His qualifications include British Institute of Management & ACMA (Association of Cost and Management Accountants).

John Potter, Vice Chair: Until his 'official' retirement in 2004, John worked in education. He was Deputy Head of an Inter-Church Ecumenical Comprehensive School in Cambridge for 10yrs and then became Head of an 11-16 school in South Lincolnshire where they set up a 'Lifelong Learning Centre', Pre-school Playgroup and a number of other community facilities, which has given him considerable experience of seeking and complying with grants and other funding. Following his 'official' retirement he was the 14-19 Co-ordinator for South Holland, Rural Co-ordinator for all the primary and secondary schools in South Holland [this included Project Managing the creation of a Senses Garden at Springfields, Spalding], John also acted as a consultant to the South Holland Youth Council and organised collaboration between local schools and those in Northern Hungary. This culminated in a three day Education Conference, held in Hungary, involving staff and students from both regions. Following his 'actual' retirement, and wishing to continue his 'service to others', John joined the local Lions Club and following his Presidency of the Club was invited to become the Zone Chairman of the 5 Clubs in the North of Cambridgeshire; this was followed by two years' service as Regional Chair with responsibility for 15 Clubs. East Anglian Lions amalgamated with East Lions (Lincolnshire and Nottinghamshire) last year and he was appointed as the Sergeant at Arms and Convention Officer for the new enlarged District.

Gemma Ashby: Gemma first became aware of FACET when she accompanied her Mum on a FACET show round which resulted in her falling in love with the place and fundraising for us for the previous 2 years. Her brother now also attends the Centre and enjoys his time here very much. Gemma has been with Specsavers for over 11 years and feels privileged to now have the opportunity to be part of FACET too. Gemma plays a key role in raising funds for the Charity both through Specsavers and taking part in individual and team events.

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

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

### **FOR THE YEAR ENDED 31 JULY 2020**

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**David Bye:** David is in his second spell as a Trustee of FACET. Until his retirement he was an Engineering Supervisor with the Ford Motor Company, where he worked for almost 30 years. He has had a long-term involvement with the Lions, starting in 1998, and was President of the March and Chatteris Lions until June 2009. David also volunteers at our Charity Shop in March, which mainly sells furniture, and he plays a vital role through that additional form of support.

The Company Secretary is Jane Turner, who is also an employee of the Charity, being the Assistant General Manager.

#### **Principal staff member and members of the senior management team**

The principal staff member, to whom the Trustees of the charity have devolved the day to day management of the Charity is Linda Ingram, Chief Executive Officer, who was responsible for setting up the Charity in 2002/2003. The other members of the Senior Management Team are:

- Kris Harrold, General Manager (who is also the appointed Registered Manager)
- Jane Turner, Assistant General Manager
- James Erbe, Health and Safety and Facilities Manager.

#### **Summary of the purpose of the charity as set out in our governing document**

The charity's objects and principal activity as stated in our Memorandum and Articles of Constitution relate to the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation, and in particular the Fenland District of Cambridgeshire, by means of the advancement of education, training and employment of those with learning and/or physical disabilities and unemployed people generally, plus improvement of public amenities, conservation of the environment, promotion of public safety and such other means as may be thought fit.

#### **Our objectives**

We have referred to the Charity Commission's guidance on public benefit both when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees are keen to expand the services provided by the charity to a much wider range of potential users of our services and also to extend our geographic coverage. Also, to continue to increase student numbers attending our facility, whilst at the same time ensuring those who take up places at our facility come through as wide a range of income streams as possible, such as being funded by a number of local authorities or indeed are privately funded.

As part of the planning process the Trustees have identified the need to review the aims and objectives to be delivered by the charity over the next 5 years, together with how the planned activities will contribute to the desired outputs and outcomes for individual students. A Business Plan has been developed to support these plans, which will be kept under review, and Trustees still wish to build up the level of the charity's reserves in order to bring these plans to fruition, despite pressures we face in order to meet the costs of remedial work on the roof. We will endeavour to seek some capital funding via a programme based on our ongoing capital refurbishment strategy, although we accept this form of grant funding is becoming increasingly difficult to access.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2020

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#### Achievements over the year

Our achievements over the year have been grouped under four main headings, for ease of presentation. These are as follows:

#### **i) Meeting the needs of our students**

To say this has been a difficult year is perhaps something of an understatement. However, whilst we will include the impact of the Coronavirus pandemic on our financial position, we have no wish to dwell on the negative aspects in this section, as that would go against everything we do here, and everything we believe in, not to mention all the hard work we have undertaken. We have many positive things to report, but those have only been made possible due to the sheer dedication and total commitment of our entire staff team, and the difference they make to the running of this charity cannot be over-stated. Not only that, but we have received massive support from everyone that we have turned to for help, especially our funders, both local and national, and our other supporters too, not least being Cambridgeshire County Council, and without their collective support, without question, we would have found it exceedingly difficult to continue our work. We initially lost just over £40K from our projected student income in the four-month period from April to July 2020, although this figure was subsequently reduced to £18.9K when further income was received after the year end. Also, our losses in trading income were £60.6K against budget for the full year, which was almost wholly attributable to COVID-19. Moving forward, however, we hope our trading losses can be minimized to a degree, as long as our charity shops are allowed to remain open and trading, but otherwise trading losses of £12.7K per month will continue to mount up.

Looking at our positive achievements throughout the year, one of the highlights being that last December our General Manager, Kris Harrold, was awarded the Market 3rd Sector Care Award 'Leading Change Adding Value for Compassion' on behalf of FACET, presented by Dame Esther Rantzen in London. This was a major achievement on behalf of our organization and one of which we are extremely proud. We have also received the 5\* Food Hygiene Catering Award for the 3rd year in a row, with our kitchen having been described as immaculate and one that would put many restaurants to shame.

In November 2019 we were granted a 1% fee uplift by Cambridgeshire County Council, which we had to apply for and justify our need. This was the first time we had ever applied for such an increase, and was valued at a modest £3,705 per annum in respect of the placements directly funded by the Council.

In January 2020, much needed and long awaited work started to repair our roof, which was completed on the 17th March 2020 (see point iii) below).

Then came the Coronavirus Pandemic. When Boris Johnson announced the first lockdown on 23rd March, we sadly closed our doors to our students with immediate effect. However, there was absolutely no way we could leave our families with no support, so we decided to maintain a skeleton staff team, including all four members of our Senior Management Team, plus several members of our Care and Support staff team who asked to be redeployed to support local families in need, which led to our Crisis Support Team becoming established. These staff members worked tirelessly throughout lockdown, responding to needs as expressed by our parents and carers, wherever they existed, providing whatever help was required, whether out in the community, via a sitting service or in the home environment. A whole new area of work for us, but one which was taken on without any hesitation whatsoever. We received much acclaim for our work, especially from Cambridgeshire County Council, and from our parents and carers also. The compliments included how flexible we were in our approach, how rapidly we could respond to changed requirements and comments too on the extent to which we had eased the anxiety levels being experienced by our parents and carers. We worked very closely with Cambridgeshire County Council, especially in terms of identifying where support was most needed, and we received support from them throughout, for which we were incredibly grateful. Also, our two Building Better Opportunities (BBO) staff, whose posts are either wholly or part-funded by the National Lottery Community Fund/ESF, worked remotely throughout lockdown with their participants. Eighteen of our staff (50%) were initially placed on Furlough, which quite quickly reduced to 15 as more staff elected to join the Crisis Support Team.



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2020**

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Once our COVID-19 Risk Assessment and Policy were in place, we were able to re-open to our students on 6th July, albeit in a very limited way in terms of student numbers and activities. We had created ten classroom 'bubbles' throughout the building, consisting of socially distanced work areas, each initially designed to accommodate 5 students, where the students would remain throughout the day, with each group working with a dedicated staff member. Lunches, snacks and drinks would be brought in from home, and staggered start and finish times would apply, ensuring that social contact outside the group would be kept to an absolute minimum. Not ideal, but this was the only way we could see to ensure people were kept safe. However, it soon became clear that by September, when we could expect to have just 72 of our 132 students back with us, there would still be another 60 students remaining at home. The prospect of having 50 students on site daily, with up to 30 staff in addition, as had been the case prior to lockdown, now seemed far too daunting a prospect to even consider. So, a limit of 50 people on-site daily was imposed, and we consulted with our parents and carers, as we had done throughout, to seek their views and requirements. The prospect of a second facility was borne out of the concerns being expressed by our parents and carers regarding the sheer volume in terms of numbers of students we would normally accommodate.

At the end of July, a proposal was put forward to close one of our charity shops and an adjacent office building and to convert the premises into an overspill facility for our main site, where four more accommodation 'bubbles' for our students could be created. We swiftly sought agreement from one of our funders, Power to Change, to use the £25,000 they had offered to award, for the purpose of converting the premises, which was granted; this funding came from the Coronavirus Recovery Fund. It was a requirement under the Power to Change terms and conditions that organisations should proceed to identify and apply for other funding in good time, where needed, so we took that advice fully on board. We applied to the National Lottery Community Fund to furnish and equip the premises, as well as funding a Coordinator post until the 30th March 2021, also from the Coronavirus Recovery Fund. On the day the conversion work on the premises was completed, we heard from the National Lottery Community Fund that our application had been successful, valued at £36,507. Our new overspill centre, known as FACET in Town, opened to our students on 9th November.

We then followed on with a third bid under the Coronavirus Recovery Fund, this time being made available through Cambridgeshire Community Foundation. This was for £17,359 and was also successful. This is helping us to establish a digital platform through which we can communicate with, and support students remotely who are not able to attend for whatever reason. We will also be able to reach out to other people externally, especially those living in residential care homes, with whom we currently have no direct contact. The funding covers a new post until 31st March 2021, plus equipment and student activity packs.

We have also benefitted also from funding made available by the government a) under the Job Release Scheme in respect of our staff on furlough and b) under the Business Rate Retail Hospitality and Leisure grant, which we were able to apply for from Fenland District Council in respect of our three Charity Shops. We are very grateful indeed for the funding made available by the Government to help charities such as ours through these difficult times.

### **II) Work undertaken to address the problems associated with our building**

One of our key aims is to ensure we provide a warm and safe environment for our students and staff, but we've had some fairly major problems to contend with regarding unplanned work needing to be carried out at our main site. We occupy a large building, owned by Cambridgeshire County Council, on which we have a 25 year full repairing lease, which expires on 31st March 2039.

A major event in our calendar was getting the repairs carried out to the large flat roofed area of our main building, which had been taken almost 3 years to bring to fruition. The work was organized by Cambridgeshire County Council, and involved stripping the existing rubber-bonded roof covering, together with the 100mm depth insulation, and replacing it with new insulation of 125mm depth and a new roof covering. The work, which is guaranteed for 25 years, commenced on 22nd January and concluded on 17th March 2020.

We have also been able to make an environmental improvement using a grant made available through the Peterborough Environment City Trust (PECT), in the form of a Business Energy Efficiency / ERDF Award of £1,586.75 as a 25% contribution towards the cost of changing all the lights over to LED at our main site, the total cost of which amounted to £6,347 excluding VAT. We anticipate, based on calculations provided, this will save us £2,000 per annum, and we have already started to realise those savings.

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

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

**FOR THE YEAR ENDED 31 JULY 2020**

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The main problem encountered this year related to the drains, which on investigation were found to be made of pitch fibre, which only have a 40-year life span, due to the fact they tend to sag or collapse. Given that this part of the building was constructed in 1962, we clearly had a major problem on our hands here, with the building already being 58 years old. The initial investigation and clearance work cost us a total of £20,000, including some intensive remedial work, involving the injection of resin liners; this work, however, has subsequently increased the life span of the treated drains by 50 years or more, which is an excellent outcome. Not all drains have yet been treated in this way, so more work may yet need to be carried out.

However, we face more costs given that the heating and hot water pipes throughout the building are made of steel, and work really needs to be undertaken to change these over to copper, as few plumbers are now trained to work on the steel pipes.

Furthermore, we still have plans in place to carry out improvements to our main building to ensure we are able to better accommodate adults with more complex needs. We are now being asked to provide support for more young people in this category, as due to changes in government strategy, they now look to access services within their own community, as opposed to entering a lifetime of residential care, often some distance away from home.

We have a Capital Investment strategy in place, which itemises all work needing to be carried out, and helps our Trustees to identify the appropriate priorities. It is highly likely we will need to draw in further funding to help us cover the cost of some of this work. Members have also formed a Buildings Sub Committee to ensure work is appropriately prioritised and funds are allocated accordingly.

### **iii) Cost savings**

We have been working really hard since April 2018 to reduce our bottom line operating cost and as of mid-November 2020 we have realised an annual saving of £52K, with a further £35K projected savings to be achieved on an annual basis, following the redundancy of two staff in January 2021. This work was particularly important during the initial lockdown period, when we received support from all sides to help us reduce costs, although those savings have not been included here, as they were short term.

### **iv) Contracts and partnership arrangements**

#### **Cambridgeshire County Council**

As the result of a tendering exercise undertaken in January 2018, we were awarded two Framework Agreements for Day Opportunities, each covering five-year period, one for Standard and the other for Complex Needs. However, the pricing structure applying to these agreements only covers new starts with effect from the date of each individual contract, which means we are subsidising the per session charge on longer term placements by up to £4, which is having a negative impact on our levels of income. This means we will need to apply for a further increase in respect of the old rates at the next opportunity, although even if awarded, will be unlikely to exceed 1%.

#### **Anglian Ruskin University and the College of West Anglia**

We have arrangements in place with both organisations whereby we offer training placements to their students who are undertaking a Social Care or Nursing qualification.

#### **Big Lottery / ESF / Building Better Opportunities**

This project was launched in November 2016 initially for a 3-year period, with the award totalling £121,500 from the Big Lottery / European Social Fund. However, the project has now been extended for a further three years. We initially committed to recruiting 60 participants, based on 20 per annum, and this rate will continue until the project end date in 2022. Participants engage with the project for one day each week. We work with the participants to become better connected with their communities, to local services and to the labour market and we have currently maintained the required level.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2020**

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The achievement of outcomes is all important here. It is also important that all support organisations should work more closely together, being members of a partnership called Community Connections, led by TCHC. We have two excellent staff members in post, and they were able to work with participants remotely during the lockdown period. As part of this project we are delivering an Enterprise qualification under our registration with Gateway, as well as providing opportunities for our students to undertake job search, work experience or voluntary work wherever possible. The majority of participants are undertaking this accredited qualification and two of the participants have been successful in finding paid employment. The partners hold regular partnership meetings, albeit now virtually due to the pandemic.

### **The Charity's trading Income**

With effect from the first lockdown in late March 2020, our trading income, worth in the region of £152K per annum, was totally obliterated, which was a major blow on an organisation-wide basis. Our Charity Shops have been forced to close three times now, although the impact of the first lockdown was cushioned by the fact that we were able to apply for the Business Rate Retail grant of £10K in respect of each shop, which we received from Fenland District Council, and we were exceedingly grateful to receive that payment. However, our kitchens closed at the end of March 2020, and will remain closed for the foreseeable future. Along with that, the Tuck Shop run by our students was also closed and vending ceased, all of which generated much-needed income; our landscaping work for people and businesses in the local community also ceased due to COVID-19. Although the impact of this financial loss is considerable, we are endeavouring to start up new trading and income generating initiatives, but we do not expect the yield to be significant in terms of income generated in the early stages.

Having permanently closed one of our Charity shops in August, we now have only two shops currently trading, but with the efforts being put in by our staff team, we are striving to match the same level of income as when we had three shops trading as previously. We also offer a furniture re-use service, and sell our plants through our shops, which helps to boost our trading income. We are members of the Re-use Network, and have in fact achieved the status of an Approved Re-use Centre (ARC). In order to achieve and maintain this status are audited annually on a company-side basis, looking at our systems and processes to make sure we are fully compliant. Overall, we have met the standard required to maintain our status as an ARC.

Our Charity shops not only place us at the heart of our local communities, but also offer local people the opportunity to benefit from being able to purchase good quality second hand furniture, household goods and clothing etc at favourable prices. Also, many people experience loneliness or social exclusion, so for them our shops can be a lifeline in terms of social interaction. We are very grateful to our volunteers who support our work in our Charity shops.



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

FOR THE YEAR ENDED 31 JULY 2020

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### Fundraising

In the past, we have always taken great pride in the fact we were by no means grant reliant, with 97% of our income year on year having come from sustainable sources, mainly sales and trading of various types with some contract income. However, we knew right from the outset that this year was going to be different, mainly due to the decline in the economic situation, and the different emerging needs within our own organisation, so we had been determined to seek additional support from funders, before Coronavirus was even heard of. Naturally the impact of that made it far more imperative for us to seek additional support from a range of funders at local and national level, and up to now we've had 100% success in this regard, for which we are immensely grateful.

Looking back to the start of the year, our Trustee, Gemma Ashby, Practice Manager of Specsavers in March, organized and took part in a number of fundraising events over the year, some of which involved all 13 members of staff from Specsavers. She also organised in-store fundraising events, including 'drink and bake' sales and raffles. The proceeds, amounting to £1,768, are being contributed towards a new Minibus, together with £3,232 raised by our students through their Tuck Shop sales; we are currently seeking to draw in other funding to help cover the cost of purchasing a wheelchair accessible Minibus, albeit secondhand. At this stage we need to raise at least another £16K by June 2021 in order to ensure the release of £10K provisionally offered by The Evelyn Trust towards this purchase.

Early on in the year, we were successful in achieving a grant from Awards for All, for £9,709, to cover the cost of some of the improvements we needed to make to better accommodate the needs of our students with more complex needs. Numbers of students in this category have seen a significant increase over the last couple of years, following changes in government policy, which has meant that young people with high support needs now need to access services within their own local communities, as opposed to taking up residential care placements at some distance from home.

We were also successful in drawing in the funding we needed to convert a former sales POD, owned and donated by Keir Housing, into a new 10-place IT Suite. The funding came from the Percy Bilton Charity, Earl Fitzwilliam Charitable Trust, Screwfix and Microsoft Research and we are very grateful to all the funders concerned, especially since the first two mentioned here had supported us on previous occasions.

However, once Coronavirus had struck, we had to look for other sources of funding, especially those being made available by the government, as part of the Coronavirus Recovery programme, and our work here has already been reported on under 'Achievements over this year'.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2020

#### Summary of funding agreements currently in place

#### 1. Funding awarded in the current year and early part of 2020/21 under the Coronavirus Recovery Scheme

Funder	Amount	Purpose
Power to Change	£25,000	Conversion of former Charity Shop and adjacent office building into an overspill facility to accommodate the return of more of our students. New premises known as 'FACET in Town'.
The National Lottery Community Fund	£36,507	The supply of furniture and equipment for the above premises, plus a Coordinator post until 30th March 2021.
Cambridgeshire Community Foundation	£17,359	To establish a Digital platform so we can engage remotely with those who are experiencing social isolation due to the pandemic. The funding covers a post, equipment and activity packs.
Groundwork / Tesco Bags of Help Scheme	2 x £500	Personal equipment for the use of our students at our main site and FACET in Town to meet COVID-19 requirements.

#### 2. Other funding applied for / received in 2019/20:

Funder	Amount	Purpose
Percy Bilton	£6,879	Computer and office equipment to be used by our students in our new IT Suite (former Sales POD donated by Kier Housing)
Awards for All	£9,709	Improving our facility to better accommodate the needs of our students with more complex needs as part of our MultiFACETed project.
BEECP / ERDF	£1,587.50	25% Contribution towards changeover to LED Lighting at our main site, leading to a projected cost saving of £2,000 pa.

#### Our objectives for the year ahead

We have referred to the Charity Commission's guidance on public benefit both when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees are keen to expand the services provided by the charity to a much wider range of potential users of our services and also to extend our geographic coverage. Also, to continue to increase student numbers attending our facility, whilst at the same time ensuring those who take up places at our facility come through as wide a range of income streams as possible, such as being funded by a number of local authorities or indeed are privately funded.

As a Board of Trustees, we have agreed to concentrate on the following additional objectives during the next twelve months.

Objective	Progress made to date / targets etc
Due to the continuing impact of the Coronavirus pandemic, we will continue to: i. reduce our bottom-line operating costs; ii. tightly control our expenditure and iii. raise additional grant income as required, acting in good time.	<ul style="list-style-type: none"> <li>Cost savings of £52K per annum achieved (between April 2018 and mid November 2020)</li> <li>An additional £35K per annum to be achieved as from February 2021 with the temporary closure of our Workshop.</li> </ul>
Raise funds needed to purchase a much-needed additional new / second hand accessible Minibus, as we currently only have one Minibus which does not accommodate wheelchairs.	Bid for £10K submitted to the Evelyn Trust, which has been approved, subject to a further £16K being raised by June 2021 to cover the purchase of a vehicle in the region of £31K. A contribution of £5K will be made from the Charity's funds, raised partly by our Trustee, Gemma Ashby, on behalf of Specsavers and also by our students through their Tuck Shop sales prior to lockdown. Other funds will be sought.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

FOR THE YEAR ENDED 31 JULY 2020

Develop FACET In Town as a centre of excellence for our students in the context of learning, living and work.	FACET in Town is registered as a satellite under our Gateway registration and will deliver qualifications at Entry Levels 1, 2 and 3 in Independent Living Skills and Enterprise. A project Coordinator has also been appointed.  Project end date 30th March 2021.
As part of our MultiFACETed project, to complete the additional refurbishment work needed at our main site to ensure we are in the best possible position to accommodate the very specific requirements of adults with complex needs.	i) Carry out improvements to facilities including changing room (supply and fit new boiler, radiator and shower), change all pipework over to copper and replace all radiators. Cost including irrecoverable VAT £30,392 (newer part of the building only). Bid submitted to The Will Charity for £10K as emergency funding, to help meet these costs. ii) Refurbish the Art Room and provide a sensory garden. Bid to be submitted to Morrison's for £25K Capital. iii) Improve the facilities offered in the Sensory Room to extend the range of equipment and improve accessibility for those with more complex needs. Funder(s) to be identified to assist with this work
Establish our new digital platform to establish remote contact and learning opportunities. Work funded through the Coronavirus Recovery programme via the Cambridgeshire Community Foundation	i) Appoint new staff member (completed) and reach target of 35 participants, plus reduce social isolation, increase participation in lifelong learning and improve community cohesion. ii) Reach out to care homes and schools etc to encourage participation beyond our core client group. iii) Train ten staff to continue this work, post the project end date of 31st March 2021.
Develop additional opportunities for generating trading income, given that some former income streams have permanently been lost due to COVID-19	i) Ebay sales to be undertaken by staff and students based on good quality items donated to our shops. ii) Realise the full potential from Gift Aid. iii) Boost income from the new-style Tuck Shop Sales.
Raise the funding we need to rejuvenate our Horticultural training programme.	Bid compiled in an effort to raise funding for this work, which includes the supply of a new triple-span polytunnel, to double as an outdoor classroom, with new heating system and improved irrigation etc. Lots of benefits to be achieved here in terms of providing better facilities for our students and boosting our trading income, enabling us to become more sustainable.
Continue the programme of work we have implemented to improve our building for the benefit of our students and staff.	Work to be prioritized by our Building Sub Committee, based on the content of our Capital Investment Strategy. Some funding may need to be drawn in as certain aspects of this work are very costly.
Raise the funds we need to upgrade and relocate the dust extraction system in our Wood Workshop at a cost of £8,645 plus additional work to improve the layout of the workshop and provide individual tool boxes for our students (a COVID-19 requirement relating to personal equipment).	Possible funder identified and bid compiled, almost ready for submission.

Subject to the easing of restrictions due to the pandemic, we will also seek to extend the work we undertake to enable adults with learning and other disabilities to gain the skills they require to progress towards employment, whether paid or voluntary and in fact to boost the numbers accessing paid employment. This will be mainly through our BBO project, but also within the main part of our business.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2020

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In addition to all of the foregoing we also need to address the following more general issues:

- Recruit additional Trustees, especially from business and financial backgrounds as well as Health and Social Care. Also, those with a keen interest in disability issues generally, or who have a disability themselves, of course, and also the wider community.
- Raise more awareness of our work via improved marketing campaigns, maximising use of social media and improving or ideally relaunching our website.

#### **How this charity satisfies the public benefit requirement**

We have a duty to report on how our organisation satisfies the public benefit requirement under section 4 of the Charities Act 2011 and the Charity Commission's Public Benefit: Rules for Charities. We are even more confident than ever before that we meet those public benefit requirements, having taken Charity Commission guidance into consideration when compiling this section of our Annual Report and indeed in carrying out our work throughout the year.

This charity first became established in 2003 to promote rural regeneration for the public benefit in areas of social and economic regeneration, through a variety of means, in particular concentrating on the needs of the Fenland area of Cambridgeshire. Through our work we address the needs of adults with learning and other disabilities living in this socially, economically and environmentally deprived area. Whilst this remains our remit, anyone living in any other area is most welcome to access any of our services, and indeed we do attract students from other parts of Cambridgeshire, Norfolk, South Lincolnshire and Peterborough. The Fens are regarded as one of the most deprived rural areas in the East of England, also at national level. Furthermore, recorded data shows that there is a higher incidence of adults with learning disabilities in the area, with the GP prevalence rates for Fenland being recorded as significantly high in comparison to the average figures for England in the latest Joint Strategic Needs Assessment for Cambridgeshire and Peterborough Core Data Set. Hence the demonstrable need for our services, which has led to significant growth in student numbers over time, to the extent that we are now by far the largest provider of its kind in the county, catering for the needs of 132 students every week, for 50 weeks a year prior to the onset of the pandemic, the result of which numbers have now fallen to 123.

When it comes to price, although we naturally have to charge for people to use our services, we keep the costs as low as possible as we want to offer the maximum benefit to our parents and carers, many of whom face financial hardship. Some of our students are funded directly by local councils, whilst others are funded via Personal Budgets, with the support package in each case being scrutinised and agreed by the relevant local authority. We have never declined to accept anyone for any reason, least of all because they can't afford to pay. If they do not already have a Personal Budget in place and we feel they might qualify, then we would support the family to gain the help they need to make the relevant referral. We regard it as part of our role to provide this type of support. Furthermore, our Building Better Opportunities programme funded by the National Lottery Community Fund / ESF means we can offer fully funded places for one day a week to anyone who does not qualify for statutory funding, or whose package has been limited due to lack of funding. However, most of the current participants were previously unknown to us, meaning we are now in touch with a much wider range of vulnerable adults, which is excellent. Overall, we actually pride ourselves for being able to offer the best quality of service at the lowest possible price. We have been described by one local authority as the model to which all other similar organisations should aspire, which pleased us greatly. Cambridgeshire County Council has also emphasised the important role played by day service providers in terms of improving mental health, especially during the pandemic.

Therefore, we feel justified in targeting our service provision to address the needs of this extremely disadvantaged group, especially as there is no-one else in the local area providing the same types of services as we are able to offer. We focus on the provision of skills for work and independent living skills training in order to give our beneficiaries access to the same life chances as other members of the local community, especially in relation to independent or supported living, education, training and work, whether paid or voluntary. In addition to the support we provide for our students, we also provide valuable support for all our parents and carers, who have access to much needed respite through the services we provide, which in turn enables them to work and have access to leisure opportunities etc, which otherwise might be denied them. Support is also provided for our parents and carers at times of family illness bereavement or help with for instance completing benefit forms etc. This work of course also helps to reduce the levels of strain on the rest of the family. However, we currently receive no direct funding to cover the cost of undertaking this work.



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

FOR THE YEAR ENDED 31 JULY 2020

In addition, other members of the local community are able to benefit from our services in normal circumstances, in a variety of ways. For instance, we offer placements to college and university students needing to undertake work experience as part of their college course eg in Health and Social Care and Nursing. Local residents are also able to obtain our products and services at beneficial rates, such as, for example, good quality furniture and other donated goods through our charity shops, plants and landscaping services through our Horticultural Dept. We also undertake work in the local community for example by working in partnership with Anglia in Bloom and the Rings End Nature Reserve project.

### Partnerships / funders / supporters

Working with a range of business partners is crucial to our success, and we are keen to make these relationships work as much for the benefit of our partners, as for our charity. Developing and fostering business relationships is a key role undertaken by our General Manager, Kris Harrold, are we are incredibly grateful to all of the following organizations/bodies for supporting our work in the local community:

Partner	How our Partners have supported our work
Tesco	<ul style="list-style-type: none"><li>• Provision of work placements for our students</li><li>• Donation of new goods, plus tables and chairs, gifts and prizes etc</li><li>• Dedicated collection point provided in main foyer for the donation of goods for our Charity Shops</li><li>• Distribution of goods under the FareShare Scheme</li><li>• Donations under the Bags of Help scheme through Groundwork</li></ul>
Masons	<ul style="list-style-type: none"><li>• Donation of funds towards specific projects and equipment for our students.</li></ul>
Cambs Times	<ul style="list-style-type: none"><li>• Charity chosen to benefit from the Cambs Times Fenland Enterprise Business Enterprise Awards presentation evening.</li><li>• Donation of office furniture etc when the newspaper relocated to new premises.</li></ul>
Yorkshire Building Society	<ul style="list-style-type: none"><li>• Donation of £2,000 to cover the purchase of a smartboard</li></ul>
Close Brothers Motor Finance	<ul style="list-style-type: none"><li>• Donation in terms of staff time, spent decorating our hall and corridor.</li></ul>
Pound Shop	<ul style="list-style-type: none"><li>• Donation of goods</li></ul>
Lush	<ul style="list-style-type: none"><li>• Donation of goods including ex-display storage units and desks which had been used in their Queensgate branch. These are now used in classrooms, some tables proved to be excellent for our wheelchair users.</li></ul>

The Trustees wish to extend their gratitude for the financial and other forms of support that the charity has received from our various partner organisations, funders and donors during the year, all of whom (except individual donors) are named in this report.

- We also plan to make improvements to our Sensory Room over the next 12 months, which will include enlarging the available space to better accommodate wheelchair users and adding new equipment etc. This is part of the work involved in our MultiFACETed project, which is designed to improve our facilities to better accommodate the needs of our students with more complex needs.

### Safeguarding

We strive to meet the terms of the Care Act 2014, which defines adult safeguarding as the "means protecting a person's right to live in safety, free from abuse and neglect". Where we're concerned, it is about people and organisations working together to prevent and stop both the risks and experience of abuse or neglect, while at the same time making sure that the adult's wellbeing is promoted including, where appropriate, having regard to their views, wishes, feelings and beliefs in deciding on any action. In any circumstance where an adult is not able to state their own wishes then some form of support would be considered, such as an advocate. Within the terms of safeguarding, an adult is classed as any person over the age of 18 who is, or maybe at risk of abuse or neglect because of their needs for care and support.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

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### **Our Policy Statement**

As a charity working for the benefit of adults with learning and other disabilities, we have our Safeguarding Policy in place, which has been approved by our Trustees. As Trustees we understand our role and responsibilities with regard to safeguarding. All Trustees have to undergo a DBS check as a matter of course.

Our policy statement is based on meeting the requirements of the Care Act 2014 (paragraph 14), which defines the aims of adult safeguarding as being:

- To prevent harm and reduce the risk of abuse or neglect To adults with care and support needs.
- To safeguard individuals in a way that supports them making choices and having control in how they choose to live their lives.
- To promote an outcomes approach in safeguarding that works for people resulting in the best experience possible.
- To raise public awareness so that professionals, other staff and communities as a whole play their part in preventing, identifying and responding to abuse and neglect.

In developing our policy we have also made reference to, and adopted, the principles of Cambridgeshire County Council's own policy on safeguarding. We work closely with the County Council on all matters relating to the safeguarding of adults, including the delivery of mandatory training for our staff.

In order to achieve the aims stated above we will ensure that:

- The roles and responsibilities of individuals are clearly defined.
- We work in partnership with others, including the County Council's Safeguarding Team and the Police as appropriate, as part of a multi-agency framework for adult safeguarding, which will facilitate access to a range of mainstream community safety measures.
- We will seek to clarify the interface between safeguarding and our overall quality of service provision.

In addition, all members of our Senior Management Team are fully trained in the management responsibilities relating to the safeguarding of vulnerable adults and it is compulsory for all staff and volunteers to undergo basic safeguarding training. We also have our own ProACT SCIP Instructors (2), whose role is to deliver training for in-house staff in positive responses to behaviours which challenge, in order to ensure everyone is kept safe and that any incidents which occur can be dealt with calmly, to achieve a positive outcome for all concerned.

All incidents are recorded and reported via the Safeguarding Hub to Cambridgeshire County Council, even if the student is funded by a different authority. In that eventuality, the incident will also be reported also to that authority. We have been complimented for the work we have done in helping to resolve incidents which have occurred involving our students.

Any serious incidents would be reported to the Charity Commission as a matter of course.

### **Other related policies in place**

As a registered charity providing Health and Social Care and Training for adults with learning and other disabilities it is essential that we have a range of policies in place to support our work. These include Safe Recruitment, Data Protection, Safeguarding, Prevent, Equality and Diversity, Lone Worker, Medication, Code of Conduct, Skills for Care Code of Conduct, Confidentiality, Quality Assurance etc. In addition, we have the full range of Employment Law policies in place including Sick Absence, Disciplinary, Induction etc. We also have a Financial Controls procedure, which takes account of the requirements in the Charity Commission leaflet CC8 Internal Financial Controls for Charities.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

FOR THE YEAR ENDED 31 JULY 2020

### Financial performance

As a Board of Trustees, we have continued to maximise benefits in the form of cost savings and improved quality of service levels following the outsourcing of our day to day accounts management in terms of invoicing, bank reconciliations, production of monthly Management Accounts, VAT Returns and provision of Payroll Services to local accountancy firm Whiting & Partners. However, financial control remains firmly in the hands of the charity and its Trustees, with services such as cash handling, daily banking, payment of wages, expenses and purchase invoices etc undertaken by staff members directly employed by the charity. Also, our Employment Law advice is outsourced to Peninsula Business Services, who also provide an Employee Assistance Programme (including counselling etc) through Health Assured, as well as their Face2face service through which we can bring specialist consultants to handle any difficult situations we may have to deal with. In addition, our Health and Safety advice is provided by Tony Adcock Ltd, based in Cambridge. We are confident these solutions enable us to access the best possible advice in terms of quality and cost, offering the best possible protection to the charity by professionalizing the services provided and helping to reduce risk and hence liability.

Our Management Accounts are produced and circulated to all Trustees on a monthly basis. Separate reports are available for each department within the charity, with a clear picture being provided on a monthly basis to all Trustees based on departmental performance against budget and showing associated variations etc. There is also a corporate version. In addition, our Treasurer provides a detailed monthly report which is distributed to members at their monthly meetings, which provides comparisons with last year and also the year to date as well as any other useful information regarding the financial performance of the charity. The Charity works in line with the recommendations contained within the Charity Commission's publication CC8 Internal Financial Controls for Charities and has a Financial Controls procedure in place.

### Risk management

Our risk management process is based on the Charity Commission's own publication Charities and Risk Management CC26. The key risk areas have been identified as Governance, Financial, Operational, Health and Safety, Compliance and Environmental all of which have been incorporated into our Risk Management Strategy as a rolling programme which is kept under regular review.

We have chosen to highlight our work in the context of Health and Safety in this Report and these are the key actions which have been taken in order to protect the charity and its work; this has been especially important given the Coronavirus pandemic and we are extremely grateful to our Health and Safety Consultant, Tony Adcock, for guiding us through the risk assessment process involved here etc:

- Our enforcing authority is the Health and Safety Executive.
- To ensure we are in full compliance with all legislative requirements, we employ the services of a Health and Safety consultant, Tony Adcock, who is an active member of the Institute of Occupational Health and Safety (IOSH) and of the Fire Protection Association (FPA) and holds qualifications from the National Examination Board for Occupational Health and Safety (NEBOSH).
- Two members of the Senior Management Team have obtained the Institute of Occupational Health and Safety (IOSH) qualification.
- All of our students and the various activities they undertake are fully risk assessed, as are our premises, fire procedures and COSHH.
- All Trustees, Staff and Volunteers are required to undergo an enhanced DBS check renewable every 3 years.
- We have a 19 page COVID-19 Risk Assessment and Policy in place, copies of which have been provided to all staff and signatures obtained.
- All Trustees, Staff and Volunteers are required to undergo an enhanced DBS check renewable every 3 years.
- Our General Manager, who is also our Registered Manager, has attained his Level 5 Diploma in Leadership in Health and Social Care and Children's and Young People's Services – Adults' Management (England); this was funded by the Charity. However, we are not required to register with the CQC.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2020**

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### **Reserves policy**

We have exercised a high degree of prudence over the last few years, following a major refurbishment programme, to help us build up much needed reserves in order to protect the charity from the impact of cutbacks in health and social care budgets which would otherwise have a damaging impact on the charity's ability to flourish. Our work has become even more important, of course, given the impact of the Coronavirus pandemic, which has obviously gone on for much longer than any of us anticipated at the outset. However, up to March 2020, the charity had seen continued growth, especially in the levels of demand for our services, but the impact of Coronavirus has inevitably taken its toll, in terms of lost income from sales (Student income) and also from Trading, the latter equating to £152K per annum pre the pandemic, which can be reduced, however, as long as our shops are able to continue trading. We are exceedingly grateful for the support we have received from our funders, both local and national, since the start of the pandemic, and Cambridgeshire County Council too, and without this combined level of support, we may not have been able to continue with our work. However, we still perceive the need to strive forward, with an emphasis on protecting our reserves, even if building them up at this time may not be possible. However, it is essential that we work together to ensure our future prosperity for the benefit of the client group we are here to serve.

Board members are currently committed to holding reserves equating to a minimum of 4 months' running costs, which is in fact the present position (as at the end of October 2020), based on an average monthly running cost figure of £68,087 (In measured over August to October 2020). However, it has to be said that the average monthly running cost in the pre-COVID era was £74,447, so some remarkable work has been done by members of the Senior Management Team to bring these costs down, especially given that some areas have seen costs rise significantly, such as Health and Safety/PPE. However, although possibly not feasible in the current situation, the Trustees nevertheless wish to record their aim is to increase the level of cash reserves up to an amount equivalent to six months running costs.

However, a second major issue we face is the drain on our resources due to the condition of the building we occupy under the terms of a 25-year full-repairing lease from Cambridgeshire County Council, as owners of the building. A number of issues have occurred over the last year which has led to us needing fund the cost of various capital and remedial works, which has caused a depletion in our reserves, and further work has been identified, some of which is essential, so will need to be carried out in the very near future. We have a Capital Investment Strategy in place, and some members have formed a Building Sub Committee, in order to ensure our priorities are identified and means of rectifying these issues work will be in hand over the next year to build up our reserves by doing even more work to reduce our operating costs (£50,000's worth of savings achieved in a 6 month period so far) and driving up levels of earned income.

### **Volunteers**

Our volunteers play a very important role in the day to day running of our charity shops. We have traditionally been keen to support volunteers with learning difficulties, mental health problems, or to help those who have undergone a traumatic experience to regain control of their lives, but in fact all are welcome and we would certainly find it very difficult to run our charity without the support provided by our volunteers. Several of our volunteers have gone on to obtain employment with us or externally, which serves to underline the value of volunteering.

The Trustees wish to express their very grateful thanks to all our staff and volunteers for their dedication and hard work during the past year and for making this charity the success story it undoubtedly has become.



## FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2020**

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#### **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.

On 7 September 2020 Group Audit Service Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

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



W Papworth

Chairwoman

Dated: 11/4/21

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 JULY 2020***

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The trustees, who are also the directors of Fenland Area Community Enterprise Trust 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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF FENLAND AREA COMMUNITY ENTERPRISE TRUST

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#### Opinion

We have audited the financial statements of Fenland Area Community Enterprise Trust (the 'charity') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet and the 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 charitable company's affairs as at 31 July 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

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 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. Our opinion on the financial statements does not cover the other information and 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF FENLAND AREA COMMUNITY ENTERPRISE TRUST

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#### 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

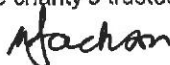
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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: <https://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 part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

*1.4.2021*

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

	Notes	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
<b>Income from:</b>									
Fundraising	3	14,196	-	-	14,196	15,446	-	-	15,446
Charitable activities	4	717,456	-	63,433	780,889	658,245	-	55,026	713,271
Other trading activities	5	116,405	-	-	116,405	151,399	-	-	151,399
Investments	6	1,667	-	-	1,667	1,475	-	-	1,475
<b>Total income</b>		<b>849,724</b>	<b>-</b>	<b>63,433</b>	<b>913,157</b>	<b>826,565</b>	<b>-</b>	<b>55,026</b>	<b>881,591</b>
<b>Expenditure on:</b>									
Raising funds	7	52,520	-	-	52,520	53,340	-	-	53,340
Charitable activities	8	740,787	27,377	48,353	816,517	749,253	26,412	49,526	825,191
<b>Total resources expended</b>		<b>793,307</b>	<b>27,377</b>	<b>48,353</b>	<b>869,037</b>	<b>802,593</b>	<b>26,412</b>	<b>49,526</b>	<b>878,531</b>
<b>Net incoming resources before transfers</b>		<b>56,417</b>	<b>(27,377)</b>	<b>15,080</b>	<b>44,120</b>	<b>23,972</b>	<b>(26,412)</b>	<b>5,500</b>	<b>3,060</b>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

Net incoming resources before transfers	56,417	(27,377)	15,080	44,120	23,972	(26,412)	5,500	3,060
Gross transfers between funds	(7,442)	18,577	(11,135)	-	(185,064)	188,564	(3,500)	-
Net income for the year/ Net movement in funds	48,975	(8,800)	3,945	44,120	(161,092)	162,152	2,000	3,060
Fund balances at 1 August 2019	154,408	162,152	2,000	318,560	315,500	-	-	315,500
Fund balances at 31 July 2020	203,383	153,352	5,945	362,680	154,408	162,152	2,000	318,560

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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	12		153,352		162,152
<b>Current assets</b>					
Stocks	13	2,000		2,000	
Debtors	14	92,448		66,264	
Cash at bank and in hand		246,823		216,809	
		341,271		285,073	
<b>Creditors: amounts falling due within one year</b>	16	(95,943)		(89,665)	
Net current assets			245,328		195,408
<b>Total assets less current liabilities</b>			398,680		357,560
<b>Creditors: amounts falling due after more than one year</b>	17		(36,000)		(39,000)
<b>Net assets</b>			362,680		318,560
<b>Income funds</b>					
Restricted funds	18		5,945		2,000
<u>Unrestricted funds</u>					
Designated funds	19	153,352		162,152	
General unrestricted funds		203,383		154,408	
			356,735		316,560
			362,680		318,560

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 26<sup>th</sup> March 2021



W Papworth  
Trustee

Company Registration No. 04457125



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

#### Charity Information

Fenland Area Community Enterprise Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Marwick Centre, 21 Marwick Road, March, Cambridgeshire, PE15 8PH, United Kingdom.

#### 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 charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at this conclusion, the trustees have considered the impact of the Coronavirus epidemic on the charity. Whilst the full impact of the epidemic is unknown, the trustees are confident that the impact on income can be managed by taking action to mitigate costs and using reserves.

#### 1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 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.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 1 Accounting policies

(Continued)

Income from grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Donated assets are recognised as income and an asset within the charity when control over the asset and its economic benefits have passed to the charity and the fair value of the asset can be measured reliably.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### 1.6 Tangible fixed assets

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

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

Leasehold improvements	10% straight line
Plant and equipment	5%, 20% and 50% straight line
Fixtures and fittings	20% straight line
Computers	33% straight line
Motor vehicles	25% reducing balance

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 charity 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).

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 1 Accounting policies

(Continued)

#### 1.10 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.

##### **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.

#### 1.11 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.

#### 1.12 Retirement benefits

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

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Fundraising

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	14,196	15,446

### 4 Charitable activities

	2020	2019
	£	£
Services provided under contract	623,550	654,233
Performance related grants	63,433	55,026
Coronavirus related grants	91,728	-
Other income	2,178	4,012
	780,889	713,271
Analysis by fund		
Unrestricted funds	717,456	658,245
Restricted funds	63,433	55,026
	780,889	713,271

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Shop income	82,567	98,561
Letting and licensing arrangements	2,776	6,364
Trading activity income: other	31,062	46,474
	<u>116,405</u>	<u>151,399</u>

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	1,667	1,475
	<u>1,667</u>	<u>1,475</u>

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	18,703	-
	<u>18,703</u>	<u>-</u>
<u>Trading costs</u>		
Operating charity shops	1,997	1,105
Other trading activities	31,820	52,235
	<u>33,817</u>	<u>53,340</u>
Trading costs	52,520	53,340
	<u>52,520</u>	<u>53,340</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 8 Charitable activities

	2020 £	2019 £
Staff costs	543,253	550,551
Depreciation and impairment	27,377	26,409
Other costs	16,337	15,927
	<u>586,967</u>	<u>592,887</u>
Share of support costs (see note 9)	225,650	228,554
Share of governance costs (see note 9)	3,900	3,750
	<u>816,517</u>	<u>825,191</u>
<b>Analysis by fund</b>		
Unrestricted funds	740,787	749,253
Endowment funds - designated	27,377	26,412
Restricted funds	48,353	49,526
	<u>816,517</u>	<u>825,191</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 9 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Rent	28,450	-	28,450	33,450	-	33,450
Rates	5,384	-	5,384	9,226	-	9,226
Premises insurance	2,325	-	2,325	2,149	-	2,149
Light and heat	15,604	-	15,604	18,277	-	18,277
Repairs and maintenance of premises	47,501	-	47,501	15,653	-	15,653
Travel expenses	17,486	-	17,486	22,493	-	22,493
Printing, postage and stationery	1,729	-	1,729	1,985	-	1,985
Telephone expenses	2,540	-	2,540	4,634	-	4,634
Computer expenses	1,811	-	1,811	2,311	-	2,311
Office equipment hire	9,778	-	9,778	7,532	-	7,532
Equipment maintenance	2,392	-	2,392	3,844	-	3,844
Cleaning	20,479	-	20,479	34,310	-	34,310
Insurance - non premises	8,135	-	8,135	6,705	-	6,705
Sundry expenses	7,684	-	7,684	2,738	-	2,738
Bank charges	2,916	-	2,916	2,895	-	2,895
Subscriptions	1,533	-	1,533	1,962	-	1,962
Training costs	5,321	-	5,321	5,158	-	5,158
Irrecoverable VAT	611	-	611	(2,043)	-	(2,043)
Accountancy fees	19,810	-	19,810	19,911	-	19,911
Legal and professional fees	11,276	-	11,276	17,162	-	17,162
Bad debts written off	12,885	-	12,885	18,202	-	18,202
Audit fees	-	3,900	3,900	-	3,750	3,750
	<u>225,650</u>	<u>3,900</u>	<u>229,550</u>	<u>228,554</u>	<u>3,750</u>	<u>232,304</u>
Analysed between Charitable activities	<u>225,650</u>	<u>3,900</u>	<u>229,550</u>	<u>228,554</u>	<u>3,750</u>	<u>232,304</u>

Governance costs includes payments to the auditors of £3,900 (2019- £3,750) for audit fees.

### 10 Trustees

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

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	36	36
	2020 £	2019 £
Employment costs		
Wages and salaries	510,935	516,112
Social security costs	25,438	29,087
Other pension costs	6,880	5,352
	543,253	550,551



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2020

#### 12 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
Cost	£	£	£	£	£	£
At 1 August 2019	53,852	128,710	84,208	6,051	37,464	310,285
Additions	-	3,124	7,920	7,533	-	18,577
Disposals	-	-	-	-	(10,750)	(10,750)
At 31 July 2020	53,852	131,834	92,128	13,584	26,714	318,112
Depreciation and impairment						
At 1 August 2019	12,343	54,858	48,087	5,819	27,026	148,133
Depreciation charged in the year	5,254	5,822	11,488	2,203	2,610	27,377
Eliminated in respect of disposals	-	-	-	-	(10,750)	(10,750)
At 31 July 2020	17,597	60,680	59,575	8,022	18,886	164,760
Carrying amount						
At 31 July 2020	36,255	71,154	32,553	5,562	7,828	153,352
At 31 July 2019	41,509	73,852	36,121	232	10,438	162,152

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 13 Stocks

	2020 £	2019 £
Finished goods and goods for resale	2,000	2,000

### 14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	59,619	43,400
Other debtors	16,125	5,447
Prepayments and accrued income	16,704	17,417
	92,448	66,264

### 15 Loans and overdrafts

	2020 £	2019 £
Other loans	39,000	42,000
Payable within one year	3,000	3,000
Payable after one year	36,000	39,000

Some funds received in a previous year were, with the agreement of the funder, reallocated as a loan to facilitate an urgent project. This loan is unsecured, interest free and is repayable at a rate of £3,000 per annum.

### 16 Creditors: amounts falling due within one year

	2020 £	2019 £
Borrowings	3,000	3,000
Other taxation and social security	5,032	7,231
Trade creditors	6,807	16,939
Other creditors	55,286	49,833
Accruals and deferred income	25,818	12,662
	95,943	89,665

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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17 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Borrowings	36,000	39,000
	<u>36,000</u>	<u>39,000</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 18 Restricted funds

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

	Balance at 1 August 2018 £	Movement in funds			Balance at 1 August 2019 £	Movement in funds			Transfers £	Balance at 31 July 2020 £
		Incoming resources £	Resources expended £	£		Incoming resources £	Resources expended £	£		
Big Lottery/ESF/Building Better Opportunities	-	49,526	(49,526)	-	-	45,258	(46,766)	1,508	-	-
Microsoft Research Awards for All	-	5,500	-	(3,500)	2,000	-	-	(2,000)	-	-
BEECP	-	-	-	-	-	9,709	-	(3,764)	5,945	-
The Percy Bilton Charity	-	-	-	-	-	1,587	(1,587)	-	-	-
	-	-	-	-	-	6,879	-	(6,879)	-	-
	-	55,026	(49,526)	(3,500)	2,000	63,433	(48,353)	(11,135)	5,945	

Building Better Opportunities is funded by the National Lottery Community Fund and European Social Fund. The objective of the project is to support people who are disadvantaged economically, educationally and socially to move forward with their lives, to discover new opportunities and skills which increase independence and self-confidence and to learn work-related skills that enhance their lives adding to their sense of wellbeing. Every participant follows their own individual pathway tailored to their needs, interests and ambitions. Learners choose what skills they wish to focus on.

Other restricted funds in the year relate to £2,000 brought forward awarded from Microsoft Research towards computer equipment and software for the new computer suite which was fully spent in the year. £9,709 awarded from National Lottery Awards for All for support for adults with complex needs. £1,587 awarded from Business Energy Efficiency Cambridge and Peterborough which was used to assist with the supply and installation of LED lighting. £6,879 awarded from The Percy Bilton Charity as funding for furnishings and equipment for the new IT suite.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 August 2018 £	Resources expended £	Transfers £	Balance at 1 August 2019 £	Resources expended £	Transfers £	Balance at 31 July 2020 £
Fixed asset fund	-	(26,412)	188,564	162,152	(27,377)	18,577	153,352
	-	(26,412)	188,564	162,152	(27,377)	18,577	153,352

The fixed asset fund represents the book value of assets held by the charity.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2020

#### 20 Analysis of net assets between funds

	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2020	£	2020	£	2020	£	2020	£	2019	£	2019	£	2019	£	2019	£
Fund balances at 31 July 2020 are represented by:																
Tangible assets	-		153,352		-		153,352		-		162,152		-		162,152	
Current assets/(liabilities)	239,383		-		5,945		245,328		193,408		-		2,000		195,408	
Long term liabilities	(36,000)		-		-		(36,000)		(39,000)		-		-		(39,000)	
	203,383		153,352		5,945		362,680		154,408		162,152		2,000		318,560	

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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### 21 Operating lease commitments

The charity operates from premises that are leased from Cambridgeshire County Council at a peppercorn rent. The lease ends in March 2039.

### 22 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>103,523</u>	<u>103,203</u>



