

**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 2021**

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	J Potter W Papworth G Ashby D Bye
<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

## CONTENTS

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	<b>Page</b>
Chairwoman's statement	1 - 2
Trustees' report	3 - 18
Statement of trustees' responsibilities	19
Independent auditor's report	20 - 22
Statement of financial activities	23 - 24
Balance sheet	25 - 26
Notes to the financial statements	27 - 41

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# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## CHAIRWOMAN'S STATEMENT

***FOR THE YEAR ENDED 31 JULY 2021***

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Letter from our Chairwoman, Wendy Papworth



This is now my second year as Chairwoman of the Board of Trustees for FACET. Like so many charities the year 2020/2021 which is covered by our Annual Report has been challenging as we worked through the impact of the Covid-19 pandemic. In particular, our income was severely impacted by the necessity to close our charity shops at different times during the pandemic and the need to curtail our other trading activity such as horticulture and loss of rental income at our main site. We were laser focused on reducing our costs and tightly managing expenditure over the last twelve months which has ensured the charity remains in a healthy and stable position.

We were able to open our Marwick Centre site in July 2020, maintaining a safe Covid secure environment for our students and staff members and we continue to operate in this way, adjusting to government and local authority advice and guidance.

We were also fortunate to be able to open in November 2020, FACET in Town creating more space for our students to return safely. The cost of conversion work at this site was provided by our Power to Change grant and the equipment, fitting out and a temporary staff position were funded by the National Lottery Community Fund. We are very appreciative of this support.

Throughout this time our parents and carers have been hugely supportive, many helped by providing transport during lockdown so that our students could continue to use our services and limit the disruption to their daily routines. The Trustees are very thankful for their ongoing support of the charity, as we are of all our staff and volunteers who have shown tremendous resilience; flexibility and innovation during this most challenging of times. Their clear passion and commitment for what they do has definitely seen us through the last year.

I would like to also thank the CEO, Linda Ingram and the Senior Management Team for their hard work and dedication to FACET. I and my fellow Trustees are grateful for their specialist knowledge and commitment to the charity.

It is with sadness that this year we lost a long-term Trustee and our Treasurer, Frank Allan who passed away in March 2021. Frank, dedicated many hours to FACET and was well known to many students as well as staff, having a permanent office at our main site. He will be sadly missed by his fellow Trustees and the FACET family.

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

## **CHAIRWOMAN'S STATEMENT**

***FOR THE YEAR ENDED 31 JULY 2021***

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FACET continues to be the happy and friendly place it has always been despite Covid bubbles. It is our students that make the place and I hope it won't be too long before the Board can resume its monthly meetings onsite rather than over Zoom.

Finally, I would like to thank my fellow Board members for their very active support, which is highly valued and much appreciated.

**Wendy Papworth**

Chairwoman

Dated: 16 March 2022

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

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

### ***FOR THE YEAR ENDED 31 JULY 2021***

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The trustees present their report and financial statements for the year ended 31 July 2021.

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, also known as FACET, 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. The Board of Trustees, which currently consists of four members, have all been 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; we are actively seeking new members.

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

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, present their Annual Report and the audited financial statements of the company for the year ended 31st July 2021. The Trustees have completed this report based on the Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE). Reference has also been made to the Charity Commission's publication on Charities and Public Benefit.

The Trustees have continued to meet monthly, on a virtual basis since the start of the pandemic in March 2020. Financial issues are always high on our agenda, and until his death in March 2021, our Treasurer presented his report at the start of every meeting, which incorporated a review of the monthly Management Accounts, an overview of our current financial position and comparisons with past performance, together with a formal review to confirm our position on cash reserves. Since April 2020, reporting has been undertaken by the CEO. Risk Management, Safeguarding and Health and Safety legislation also feature prominently, as well as issues affecting our future growth and development. We opened up a second facility in November 2020, and we remain committed to offering our services in new geographic locations, looking at external facilities and also new potential partnerships and communities.

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, although 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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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### 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

W Papworth

G Ashby

D Bye

Mr F Allen

(Deceased 17 March 2021)

Our Trustees and Elected Officers are as follows:

Wendy Papworth, Chairwoman: Our Chairwoman is a Human Resources Consultant currently acting as interim Global Head of Diversity and Inclusion for FNZ Group Limited, having previously worked in similar capacities for BlackRock, Barclays and IBM. Before joining the HR Team in IBM, she was a Consultant in the Financial Services Sector of Global Business Solutions. Prior to that she has worked for RSA insurance group in various management positions both in the UK and internationally. She 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.

Until 17th March 2021, Frank Allen was our much-valued Treasurer. Frank was 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 included British Institute of Management & ACMA (Association of Cost and Management Accountants). Frank sadly passed away on 17th March 2021.

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.

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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2021

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#### **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.

#### **Achievements over the year**

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

Yet again, we have many positive things to report, but these achievements have only been made possible due to the sheer hard work, 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. Without their collective support, we would, without question, have found it exceedingly difficult to continue our work in the way we have.

Since our students started to return after the initial lockdown on 6th July 2020, we continued to remain open throughout, although we never closed down completely, having provided emergency support for our students and their families during lockdown itself. We had opened up our normal services on 6th July 2020, and by September we still had 60 students waiting to resume. However, having set a limit of 50 people at our main site (being a mix of staff and students) at any one time, it was obvious we could no longer accommodate everyone. So, following a period of consultation, we decided to open a second facility in the town centre, which had previously been a charity shop and adjacent office building. We were exceedingly grateful that, through our membership of Locality, we were able to apply for a Power to Change grant of £25,000, which covered the cost of conversion. On the same day that this work was completed, we heard that we had been awarded another grant, this time from the National Lottery Community Fund, which was to cover the fitting out and equipment costs of these premises, plus a Coordinator post for 6 months. Both awards had been made possible by the Government's Coronavirus Recovery Fund, and we were very grateful to the Government for having made this funding available. On completion of the new facility, which is known as FACET in Town, we opened on 9th November 2020 and we were then in a position to be able to welcome back the rest of our students. This facility was not about development as such, but was much more to do with enabling our existing students to return and being able to accommodate them all safely. This could not have happened at our main site due to a self-imposed limit of 50 people on site daily, being a mixture of staff and students. This was vital in order to keep everyone safe, so by early November 2020, all our students who wished to resume, were able to do so, and we are very grateful for all the support we received to enable this to happen.

We also took the opportunity over the year to raise funds to help us improve our facility to better accommodate the needs of our students with more complex needs. We were absolutely delighted to receive a grant from Baily Thomas of £15,000 to help us with this work, which is due to start in January 2022, having been postponed initially due to the pandemic. We also had an amazing offer from Sanctuary Housing to offer us a week's hands on work by doing some decorating, but when they saw what needed to be done, their offer suddenly mushroomed to include a brand-new kitchen and flooring, which is absolutely fantastic. Again, we are so very grateful for all the support we've received here.



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2021

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Since resuming over the period from 6th July 2021, our students have worked in 'bubbles' with dedicated staff, and they usually remain in these bubbles throughout the day, although changes are being gradually introduced to accommodate some work in our kitchen and also some limited opportunities for exercise, all within COVID guidelines as advised to us by Infection Control within the County Council. We've been praised for the work we have done to keep people safe.

#### ii) Meeting our objectives

Looking back, it seems that almost the entire year was taken over by the Coronavirus pandemic in one way or another. Having said that, we have much to report that was exceedingly positive, and that was entirely due to the sheer hard work, determination and dedication of everyone associated with this Charity, together with the amazing support we received from a range of funders, for which we are incredibly grateful. At no time did we close down completely, we were always here for those who needed us most, even though up to 50% of our staff were on furlough, with numbers tailing off towards the end of December. We maintained an Emergency Support Team during the period of lockdown.

We've actively done everything we can to reduce our bottom-line operating costs and quite remarkably we were able to take our cost savings figure from £52K at the start of the year to £119K (Objective 1) by the year end. The extra savings came largely from two staff redundancies, two posts vacated but not filled and the fact we worked extremely hard with our suppliers at the start of the pandemic to reduce our costs. Prior to this time, our monthly running costs averaged £72K, whereas at the year-end the figure had reduced to £68K. Obviously, costs were rising simultaneously over the period too, especially salary costs and utilities, but we were able to absorb these increases due to the savings we had made.

Our second objective has also been achieved, which was to raise the funding we needed to enable us to purchase a new Minibus. The kick-start funding came from one of our Trustees who undertook various sporting challenges, supported by further funding raised by our students, from the sale of items they had made, through our Tuck Shop. These two events combined to give us a total of £5K, which we then used to help us raise other funding, in the form of £10K from The Evelyn Trust, £6.8K from the Percy Bilton Charity and £10K from The Will Charity (the latter being Unrestricted). FACET will cover the remaining costs, which include the Road Fund Licence and Livery. Delivery has been confirmed for early to mid-February 2022. Staff have at times needed to make four journeys a day in our existing vehicle, which necessitated staggered start and finish times for our students, in order to get them to and from our centre. It will be fantastic to have two vehicles back on the road again.

Objective No.3 was the most important for us over the year, which was to raise the funding we needed to undertake the conversion of one of our former Charity Shops and adjacent office building into an overspill centre for our main site. We were awarded £25,000 from Power to Change to undertake the conversion work, which came about through our membership of Locality, as part of the Coronavirus Recovery programme and a further £36,507 by the National Lottery Community Fund, again as part of the Coronavirus Recovery programme, to enable us to furnish and equip the new facility, plus funding for a Coordinator post for a period of 6 months. We were extremely grateful to the Government for making such funds available.

Our 4th objective related to our 'MultiFACETed' project, which was established to enable us to make improvements to our facilities to better accommodate our present and future students who have more complex needs, as this accounts for the greatest level of demand for our services at present. Plumbing contractors were due to install a new central heating boiler, a shower in our changing room and also creating a new fully-accessible disabled toilet, in addition to changing all the radiators and pipework over from steel to copper. This work will cost in the region of £36K, but we have been supported by Baily Thomas with a grant of £15,000 to cover work which directly benefits our students with more complex needs and a balance of £2K left over from an earlier Awards for All grant will cover the cost of the building work associated with creating the fully-accessible toilet to accommodate wheelchair users.

We were exceedingly grateful for an award of £17,359 from the Cambridgeshire Community Foundation, also as part of the Coronavirus Recovery programme, which enabled us to set up our new digital platform to establish remote contact and learning opportunities for vulnerable adults (Objective 5), many of whom live in isolated rural areas across Fenland, who were being adversely affected by the pandemic. The majority of the funding was for a post lasting 6 months, and we employed a specialist, who had an added role of training our own staff to undertake this work moving forward. This project has proved to be really successful.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 JULY 2021*

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Key elements of objectives 6 and 7 from 2020/21 will be carried over to the current year, which relate to the generation of new trading opportunities to overcome the impact sustained due to COVID and raising the funding we need to be able to rejuvenate our Horticultural training programme and also relaunching our Wood Workshop, which has been closed since the start of the pandemic. This work has not been possible to date, as during the pandemic, funders have understandably been concentrating on issues more directly relevant to the pandemic.

The ongoing work which needs to be undertaken to maintain the building at our main site, under Objective 8, is part of a rolling programme, covered within our Capital Investment Priorities programme, which is kept under regular review by members. Our building was converted from its former dilapidated state during 2010 – 2012, but the current lease runs until 31st March 2039, and quite a considerable amount of work needs to be done to ensure we can maintain a warm and safe facility for our students to enjoy. However, we are already looking ahead to ensure the future of our charity once the current lease comes to an end.

Objective 9, which related to the re-siting of the dust extraction system from our Woodwork shop may not now be needed, as we are looking at an alternative means of resolving the issue.

### **iii) Contracts and partnership arrangements:**

Our main local authority funding in respect of student placement income during this Financial Year came from Cambridgeshire County Council, as they maintained their level of funding throughout the year, which did not happen in respect of other sources of student income, which unfortunately were totally lost. 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 the majority of our students continue to be funded at the previous rate, which is £3.81 below current prices. However, we have been awarded an increase of 2% by Cambridgeshire County Council, back-dated to 1st April 2021, which is valued at approximately £7,800 per annum.

We are also funded to a lesser degree in respect of student placement income by other local authorities including Norfolk County Council, Peterborough City Council and Lincolnshire County Council, as well as drawing in earned income from students who self-fund.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2021

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#### iv) Impact of COVID-19

##### Operational impact

There is no getting away from the fact that this has been a difficult year, but yet again due to sheer hard work and determination by one and all, we have managed to achieve most of what we set out to do, thanks to the immense amount of support we received from our staff, our funders and other bodies too, such as Cambridgeshire County Council and not forgetting our business partners. We are immensely grateful for all the support that has come our way, because without question, things would have been very difficult otherwise.

We have a comprehensive COVID-19 Risk Assessment and Policy in place, our students are accommodated in classroom 'bubbles' of no more than 8 students, which have been created throughout our main site and also at our new overspill facility in the town centre. All work and training areas are socially distanced, our students remain in their 'bubbles' throughout the day, with each group working with a dedicated staff member. Lunches, snacks and drinks are brought in from home, and staggered start and finish times apply, mainly due to the difficulties we have faced getting our students to and from outlying areas. Social contact outside individual groups is kept to a minimum. We accept this is not ideal, but this was the only way we could see to ensure people were kept safe. A limit of 50 people has been set at our main site daily, being a mix of staff and students, which was imposed back in July 2020; we had consulted with our parents and carers prior to making this decision. Cleaning and ventilation are of the utmost importance, and in addition we have purchased a dozen Air Purifiers, following a report by Addenbrooke's Hospital in Cambridge on the success of using these in their COVID wards to remove all airborne particles of the virus. Staff were carrying out Lateral Flow tests daily and PCR tests twice weekly, although these requirements are now starting to ease, everyone wears a mask and those undertaking personal care wear full PPE. Differently to situations which exist elsewhere, all our staff have been vaccinated, and we're very proud of that, and are grateful to them for adopting this approach in order to keep themselves and our students safe.

We work very closely with Cambridgeshire County Council on Infection and Control matters and we have been complimented on the lengths we have gone to in order to keep everyone safe. Additionally, we have been complimented by the County Council on our flexible approach and responsiveness to need, in whatever form it exists, and we are very proud of the level of recognition we have achieved.

##### Financial impact on our Sales and Trading income

With effect from the first lockdown in March 2020, our trading income, previously worth in the region of £152K per annum, was totally obliterated, which was a major blow on an organisation-wide basis. Looking back to the last complete year prior to the pandemic ie 2018/2019, we were down £79K in terms of Sales, which wholly come from Student Income, and £75K down in terms of Trading, the largest part of which comes from our Charity Shops. Our Charity Shops have in fact 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 to Fenland District Council for the Business Rate Retail grant of £10K in respect of each shop, plus a further £2668, which we were exceedingly grateful to receive, but our trading income outside of the shops was exceedingly depleted, and remains so. Our kitchens closed at the end of March 2020, and will remain closed for the foreseeable future, whereas we had previously provided lunches on a daily basis. Our Tuck Shop, run by our students, was also closed and vending ceased too, all of which generated much-needed income. However, a scaled down version of our Tuck Shop, incorporating vending (as there is no self-service due to COVID) has recently started up again. Also, our landscaping work for people and businesses in the local community also ceased due to COVID-19, as our students remain in their 'bubbles' throughout the day. We are hoping this will gradually resume too.

Although the impact of this financial loss is considerable, we are endeavouring to identify new ways of bringing money into our Charity, starting off with Gift Aid (which we've not previously implemented due to lack of resources) together with the online sales of donated goods, with a view to launching an online shop. Having permanently closed one of our Charity shops in August 2020, we've since only had two shops 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, providing our customers with a full collection and delivery service and have recently become members of the Charity Retail Association. generated in the early stages.

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

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

### ***FOR THE YEAR ENDED 31 JULY 2021***

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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 isolation, so for them our shops can be a lifeline in terms of social interaction. We are very grateful to our volunteers who have supported our work in our Charity shops, although this has been difficult over more recent time due to fears around the pandemic.

However, to help us combat these losses, we were able to apply for grant funding to help us maintain our stability, as well as looking at new ways of generating income and some of the actions we took had very positive outcomes. At the end of July 2020, 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 award they had offered, for the purpose of converting the premises, which was granted; this funding came from the government's 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 help us furnish and equip the premises, as well as funding a Coordinator post until the 30th March 2021; this funding also came 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. Thereafter, our new overspill centre, known as FACET in Town, opened to our students on 9th November 2020.

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, to help us to establish a digital platform through which we could communicate with, and support people remotely who were experiencing social isolation. This funding enabled us to reach out to people externally, with whom we had no other form of contact at that time. The funding covered a new post until 31st March 2021, plus equipment and activity packs. This project included the provision of training for our own staff, so they could continue this work once the project came to an end, which was of immense value.

We also benefitted also from two other funding strands made available by the government, firstly under the Job Release Scheme by £63,577, in respect of our staff on furlough, with no more than 50% of our staff on furlough at any time. Secondly, we were awarded Infection Control funding amounting to £33,241 by Cambridgeshire County Council, to help fund additional staffing costs during the pandemic, for instance where staff needed to self-isolate. We were very grateful indeed for the funding made available by the Government to help us through these difficult times. Finally, we applied to The Will Charity for grant of £10,000 as part of their emergency response to the Coronavirus situation and we were again successful, with an award of £10,000 (Unrestricted funding).

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 JULY 2021*

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### **v) Funded programme - National Lottery Community Fund / European Social Fund / Building Better Opportunities**

This project was launched in November 2016 initially for a 3-year period, with the award totalling £121,500 per annum from the National Lottery Community Fund / European Social Fund. The project was initially extended for a three-year period, and has now been extended for a further three years, which will finally end on 31st March 2023. Our aim is to work with 15 Participants per annum, with Participants engaging with the project for one day each week. We work with them to basically become better connected with their communities, to local services and to the labour market and have currently maintained the required level.

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, who were able to work remotely with Participants 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.

We plan to absorb this programme within our normal service delivery once the project comes to an end, and this has been a very successful programme for us.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2021**

### 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 start of the previous year that things were going to be different, mainly due to the decline in the economic situation at that time, plus cutbacks in spend on health and social care and the different emerging needs within our own organization. So, we knew from the outset we would need to seek additional support from funders, before Coronavirus was even heard of, and we were determined to do everything we could to secure the support we needed. Naturally the impact of Coronavirus made it far more imperative for us to seek additional support from a range of funders at local and national level, and thankfully everyone to whom we applied was happy to support us, and we are immensely grateful for all the support we've received. We referred to the various forms of support we've received elsewhere in this report, but we wanted to summarise it here, for ease of reading:

### Summary of funding agreements currently in place

Funding awarded during the year under the Coronavirus Recovery Scheme

Funder	Amount	Date of payment	Purpose Restricted (R) / Unrestricted (UR)	R/UR
Power to Change	£25,000	August 2020	Conversion of former Charity Shop and adjacent office building into an overspill facility known as 'FACET in Town', to accommodate the return of the rest of our students.	R
The National Lottery Community Fund	£36,507	October 2020	The supply of furniture and equipment for the above premises, plus a Coordinator post until 30th March 2021.	R
Cambridgeshire Community Foundation	£17,359	November 2020	To establish a Digital platform to enable us to engage remotely with those who are experiencing social isolation due to the pandemic. The funding covered a post, equipment and activity packs.	R
Groundwork / Tesco Bags of Help Scheme	£500	August 2020	Personal equipment for use by our students at our main site and FACET in Town to meet COVID-19 requirements.	R
The Will Charity	£10,000	February 2021	This was a grant made from the Charity's Emergency fund, which is being used towards our new Minibus, which is a priority need for us.	UR

Other grant funding awarded:

The Evelyn Trust	£10,000	N/A	Award of £10,000 announced towards a new Minibus, subject to us raising the rest within 12 months. Award to be made following the supply of a receipted invoice. Vehicle due to be delivered February 2022.	R
Baily Thomas	£15,000	March 2021	Award made to support building improvements to be made to support our students with more complex needs	R

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

### FOR THE YEAR ENDED 31 JULY 2021

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#### OUR OBJECTIVES FOR 2021/22

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:

- i. Continue 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, ensuring that 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 who indeed are privately funded.
- ii. Continue with our efforts to improve our facilities to better accommodate the requirements of adults with complex needs. A key element of this work during our 20th Anniversary year will be to extend the facilities available through our Sensory Room.
- iii. Boost our levels of trading income back to, or preferably exceeding, pre-pandemic levels. Our main focus for the year will be on boosting income through our charity shops via the implementation of Gift Aid and establishing an online shop.
- iv. We plan to relaunch our Woodwork shop, which closed at the time of the first lockdown in March 2020. However, since that time, material costs have spiralled, supply chains were compromised and operational costs associated with our workshop in its existing format also needed significant investment. So, we've decided in future to just concentrate on producing products using a new CNC machine, and we will endeavour to seek funding to help us bring that to fruition.
- v. The Horticultural side of our work also needs investment in the form of a large new polytunnel, which we can use as an outdoor classroom, as well as for growing plants, and we will also need to address the heating and irrigation.
- vi. When COVID allows, we plan to resume working with our various partners to extend the range work experience opportunities plus voluntary and paid work to enable adults with learning and other disabilities to gain the skills they require to progress towards employment, with a view to boosting the numbers accessing paid employment. This will be mainly through our BBO project, but also within the main part of our business.
- vii. We are also working hard to 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.
- viii. We also plan to do more to raise more awareness of our work via improved marketing campaigns, maximising use of social media and relaunching our website. Our 20th Anniversary celebrations, which coincide with the Queen's Diamond Jubilee, will be very helpful to us here.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2021**

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### 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 confident that we meet those requirements, by providing services for those most in need in terms of their levels of disability, financial hardship and social isolation. Through our work we address the needs of adults with learning and other disabilities living in this socially, economically and environmentally deprived area. We cover the Fenland area of Cambridgeshire, and the latest Health and Well-being strategy issued by Fenland District Council shows that of the 16 areas of deprivation within the county, 12 of these are in Fenland and are in the highest level of deprivation nationally, with 4 of these being in the top 10%. 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, currently catering for the needs of 124 students every week, for 50 weeks a year.

We have a significant role to play here through our work, as we are committed to improving the health and well-being of all our students, and in fact we do much to reduce the level of hospital admissions amongst those we work with. Cambridgeshire County Council has also emphasised the important role played by day service providers generally in terms of improving mental health, especially during the pandemic.

Whilst the Fenland area of Cambridgeshire is classed within our governing document as the area in which we work, we do in fact draw people in from other areas too, attracting students from other parts of Cambridgeshire, Norfolk, South Lincolnshire and Peterborough.

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. We also provide considerable support to those families who, for whatever reason, lose their benefit entitlement, or if, for some reason, the level of benefit is reduced. Furthermore, our Building Better Opportunities programme, funded by the National Lottery Community Fund / European Social Fund, 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. Overall, we actually strive to offer the best quality of service at the lowest possible price.

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.

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 good quality furniture and other donated goods through our charity shops, plants and landscaping services through our Horticultural Dept.



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2021**

### KEY 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, although this has been a little more difficult during the pandemic. Developing and fostering business relationships is a key role undertaken by our General Manager, Kris Harrold, and we are incredibly grateful to the following organisations/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>• Dedicated collection point provided in main foyer for the donation of goods for our Charity Shops</li><li>• Cash donations</li><li>• Donation under the Bags of Help scheme through Groundwork</li><li>• Provision of work placements for our students, which will resume as soon as conditions allow (with respect to the virus)</li><li>• Providing space in the foyer of their March store for us to sell our products.</li></ul>
The Factory Shop	<ul style="list-style-type: none"><li>• Donations raised every time customer uses their Loyalty card and also charity box on the counter.</li><li>• Donations of unsold stock rather than returning it to their central warehouse</li></ul>
The Barn Restaurant	Cash donation raised via fundraiser.
Sanctuary Housing	Donation of time and materials plus carrying out major improvements to the part of our building used mainly by our students with complex needs

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.

### 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”. Locally, the focus is on 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 an 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.

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 very closely with the County Council and other agencies as required, on all matters relating to the safeguarding of adults, including the delivery of mandatory training for our staff.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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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. All staff undertake ProACT SCIP training on an annual basis to ensure staff develop 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 the relevant authority. We have been complimented for the work we have done in helping to resolve incidents which have occurred involving our students, and also for picking issues up at a very early stage. Any serious incidents would be reported to the Charity Commission as a matter of course.

### **Our Policy Statement**

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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.

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

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

***FOR THE YEAR ENDED 31 JULY 2021***

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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, through our relationship with Peninsula, 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.

### **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 bank reconciliations, production of monthly Management Accounts, VAT Returns and provision of Payroll Services to local accountancy firm Whitings LLP. 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 and sales 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 in 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. KPIs are also produced monthly and circulated to members by the CEO. 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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

**FOR THE YEAR ENDED 31 JULY 2021**

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### 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 also have a Business Interruption Policy in place.

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.
- We employ the services of a Health and Safety consultant, 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). This ensures we are in full compliance with all legislative requirements.
- 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.
- 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, as a Day Services provider, we are not required to register with the CQC.

### RESERVES POLICY

We have exercised a high degree of prudence over the last few years to help us build up much needed cash 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 of 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 31st July 2021, the charity has 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, especially from trading, the latter initially 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 cash reserves. 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, but aspiring to achieve a figure equivalent to 6 months' running costs, which in fact was achieved at the end of December 2021. However, it has to be said that some remarkable work has been done by the Charity's Senior Management Team to achieve a significant reduction in the bottom-line operating costs of this Charity, a key indicator being that salary costs are currently £20K per annum less than they were pre-pandemic. This was a significant achievement, 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 and maintain the level of cash reserves up to an amount equivalent to six months running costs.

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

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

***FOR THE YEAR ENDED 31 JULY 2021***

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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 established. Work will also be put in hand over the next year to build up our reserves by doing everything possible to reduce our operating costs whilst at the same time driving up levels of earned income

### **VOLUNTEERS**

Our volunteers play a very important role in the day to day running of our charity shops, although the pandemic has led to a decrease in the numbers. 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 help them 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.

### **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.

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

**W Papworth**

Chairwoman

Dated: 16 March 2022

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 JULY 2021***

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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 2021 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 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### Use of our report

This report is made solely to the 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**

17 March 2022

**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 2021

	Notes	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>									
Fundraising	3	8,499	-	-	8,499	14,196	-	-	14,196
Charitable activities	4	652,173	-	180,691	832,864	717,456	-	63,433	780,889
Other trading activities	5	76,308	-	-	76,308	116,405	-	-	116,405
Investments	6	1,112	-	-	1,112	1,667	-	-	1,667
<b>Total income</b>		738,092	-	180,691	918,783	849,724	-	63,433	913,157
<b>Expenditure on:</b>									
Raising funds	7	28,412	-	-	28,412	52,520	-	-	52,520
Charitable activities	8	649,192	37,271	120,153	806,616	740,787	27,377	48,353	816,517
<b>Total resources expended</b>		677,604	37,271	120,153	835,028	793,307	27,377	48,353	869,037
<b>Net incoming resources before transfers</b>		60,488	(37,271)	60,538	83,755	56,417	(27,377)	15,080	44,120

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

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

*FOR THE YEAR ENDED 31 JULY 2021*

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<b>Net incoming resources before transfers</b>	60,488	(37,271)	60,538	83,755	56,417	(27,377)	15,080	44,120
Gross transfers between funds	(30,999)	71,735	(40,736)	-	(7,442)	18,577	(11,135)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income for the year/ Net movement in funds</b>	29,489	34,464	19,802	83,755	48,975	(8,800)	3,945	44,120
Fund balances at 1 August 2020	203,383	153,352	5,945	362,680	154,408	162,152	2,000	318,560
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at 31 July 2021</b>	<u>232,872</u>	<u>187,816</u>	<u>25,747</u>	<u>446,435</u>	<u>203,383</u>	<u>153,352</u>	<u>5,945</u>	<u>362,680</u>

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 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		172,816		153,352
<b>Current assets</b>					
Stocks	13	2,000		2,000	
Debtors	14	87,755		92,448	
Cash at bank and in hand		357,775		246,823	
		447,530		341,271	
<b>Creditors: amounts falling due within one year</b>	16	(140,911)		(95,943)	
Net current assets			306,619		245,328
<b>Total assets less current liabilities</b>			479,435		398,680
<b>Creditors: amounts falling due after more than one year</b>	17		(33,000)		(36,000)
<b>Net assets</b>			446,435		362,680
<b>Income funds</b>					
Restricted funds	18		25,747		5,945
<u>Unrestricted funds</u>					
Designated funds	19	187,816		153,352	
General unrestricted funds		232,872		203,383	
			420,688		356,735
			446,435		362,680

# **FENLAND AREA COMMUNITY ENTERPRISE TRUST**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 JULY 2021***

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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 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 16 March 2022

W Papworth  
**Trustee**

**Company Registration No. 04457125**

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 JULY 2021**

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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 2021**

---

### **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 2021

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### 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 2021**

### 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

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations and gifts	8,499	14,196

### 4 Charitable activities

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Services provided under contract	570,428	623,550
Performance related grants	180,691	63,433
Coronavirus related grants	81,245	91,728
Other income	500	2,178
	<u>832,864</u>	<u>780,889</u>
Analysis by fund		
Unrestricted funds	652,173	717,456
Restricted funds	180,691	63,433
	<u>832,864</u>	<u>780,889</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Shop income	72,021	82,567
Letting and licensing arrangements	(120)	2,776
Trading activity income: other	4,407	31,062
	<hr/>	<hr/>
Other trading activities	76,308	116,405
	<hr/>	<hr/>

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	1,112	1,667
	<hr/>	<hr/>

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Other fundraising costs	1,667	18,703
	<hr/>	<hr/>
<u>Trading costs</u>		
Operating charity shops	1,709	1,997
Other trading activities	25,036	31,820
	<hr/>	<hr/>
Trading costs	26,745	33,817
	<hr/>	<hr/>
	28,412	52,520
	<hr/>	<hr/>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 8 Charitable activities

	2021 £	2020 £
Staff costs	536,375	543,253
Depreciation and impairment	37,271	27,377
Other costs	26,537	16,337
	<u>600,183</u>	<u>586,967</u>
Share of support costs (see note 9)	201,589	225,650
Share of governance costs (see note 9)	4,844	3,900
	<u>806,616</u>	<u>816,517</u>
<b>Analysis by fund</b>		
Unrestricted funds	649,192	740,787
Endowment funds - designated	37,271	27,377
Restricted funds	120,153	48,353
	<u>806,616</u>	<u>816,517</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Rent	29,950	-	29,950	28,450	-	28,450
Rates	2,052	-	2,052	5,384	-	5,384
Premises insurance	2,642	-	2,642	2,325	-	2,325
Light and heat	19,641	-	19,641	15,604	-	15,604
Repairs and maintenance of premises	17,323	-	17,323	47,501	-	47,501
Travel expenses	20,232	-	20,232	17,486	-	17,486
Printing, postage and stationery	2,794	-	2,794	1,729	-	1,729
Telephone expenses	3,092	-	3,092	2,540	-	2,540
Computer expenses	2,907	-	2,907	1,811	-	1,811
Office equipment hire	9,140	-	9,140	9,778	-	9,778
Equipment maintenance	1,831	-	1,831	2,392	-	2,392
Cleaning	32,438	-	32,438	20,479	-	20,479
Insurance - non premises	8,916	-	8,916	8,135	-	8,135
Sundry expenses	6,526	-	6,526	7,684	-	7,684
Bank charges	2,076	-	2,076	2,916	-	2,916
Subscriptions	554	-	554	1,533	-	1,533
Training costs	1,931	-	1,931	5,321	-	5,321
Irrecoverable VAT	153	-	153	611	-	611
Accountancy fees	24,307	-	24,307	19,810	-	19,810
Legal and professional fees	12,572	-	12,572	11,276	-	11,276
Bad debts written off	512	-	512	12,885	-	12,885
Audit fees	-	4,844	4,844	-	3,900	3,900
	<u>201,589</u>	<u>4,844</u>	<u>206,433</u>	<u>225,650</u>	<u>3,900</u>	<u>229,550</u>
Analysed between Charitable activities	<u>201,589</u>	<u>4,844</u>	<u>206,433</u>	<u>225,650</u>	<u>3,900</u>	<u>229,550</u>

Governance costs includes payments to the auditors of £4,524 (2020- £3,900) 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 2021

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### 11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	34	36
	<u>          </u>	<u>          </u>
<b>Employment costs</b>	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	501,305	510,935
Social security costs	27,985	25,438
Other pension costs	7,085	6,880
	<u>536,375</u>	<u>543,253</u>
	<u>          </u>	<u>          </u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

### 12 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 August 2020	53,852	131,834	92,128	13,584	26,714	318,112
Additions	30,359	341	22,713	3,323	-	56,736
	<u>84,211</u>	<u>132,175</u>	<u>114,841</u>	<u>16,907</u>	<u>26,714</u>	<u>374,848</u>
<b>Depreciation and impairment</b>						
At 1 August 2020	17,597	60,680	59,575	8,022	18,886	164,760
Depreciation charged in the year	10,323	6,470	15,224	3,297	1,958	37,272
	<u>27,920</u>	<u>67,150</u>	<u>74,799</u>	<u>11,319</u>	<u>20,844</u>	<u>202,032</u>
<b>Carrying amount</b>						
At 31 July 2021	<u>56,291</u>	<u>65,025</u>	<u>40,042</u>	<u>5,588</u>	<u>5,870</u>	<u>172,816</u>
At 31 July 2020	<u>36,255</u>	<u>71,154</u>	<u>32,553</u>	<u>5,562</u>	<u>7,828</u>	<u>153,352</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 13 Stocks

	2021 £	2020 £
Finished goods and goods for resale	2,000	2,000

### 14 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	53,873	59,619
Other debtors	3,366	16,125
Prepayments and accrued income	30,516	16,704
	87,755	92,448

### 15 Loans and overdrafts

	2021 £	2020 £
Other loans	36,000	39,000
Payable within one year	3,000	3,000
Payable after one year	33,000	36,000

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

	2021 £	2020 £
Borrowings	3,000	3,000
Other taxation and social security	7,551	5,032
Trade creditors	21,578	6,807
Other creditors	70,321	55,286
Accruals and deferred income	38,461	25,818
	140,911	95,943

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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17 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	33,000	36,000
	<u>          </u>	<u>          </u>



# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 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:

	Movement in funds				Movement in funds				
	Balance at 1 August 2019	Incoming resources	Resources expended	Transfers	Balance at 1 August 2020	Incoming resources	Resources expended	Transfers	Balance at 31 July 2021
	£	£	£	£	£	£	£	£	£
Big Lottery/ESF/Building Better Opportunities	-	45,258	(46,766)	1,508	-	44,354	(45,713)	1,359	-
Mircosoft Research	2,000	-	-	(2,000)	-	-	-	-	-
Awards for All	-	9,709	-	(3,764)	5,945	-	(3,928)	-	2,017
Groundwork	-	1,587	(1,587)	-	-	500	(500)	-	-
Power to change	-	6,879	-	(6,879)	-	25,000	-	(25,000)	-
National lottery community fund	-	-	-	-	-	36,507	(16,517)	(19,990)	-
Cambridgeshire community fund	-	-	-	-	-	17,359	(17,359)	-	-
Baily Thomas	-	-	-	-	-	15,000	-	-	15,000
Infection control grant	-	-	-	-	-	33,241	(36,136)	2,895	-
NFU Mutual agency giving grant	-	-	-	-	-	6,452	-	-	6,452
Restricted donations	-	-	-	-	-	398	-	-	398
Yorkshire Building Society	-	-	-	-	-	1,880	-	-	1,880
	<u>2,000</u>	<u>63,433</u>	<u>(48,353)</u>	<u>(11,135)</u>	<u>5,945</u>	<u>180,691</u>	<u>(120,153)</u>	<u>(40,736)</u>	<u>25,747</u>

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.

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

### 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 2019 £	Resources expended £	Transfers £	Balance at 1 August 2020 £	Resources expended £	Transfers £	Balance at 31 July 2021 £
Fixed asset fund	162,152	(27,377)	18,577	153,352	(37,271)	56,735	172,816
Minibus fund	-	-	-	-	-	15,000	15,000
	<u>162,152</u>	<u>(27,377)</u>	<u>18,577</u>	<u>153,352</u>	<u>(37,271)</u>	<u>71,735</u>	<u>187,816</u>

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 2021**

### 20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 July 2021 are represented by:								
Tangible assets	-	172,816	-	172,816	-	153,352	-	153,352
Current assets/(liabilities)	265,872	15,000	25,747	306,619	239,383	-	5,945	245,328
Long term liabilities	(33,000)	-	-	(33,000)	(36,000)	-	-	(36,000)
	<u>232,872</u>	<u>187,816</u>	<u>25,747</u>	<u>446,435</u>	<u>203,383</u>	<u>153,352</u>	<u>5,945</u>	<u>362,680</u>

# FENLAND AREA COMMUNITY ENTERPRISE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

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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 (2020 - none).

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	104,172	103,523
	<u>          </u>	<u>          </u>