

4EDEN

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

4EDEN
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

K Bateman
P A Potts
C D Hopley
S P Hughes, Chair
H L Whitson (resigned 18 May 2021)
J I Wilkinson
C Kenn (appointed 8 February 2022)
P Callaghan (appointed 8 February 2022)
J Nichol (appointed 8 February 2022)
M Giles (appointed 8 February 2022)

Company registered number
04379195

Charity registered number
1098969

Registered office

Ullswater House
Duke Street
Penrith
Cumbria
CA11 7LY

Company secretary

M Giles

Chief officer

J Taylor

Independent auditors

FCSC Audit Services Limited
Chartered Accountants
Registered Auditors
Unit 7 Cooper Way
Parkhouse
Carlisle
CA3 0JG

Bankers

HSBC Bank plc
Market Square
Penrith
Cumbria
CA11 7SN

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the financial statements of the charity for the 1 April 2021 to 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015). The Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

POLICIES AND OBJECTIVES

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

4EDEN's aim is to improve the lives of children, young people and adults with learning disabilities/additional learning needs including those on the autistic spectrum in the Eden Valley of Cumbria by providing lifelong quality person centered support activities and opportunities to achieve their potential.

Through Social Enterprise, engage people in meaningful activities, provide access to training and engage within the local community. Where possible offer paid employment in 4EDEN's social enterprises to people who expressed a want to work and have undertaken relevant training and skill building to meet required competency for employment. .

VOLUNTEERS

The charity is grateful for the efforts of all of its volunteers who are involved in service provision and fundraising.

Achievements and performance

REVIEW OF ACTIVITIES

During this financial year Covid 19 has continued to impact the charity not only in the development of its businesses, but also upon our Management, staff, and those we support.

Restrictions have continued this year and whilst this meant our cafe and bakery could open at certain times during the year, footfall dropped resulting in a significant fall in income across our social enterprise businesses. Our FixIt business has been able to operate at certain times but again has suffered due to the impact of Covid restrictions.

Unfortunately, our day services have continued to be suffer due to Covid restrictions which again has had an impact on income streams for 4EDEN. However, we have seen an increase in uptake towards the end of the financial year.

The Management and staff did an excellent job of reorganising, managing Covid 19 infection control, responding to ongoing information requests from the local authorities and trying to manage staff morale. Unfortunately, some staff have suffered during this time, re-evaluated their career path and have moved out of care services. This has left 4EDEN with staff shortages which we are working very hard to resolve through new recruitment.

Overall, it's been another difficult year caused by the continuing restrictions created by Covid, however, we have managed to cover some of the losses sustained by accessing local authority and government grants and some charitable donations. The Management and Board of Trustees are continuing to review the future development of 4Eden and its businesses and hope to build upon the tremendous work done by management and staff to keep the momentum of the organisation going during very difficult time.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

INVESTMENT POLICY AND PERFORMANCE

Investment policy and objectives

The Trustees operate within the governing document, the Memorandum and Articles of Association having regard to the guidance provided by the Charities Commission and act in accordance with the Trustees Act 2000.

Financial review

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

As the cuts to the social care budgets managed by the County Council have an impact on the direct delivery of services provided by 4EDEN, the charity will continue to apply for other funding and grants while developing new commercial enterprises that will offer people work experience and the opportunity to develop proprietary soft skills required to secure part time or full time employment.

RESERVES POLICY

The Trustees believe that the minimum level of operating reserve should be the equivalent of 3 months' operating costs, calculated and reviewed annually. The Trustees review the level of reserves on a regular basis so that unrestricted reserves will be within an agreed time frame. The trustees also believe that the reserves should be built up to the desired level in stages consistent with the charity's overall financial position and its needs to maintain and develop its charitable activities.

Structure, governance and management

CONSTITUTION

The charity is constituted under a Memorandum of Association dated 21 February 2002 , updated 6 January 2020 with the new name of 4EDEN and is a registered charity number 1098969.

The organisation was registered as an unincorporated charity on 27 January 1988 and transferred its activities, assets and liabilities to the limited company on 1 March 2002.

The principal object of the charity is to the provision of services and opportunities for people with a learning disability/additional learning needs and/or those who are on the autistic spectrum (hereinafter called people). In particular by the provision of support and meaningful activities for people and provide information, advice and support for their families, dependants and carers and to provide or assist in the provision of facilities for the recreational or other leisure time occupation for people with the object of improving their independence and opportunities in their lives.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

At the end of each annual general meeting all the trustees retire from office but may be reelected or reappointed. Subject

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

to clauses detailed in the Articles of Association 4EDEN may by ordinary resolution appoint a person who is willing to act as a trustee either to fill a vacancy or as an additional trustee.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The executive committee consists of the seven trustees. Full members of the charity are entitled to attend any meeting of the executive committee.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

TRUSTEES' INDEMNITIES

The charity holds a standard insurance policy which includes a trustees' indemnity against any liability in connection with any negligence, default, breach of duty or breach of trust in relation to the charity.

PRINCIPAL ACTIVITIES

The principal activities of the charity include providing or assisting in the provision of facilities for the recreation or other leisure time occupation for people who have such needs by reason of a learning disability with the prime objective of improving their conditions of life.

These activities include:

- 1:1 Support Services (Independence and skill building, accessing the local community)
- Supported living & support at home services
- Day opportunities both buildings based and community based
- Children's support services and activities
- Young people's support and activities
- Real work placements
- Apprenticeships
- Employment

FUTURE DEVELOPMENTS

The composition of the Board continues to develop and strengthen with the changes in trustees and will provide important support and guidance to the Chief Officer and all those working to achieve the charity's objectives (including those employed and those who are volunteers). The charity's strategic plan continues to be updated and improved as circumstances change and is designed to provide part of the essential framework by which the charity is able to deliver on its commitments.

MEMBERS' LIABILITY

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of 4Eden for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, FCSC Audit Services Limited, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees, on 7 December 2022 and signed on their behalf by:

S P Hughes (Chair)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 4EDEN

OPINION

We have audited the financial statements of 4Eden (the 'charity') for the year ended 31 March 2022 set out on pages 10 to 26. 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 March 2022 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements;

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 4EDEN

or

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes 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 charitable company'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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 4EDEN

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the laws and regulations that are applicable to the Charity, with the emphasis on those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, utilising our experience and knowledge of the sectors involved. Our work included but was not limited to making appropriate enquiries of the Trustees and management, agreeing disclosures to supporting documentation, reviewing the minutes of meetings of those charged with governance, and making relevant enquiries of management. We considered such matters as remuneration and management Incentives and the ability of management to over-ride controls. Our methodology included identifying journal entries to identify unusual transactions. Analytical procedures were employed to identify any unusual or unexpected variances or relationships. We considered the presence of internal controls to mitigate the risk of fraud or fraud or non-compliance with laws and regulations. All relevant laws and regulations and potential fraud risks were communicated to the audit team. The audit team remained vigilant to the possibility of non-compliance throughout the audit. We assessed grant claims and other incomes and performed appropriate procedures to ensure that claims were reasonable, there was compliance with regulations and entitlement to other incomes was established.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 4EDEN

OTHER MATTERS

The corresponding year's figures are unaudited.

USE OF OUR REPORT

This report is made solely to the charitable company'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 charitable company'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 charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Miller FCA DChA
Senior Statutory Auditor
FCSC Audit Services Limited
Registered Auditors
7 December 2022

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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE
ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	2	252,802	-	252,802	41,610
Charitable activities	3	562,469	-	562,469	547,236
Other trading activities:					
Trading activities	4	272,348	-	272,348	194,444
Investments	5	27	-	27	296
TOTAL INCOME		1,087,646	-	1,087,646	783,586
EXPENDITURE ON:					
Raising funds	4	242,480	-	242,480	205,936
Charitable activities	9,6	556,756	-	556,756	571,712
TOTAL EXPENDITURE		799,236	-	799,236	777,648
NET INCOME BEFORE TRANSFERS		288,410	-	288,410	5,938
Transfers between Funds	20	47,984	(47,984)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		336,394	(47,984)	288,410	5,938
NET MOVEMENT IN FUNDS		336,394	(47,984)	288,410	5,938
RECONCILIATION OF FUNDS:					
Total funds brought forward		473,165	53,784	526,949	521,011
TOTAL FUNDS CARRIED FORWARD		809,559	5,800	815,359	526,949

The notes on pages 13 to 26 form part of these financial statements.

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REGISTERED NUMBER: 04379195

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	£	2022 £	£	2021 £
FIXED ASSETS					
Intangible assets	14		6,999		11,999
Tangible assets	15		287,049		294,673
			<hr/>		<hr/>
			294,048		306,672
CURRENT ASSETS					
Stocks	16	4,055		3,852	
Debtors	17	39,184		57,582	
Cash at bank and in hand		502,663		261,816	
			<hr/>	<hr/>	
			545,902	323,250	
CREDITORS: amounts falling due within one year	18	(24,591)		(34,173)	
			<hr/>	<hr/>	
NET CURRENT ASSETS			521,311		289,077
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			815,359		595,749
			<hr/>		<hr/>
CREDITORS: amounts falling due after more than one year	19		-		(68,800)
			<hr/>		<hr/>
NET ASSETS			815,359		526,949
			<hr/>		<hr/>
CHARITY FUNDS					
Restricted funds	20		5,800		53,784
Unrestricted funds	20		809,559		473,165
			<hr/>		<hr/>
TOTAL FUNDS			815,359		526,949
			<hr/>		<hr/>

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 7 December 2022 and signed on their behalf, by:

P A Potts

S P Hughes, Treasurer

The notes on pages 13 to 26 form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	252,214	15,816
Cash flows from investing activities:			
Dividends, interest and rents from investments		27	296
Proceeds from the sale of tangible fixed assets		4,300	475
Purchase of tangible fixed assets		(15,694)	(7,701)
Net cash used in investing activities		(11,367)	(6,930)
Change in cash and cash equivalents in the year		240,847	8,886
Cash and cash equivalents brought forward		261,816	252,930
Cash and cash equivalents carried forward	22	502,663	261,816

The notes on pages 13 to 26 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

4Eden meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

I.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

I.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

I. ACCOUNTING POLICIES (continued)

I.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and certain management costs. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

I.5 Intangible fixed assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Goodwill	- 5 years
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I.6 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line; land is not depreciated
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Office equipment	- 20% reducing balance

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

I. ACCOUNTING POLICIES (continued)

I.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

I.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

I.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

I.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

I.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

I.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

I.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

I.14 Taxation

The charity is exempt from corporation tax on its charitable activities.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES (continued)

1.15 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	27,492	-	27,492	5,876
Legacies	174,635	-	174,635	-
Government grants	50,675	-	50,675	35,734
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	252,802	-	252,802	41,610
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2021	41,610	-	41,610	
	<hr/>	<hr/>	<hr/>	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Children	70,512	-	70,512	72,688
Adults	107,643	-	107,643	97,339
Other projects	79,069	-	79,069	10,047
Supported Living	239,044	-	239,044	284,373
Day Services	66,201	-	66,201	82,789
	<hr/>	<hr/>	<hr/>	<hr/>
	562,469	-	562,469	547,236
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2021	547,236	-	547,236	
	<hr/>	<hr/>	<hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. TRADING ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Charity trading income				
Trading income	272,348	-	272,348	194,444
Trading expenses				
Purchases	92,340	-	92,340	63,180
Telephone	1,268	-	1,268	1,239
Advertising	285	-	285	776
Insurances	415	-	415	351
Equipment leasing	2,731	-	2,731	3,231
Premises expenses	10,976	-	10,976	9,498
Repairs and renewals	14,399	-	14,399	12,579
Sundry expenses	735	-	735	2,701
Wages and salaries	95,143	-	95,143	91,949
Employers NICs	6,577	-	6,577	6,124
Pension costs	2,026	-	2,026	1,960
Depreciation	10,585	-	10,585	7,348
Amortisation of goodwill	5,000	-	5,000	5,000
	242,480	-	242,480	205,936
Net income/(expenditure) from trading activities	29,868	-	29,868	(11,492)

5. INVESTMENT INCOME

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest receivable	27	-	27	296
<i>Total 2021</i>	296	-	296	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Children	59,133	-	59,133	59,913
Adults	95,078	-	95,078	79,231
Other projects	72,317	-	72,317	84,741
Supported Living	233,457	-	233,457	244,240
Day Services	93,412	-	93,412	89,802
	<u>553,397</u>	<u>-</u>	<u>553,397</u>	<u>557,927</u>
<i>Total 2021</i>	<u>557,927</u>	<u>-</u>	<u>557,927</u>	

7. DIRECT COSTS

	Children £	Adults £	Other projects £	Supported Living £
Repairs and renewals	32	-	1,193	340
Travel costs	264	49	4,735	-
Training	-	-	4,257	-
Office and IT expenses	-	-	-	-
Premises expenses	-	-	123	-
Other	2,609	685	1,411	1,401
Wages and salaries	37,438	79,930	48,021	190,895
Employers NICs	9,265	4,275	2,401	10,420
Pension costs	2,854	1,317	740	3,210
Depreciation	240	318	340	980
	<u>52,702</u>	<u>86,574</u>	<u>63,221</u>	<u>207,246</u>
<i>Total 2021</i>	<u>52,254</u>	<u>68,976</u>	<u>81,600</u>	<u>214,276</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. DIRECT COSTS (continued)

	Day Services £	Total 2022 £	Total 2021 £
Repairs and renewals	82	1,647	2,795
Travel costs	174	5,222	4,164
Training	-	4,257	598
Office and IT expenses	-	-	3,706
Premises expenses	-	123	287
Other	1,789	7,895	886
Wages and salaries	76,699	432,983	444,252
Employers NICs	3,568	29,929	29,725
Pension costs	1,099	9,220	9,512
Depreciation	360	2,238	2,258
	<u>83,771</u>	<u>493,514</u>	<u>498,183</u>
<i>Total 2021</i>	<u>81,077</u>	<u>498,183</u>	

8. SUPPORT COSTS

	Children £	Adults £	Other projects £	Supported Living £
Repairs and renewals	878	1,155	1,236	3,555
Insurances	551	729	780	2,249
Travel costs	151	200	213	615
Legal and professional	681	902	964	2,780
Equipment hire	687	909	973	2,804
Office and IT expenses	1,193	1,578	1,688	4,865
Premises expenses	772	1,022	1,093	3,150
Other	666	882	943	2,718
Wages and salaries	-	-	-	-
Depreciation	852	1,127	1,206	3,475
	<u>6,431</u>	<u>8,504</u>	<u>9,096</u>	<u>26,211</u>
<i>Total 2021</i>	<u>7,659</u>	<u>10,255</u>	<u>3,141</u>	<u>29,964</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. SUPPORT COSTS (continued)

	Day Services £	Total 2022 £	Total 2021 £
Repairs and renewals	1,310	8,134	11,423
Insurances	827	5,136	4,984
Travel costs	226	1,405	3,518
Legal and professional	1,022	6,349	936
Equipment hire	1,031	6,404	7,022
Office and IT expenses	1,789	11,113	7,039
Premises expenses	1,158	7,195	6,839
Other	1,000	6,209	2,352
Wages and salaries	-	-	2,081
Depreciation	1,278	7,938	13,550
	<u>9,641</u>	<u>59,883</u>	<u>59,744</u>
<i>Total 2021</i>	<u>8,725</u>	<u>-</u>	

9. GOVERNANCE COSTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Auditors' remuneration	4,560	-	4,560	-
Accountancy fees	(154)	-	(154)	1,668
Legal and professional fees	1,253	-	1,253	6,021
Bank charges	-	-	-	96
Profit/(loss) on disposal of fixed assets	(2,300)	-	(2,300)	6,000
	<u>3,359</u>	<u>-</u>	<u>3,359</u>	<u>13,785</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total 2022 £	Total 2021 £
Children	52,702	6,431	59,133	59,913
Adults	86,574	8,504	95,078	79,231
Other projects	63,221	9,096	72,317	84,741
Supported Living	207,246	26,211	233,457	244,240
Day Services	83,771	9,641	93,412	89,802
Total 2022	<u>493,514</u>	<u>59,883</u>	<u>553,397</u>	<u>557,927</u>
Total 2021	<u>498,183</u>	<u>59,744</u>	<u>557,927</u>	

11. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets: - owned by the charity	20,761	23,155
Amortisation of intangible fixed assets	5,000	5,000
Auditors' remuneration - audit	<u>4,560</u>	<u>-</u>

During the year, no Trustees received any remuneration (2021 - £NIL).

During the year, no Trustees received any benefits in kind (2021 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2021 - £NIL).

12. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £4,560 (2021 - £ -).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. STAFF COSTS

Staff costs were as follows:

	2022	<i>2021</i>
	£	£
Wages and salaries	528,126	538,282
Social security costs	36,506	35,849
Other pension costs	11,246	11,472
	<hr/> 575,878 <hr/>	<hr/> 585,603 <hr/>

The average number of persons employed by the charity during the year was as follows:

	2022	<i>2021</i>
	No.	No.
Management and staff	29	30

No employee received remuneration amounting to more than £60,000 in either year.

14. INTANGIBLE FIXED ASSETS

	Goodwill
	£
Cost	
At 1 April 2021 and 31 March 2022	24,999
Amortisation	
At 1 April 2021	13,000
Charge for the year	5,000
At 31 March 2022	18,000
Carrying amount	
At 31 March 2022	6,999
<i>At 31 March 2021</i>	<i>11,999</i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2021	252,632	35,442	105,445	8,874	402,393
Additions	-	1,000	14,277	418	15,695
Disposals	-	(19,705)	(558)	-	(20,263)
At 31 March 2022	<u>252,632</u>	<u>16,737</u>	<u>119,164</u>	<u>9,292</u>	<u>397,825</u>
Depreciation					
At 1 April 2021	13,278	26,502	64,666	3,274	107,720
Charge for the year	5,033	2,076	12,165	1,487	20,761
On disposals	-	(17,705)	-	-	(17,705)
At 31 March 2022	<u>18,311</u>	<u>10,873</u>	<u>76,831</u>	<u>4,761</u>	<u>110,776</u>
Net book value					
At 31 March 2022	<u>234,321</u>	<u>5,864</u>	<u>42,333</u>	<u>4,531</u>	<u>287,049</u>
At 31 March 2021	<u>239,354</u>	<u>8,940</u>	<u>40,779</u>	<u>5,600</u>	<u>294,673</u>

16. STOCKS

	2022 £	2021 £
Stocks	<u>4,055</u>	<u>3,852</u>

17. DEBTORS

	2022 £	2021 £
Trade debtors	30,583	48,475
Prepayments and accrued income	8,601	9,107
	<u>39,184</u>	<u>57,582</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Other loans	-	14,400
Trade creditors	7,992	6,175
Other taxation and social security	7,846	7,172
Other creditors	4,193	4,580
Accruals and deferred income	4,560	1,846
	<u>24,591</u>	<u>34,173</u>

19. CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	-	68,800
	<u>-</u>	<u>68,800</u>

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Unrestricted Funds	473,165	1,087,646	(799,236)	47,984	809,559
Restricted funds					
Restricted funds	53,784	-	-	(47,984)	5,800
Total of funds	<u>526,949</u>	<u>1,087,646</u>	<u>(799,236)</u>	<u>-</u>	<u>815,359</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Unrestricted Funds	467,227	783,586	(777,648)	473,165
Restricted funds				
Restricted funds	53,784	-	-	53,784
Total of funds	<u>521,011</u>	<u>783,586</u>	<u>(777,648)</u>	<u>526,949</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds	473,165	1,087,646	(799,236)	47,984	809,559
Restricted funds	53,784	-	-	(47,984)	5,800
	<u>526,949</u>	<u>1,087,646</u>	<u>(799,236)</u>	<u>-</u>	<u>815,359</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds	467,227	783,586	(777,648)	473,165
Restricted funds	53,784	-	-	53,784
	<u>521,011</u>	<u>783,586</u>	<u>(777,648)</u>	<u>526,949</u>

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	288,410	5,938
Adjustment for:		
Depreciation charges	25,760	28,155
Dividends, interest and rents from investments	(27)	(296)
(Profit)/loss on the sale of fixed assets	(1,742)	6,000
(Increase)/decrease in stocks	(203)	743
Decrease/(increase) in debtors	18,398	(3,047)
Decrease in creditors	(78,382)	(21,677)
Net cash provided by operating activities	<u>252,214</u>	<u>15,816</u>

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	1,253	1,266
Notice deposits (less than 3 months)	501,410	260,550
Total	<u>502,663</u>	<u>261,816</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. OPERATING LEASE COMMITMENTS

At 31 March 2022 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	Land and buildings			Other
	2022	2021	2022	2021
	£	£	£	£
Amounts payable:				
Within 1 year	-	-	447	5,566
Between 1 and 5 years	-	-	-	1,020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

24. CONTROLLING PARTY

The charity is under the control of the Trustees.