



**THE ORPHEUS CENTRE TRUST  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2020**



Registered with  
**FUNDRAISING  
REGULATOR**

Charity No.1105213 Companies House no. 05089501

# **The Orpheus Centre Trust**

## **Annual report and financial statements for the year ended 31 August 2020**

### **Contents**

#### **Page**

3      Legal and administrative information

4-14   Trustees' Report

15-16   Statement of Trustees' Responsibilities

17-19   Independent Auditor's Report and opinion

20      Statement of Financial Activities

21      Balance Sheet

22      Cash Flow Statement

23-33   Notes to the Financial Statement

## **The Orpheus Centre Trust**

### **The Orpheus Centre Trust Legal and Administrative Information**

The Directors and Management Board of  
The Orpheus centre

Russell Barrow (resigned Oct 2020)  
John Beer OBE (Chair)  
Chris Burling (appointed April 2020)  
Tony Elias  
Virginia Fenton  
Richard Groom MBE  
Jane McSherry  
Sir Richard HZS Stilgoe OBE  
Helen Swain  
Matthew Truelove (resigned Nov 2020)  
Neil White

CEO

Rachel Black

Key Management personnel

Nish Chikhliya (appointed Aug 2020; resigned Jan 2021)  
Richard Clark (appointed Jan 2021)  
Jay Cross (appointed Mar 2020)  
Rachel Hayes (resigned Feb 2020)  
Kerry Lake (resigned Jan 2020)  
Moiria Lambert  
Sam Owen  
Lynn Reddick (resigned Dec 2020)  
Jean Stevens (resigned Aug 2020)

Company Number

05089501

Charity Number

1105213

**Registered Office and principal address**

Orpheus Centre  
North Park Lane  
Godstone  
Surrey  
RH9 8ND

**Auditors**

Moore Kingston Smith LLP,  
Chartered Accountants  
Betchworth House  
57-65 Station Road  
Redhill  
Surrey  
RH1 1DL

**Bankers**

Coutts & Co,  
440 Strand  
London, WC2

## **The Orpheus Centre Trust**

The trustees present their report and accounts for the period ended 31 August 2020.

### **Incorporation**

The Trust was incorporated on 31 March 2004 and is a private company, limited by guarantee and not having a share capital. The company commenced its activities on 6 April 2004.

### **Structure, Governance and Management**

#### **Governing document**

The charity is governed by its Memorandum and Articles of Association dated 26 February 2004. There are nine members, each of whom guarantees to contribute £1 in the event of the charity being wound up. This year a review of the Memorandum and Articles was initiated to reflect our purpose and update references to current law. Actions were approved in January 2021 and will be implemented this year.

#### **Related Parties**

The Orpheus Centre is connected to another charity, The Alchemy Foundation, with which it cooperates in the pursuit of charitable objectives. The Alchemy Foundation provided a grant of £44,274 (£44,883 2018/2019) to cover the annual salary costs of two members of the Fundraising team.

#### **Appointment of Trustees**

As set out in the Articles of Association, the Board may at any time appoint additional members, subject to a maximum of 12 members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one third of the members who have been longest in office retire. All retiring members are eligible for re-election for a further term of three years. At the end of this time, re-election can be sought through a proposal made by trustees. Sir Richard Stilgoe is a permanent trustee. The method for appointment and reelection of trustees is under review supported by legal advice.

The methods used to recruit and appoint new charity trustees are advertisement on our website and Facebook, and also a range of other advertising and use of specialist trustee recruitment bodies. Applicants are shortlisted and then interviewed by the Chair and at least one other trustee. The post of Company Secretary is not required and was removed in 2020.

All trustees are advised of their responsibilities under charity law and mandatory training opportunities are made available through on line and face to face training, 1 to 1 meetings for all trustees take place annually with the Chair of the Board where further individual development opportunities may be offered.

#### **Organisation**

The Management Board, made up of the Trustee Directors, meets every three months. Three members must be present for the meeting to be quorate. A representative of the Mark Leonard Trust (MLT) requested to attend occasional board meetings after funding was received from the MLT. His observations and guidance are welcomed by the Board. Committees of the Board are: Finance and HR also responsible for IT, Quality and Learning, Domiciliary care, Housing and Estates, Health and Safety and Fundraising and Marketing. They meet every 3 months to ensure accountability and compliance in key areas, assure our strategic objectives and to support staff in every department. A Development Board, with members who are supporters of Orpheus is currently chaired by Stuart Nassos. Its purpose

## **The Orpheus Centre Trust**

is to identify new opportunities for fundraising as well as to work in partnership with the fundraising team to strategically support their core activities.

The committees of the Board of Trustees can include external experts; this year, Quality and Learning, and Finance have had members in this capacity. Senior managers are also members of each committee. Every committee has a clear commitment to improve our facilities and enhance the learning opportunities and experience that leads to greater independence for young disabled people at Orpheus.

Trustees are charged with making decisions with regard to the charity's business, strategic direction and main areas of policy. Trustees delegate day-to-day leadership to the Chief Executive, who constructs business and strategic plans for scrutiny, amendment and adoption by the Board. The Chief Executive is responsible for operational management.

This year there was no general salary increase. A range of roles were reviewed as part of reorganising staffing and teams and new salaries were benchmarked. Changes are recommended to the Board after approval by the Finance Committee.

## **Objectives and Activities**

### **Purposes and Aims**

Our charity's purposes as set out in the objects contained in the memorandum of association are:

- The relief of young disabled people in particular but not limited to the foregoing by the provision of care facilities
- The advancement of education for young disabled people through the provision of:
  - a structured curriculum, training, learning and other activities which supports their aspirations and progress towards independent living
  - opportunities to participate in the performing arts as creators, performers, technicians, administrators and audiences;

The Aims of our charity are:

- To support young disabled adults who have interests and talents in the performing and visual arts to achieve the Preparing for Adulthood outcomes through participating in inclusive performance opportunities and a personalised learning programme
- To empower our students to live as independently as possible and contribute to their local community.

### **How we ensure our work delivers our aims**

We review our work in relation to our aims, objectives and activities each year through Trustee and senior management Away Days, Committee meetings with senior staff and Board meetings with reference to our existing strategic plan to 2020. The success and lessons learnt for each business sector is considered in relation to the benefits for the students that we seek to help. A wide-ranging consultation has been completed for the proposed strategic plan from 2021 -2025, which will be approved by the Board for implementation from Spring 2021.

We measure our success through KPI's devised by each Board Committee and by ratings from regulatory bodies and awarding bodies. Plans are in progress for organisational KPIs to be reviewed in 2021.

Student satisfaction with our personalised study programme, accommodation and activities associated with visual and performing arts is measured through anonymous student surveys, tenant meetings and the student council forum where any issue can be raised with the CEO and senior management team who report any student issues to the Board. A parent and carer forum also provides valuable feedback.

### **How our activities deliver public benefit**

The trustees have referred to and have regard for the Charity Commission's public benefit guidance. We have taken it into account through review of our aims and objectives and ensuring that decisions arising from our strategic direction, sustains and improves our charitable activities to benefit young disabled adults using visual and performing arts.

All our charitable activities are focused on the UK's vision to build a society which is fully inclusive of disabled people ensuring that they have choice and control over their own lives and are able to live the lives they choose to lead. We are actively improving equality, diversity and inclusion through implementation of our three year plan. We are a Disability Confident employer and hope to achieve Disability Confident Leader status this year.

We raise awareness of disability issues at a local and national level through communication with MPs and government ministers, council mayors and inspirational outreach performances. We support our students, who have talents in performing and visual arts, to achieve accredited qualifications (100% this year), progress in English and maths and gain independence and work skills for employment so that they can realise their potential and make a positive contribution to their local community. Our supported housing accommodation enables students to make a smooth transition to live as independently as possible when they leave to live in a new setting. As a consequence, their need for high cost residential care is decreased. Some students, who do not live in our supported housing, choose to continue to live at home but nevertheless become active independent members of their local community. Our students raise funds for national charities and are encouraged to participate in voluntary activities to help others. They are enthusiastic and keen to overcome barriers to their participation in society especially in the workplace, using public transport and sports facilities. However, to keep students safe from March 2020 when lock down was implemented external activities have been curtailed.

As alumni, our students continue to make a difference to awareness of disability through performance and workshops for other disadvantaged young adults including the Thessaly Theatre group which develops unique disability awareness training for corporate settings. Their success helps to alleviate the concern of parents, carers and siblings about their well-being when they are no longer able to assist them.

### **Contribution of Volunteers**

The charity continues to attract volunteers from the local community, who work in varied roles allocated by a dedicated Volunteer Recruitment Officer (this year 95 active volunteers in total although only 71 are active; 24 volunteers have chosen to take a break from volunteering due to COVID-19). Our volunteers enrich the lives of both students and staff, are highly valued and contributed 3,452 hours (2018-19:11,036 hours) an equivalent of £30,101 (estimate at minimum wage 2020). The reduction in hours reflects the decision to both minimise the number of external visitors to the site to decrease coronavirus transmission and not to have residential volunteers this year. Every volunteer is checked through the Disclosure and Barring service and attends appropriate mandatory and induction courses.

We are grateful for the support from company volunteer days that make such a difference to our grounds and facilities. However, the risk to our staff and students was judged to be too great for these days to continue after March 2020.

### Achievements and Performance

In our 2018/2019 annual report we listed our objectives and plans for current and future years. An update on our progress and activities are described below:

- The number of fulltime EFSA students has increased by 9 to a total of 46 - our highest ever intake. Additionally, we had 1 part time student who was privately funded. Retention was 100%. Despite not being able to offer maths and English exams and Arts awards this year due to COVID19 our students have achieved outstanding results across all areas of the study programme with a total of 129 qualifications. 12 students have left Orpheus this year and 7 are living independently in supported living accommodation: a credit to the dedication of the transition team and housing officer.
- Six students were enrolled to the COIN project in September 2019, now self-named the Apollo group. One student transferred to majors group learning after one term. The Board approved the project for a further year. Three students moved into major groups for academic year 20-21. The current group size is 5 (20 -21) whose needs can be fully met with current resources. The Board is delighted with the success of this new venture that fills a gap in regional provision.
- The college complied with Government Guidance for specialist colleges during the national lockdown from March 2020 recognising that students with special educational needs and disabilities (SEND) and their families can be impacted disproportionately when out of education. Major changes to the curriculum and delivery were made to ensure the safety of both students and staff.
- The challenge to tutors to deliver lessons virtually and reduce risk to students was met early on: their adaptability allowed us to offer a full curriculum when full lockdown was ordered. A recent interim visit from Ofsted endorsed the excellence of our provision.
- The period of change has notably increased student involvement with their own learning so that they more readily identify their own skills and areas for improvement. The impact on the Arts nationwide has encouraged them to realise the importance of developing a broad range of skills to improve their future resilience in the community.
- Every student this year has had a mix of actual and virtual work experience opportunities. Of the student-leavers, only one student has not moved into employment, voluntary work, or further education and every student has engaged in purposeful work in the community. We monitor the quality of our programme and recognise that we need to continue our focus on this area to achieve all the Gatsby benchmarks. The additional vehicles to our fleet has enabled our transition team to give effective support to our students prior to the restrictions of Covid.
- During lockdown, some students chose to remain in their homes on site and were kept safe by our care and learning support staff. Risk of infection was minimised through devising and frequently updating our COVID policy that required both staff and student compliance. We are pleased to report that no cases of COVID have been reported within the Centre.
- The operational management of the centre has been streamlined with improved committee reporting to the board, more transparent monitoring of Health and Safety and a strengthened safeguarding team together with a focus on site security. We have appointed an external company to carry out a health and safety audit and provide ongoing advice.
- We have continued to explore options to increase the size of our teaching facilities making the initial decision to develop the existing site and identifying and evaluating the options available including portacabin hire. This year, two flats were taken from the supported housing stock reallocated to teaching and office use. They had not been rented due to lack of demand and safety concerns about access to them and their location.
- We have changed our IT support provider and are planning a move to cloud storage.
- We achieved an overall good rating from CQC in December 2019. Our decision to facilitate closer working between Domiciliary care and Learning teams has allowed achievement of shared targets and a joined up approach to improve the student experience. Hybrid learning

## The Orpheus Centre Trust

/care roles and more structured supervision have improved communication both within and across teams. The role will be further developed.

- Our outreach work has been limited but innovation within the team has allowed several virtual activities for both students and alumni. We held a successful outreach at HMP Downview in the autumn of 2019, a triumphant performance at the O2 Arena for St James's Palace Annual Company Meeting to an audience of 6,500 people and a Zoom call with our Patron HRH The Earl of Wessex during lockdown.
- Outreach activities have been reviewed as part of our strategic review and future plans are being further developed. Given the challenges of fundraising over the coronavirus lockdown, we only achieved 83% (net) of our fundraising target this year. This compares favourably, however, with the average charity, which is anticipating a 42% reduction in voluntary support<sup>1</sup>.
- This year money has been raised to provide funds for the planned multi-use games area (MUGA) as well as significant donations to our emergency appeal.
- We would like to thank all those who took part in our events and challenges this year to raise funds. For every £1 spent we raised £2.25 (total fundraising income/ total fundraising expenditure), a decrease of 21% on last year but explained by our inability to hold external events and the fact that corporate donors were themselves adversely affected by COVID 19.

### Who used and benefitted from our services?

Students with a broad range of disabilities are accepted from anywhere in the UK provided we can meet their needs. Only 9% of our students were from BAME groups this year but we recruited more female than male students this year (20%) reversing the previous trend to recruit more male students. Every student achieved their targets.

Our student recruitment process attracts students mainly from outer London and the Home Counties. Expressions of interest and applications for places at Orpheus continue to increase as we build strong partnerships with local schools and become better known on a local and national basis. Our six month transition support programme has been welcomed by alumni but our plans to develop more extensive performance and workshop activities involving alumni and students have been postponed due to COVID19.

Senior staff have been encouraged to speak at and attend national conferences which has enabled us to share ideas and good practice within the curriculum for adulthood that leads to independence, further education and community inclusion.

### Financial Review Investment and Reserves Policies

#### Income and expenditure

Total incoming resources for The Orpheus Centre Trust in 2020 were £3,727,761 (2019: £3,709,739) which comprised unrestricted income £2,834,956 (2019: £2,823,863) and restricted income £892,805 (2019: £885,876).

Expenditure by the Centre is dominated by staff salaries and the maintenance of our facilities and equipment. The total expenditure for 2020 is £2,945,218 (2019: £3,217,462) the decrease caused largely by decrease on agency staff for domiciliary care and restriction to student and fundraising external activities made necessary by COVID 19 recommendations.

The Centre's surplus for 2019 has increased to £782,543 (2019: £492,277) reflecting income targets for fundraising achieving 83% (net) and savings on costs due to pandemic.

<sup>1</sup>Survey by The Chartered Institute of Fundraising (IoF) and Charity Finance Group (CFG) published June 2020



## **The Orpheus Centre Trust**

### **Investment policy**

Orpheus seeks to produce the best financial return within an acceptable level of risk. The investment objective is to achieve capital growth at least in line with inflation (RPI) and a stable growing income stream.

The risk is spread by investing in a variety of low-risk stocks that has been managed by two companies and a further company appointed this year with whom we invested £550,000. They report annually to the Finance Committee. Investments are easily accessible when required to mitigate unplanned expenditure without affecting our reserves.

At 31 August 2020 the Charity held investments valued at £1,663,123 (2019: £1,096,973).

Our return on investments was £16,150, 66% less than last year (2019: £46,904) reflecting a downturn in financial markets due to uncertainties of the impact of COVID19.

### **Reserves and Reserves Policy**

The Orpheus Centre relies on a mixture of income from a variety of sources to fund its activities and the continued investment in our services and facilities. Our activities and the markets in which we operate have a degree of uncertainty driven by developing Commissioner models and the constraints of public funding. The reserves policy aims to ensure that the Orpheus Centre has appropriate liquidity to build resilience against short term or sudden fluctuations in income or cost levels, unplanned substantial repairs and maintenance expenditure or the need to transform our services in response to developing commissioning strategies. We are committed to providing services to our students (beneficiaries) and want to be confident that our reserves policy is fit for purpose, particularly given their vulnerability. Our reserves are an inherent part of our strategic risk management process and trustees recognise that the need for reserves will vary depending on our financial position and our assessment of the risks faced at any time. Balancing the short term need for spending on our core programmes with the need to maintain stability in the longer term is always considered. This year the Board reviewed and revised our reserves policy to identify and designate reserves to long term building funds leaving six months of operating costs as general reserves (2020: £1,470,092; 2019: £1,608,731) noting, the impact of COVID19 in reducing operational costs this year. The policy will be reviewed and monitored along with the finances and should there be any future requirement to release more reserves, there is more than sufficient capacity to do so. Cash plus investments at 31st August 2020 was £2,911,889 (31 August 2019 was £1,907,992).

Restricted reserves at 31st August 2020 were £692,274 (2019: £573,282). The balance at the same date on the expendable endowment fund was £2,263,432 (2019: £2,347,763) with depreciation of £84,331 (2019: £84,331) being charged against the fund.

Unrestricted funds at 31st August 2020 were £4,334,340 (2019: £3,570,308) of which £2,836,410 represents designated funds (2019: £2,072, 378). The remaining unrestricted reserves of £1,497,930 (2019: £1,497,930) represents nearly 6 months of operating expenditure, close to the minimum reserves policy agreed by the trustees.

### **Principal risks and management**

The trustees make regular reviews of the risks which the Trust faces. The trustees have examined the major strategic, business and operational risks and confirm that the established committee structure and the Board monitor actions taken to minimise the impact of each identified risk area. Responsibility for updating risk areas lies with the appropriate committee and recommendations are approved by the Board. The organisational risk register is reviewed annually.

## The Orpheus Centre Trust

### Key Risks identified and action taken to mitigate

#### Governance

- The Board has pledged to increase diversity among its members and has reviewed its recruitment procedures policy this year. One new member was recruited this year and further recruitment is planned for next year. Issues relating to governance of a specialist college are detailed in our self-assessment report. The trustees ensure they have the skills and commitment to meet the challenges they inevitably face. We continue to benefit from the external support and valued advice from a representative of the Mark Leonard Trust. Conflicts of interest are reported at every meeting.

#### Operational

- Operational costs are met largely through fees charged to local authorities and fundraising activities. Consequently, failure to recruit students is a major risk and is managed by active engagement with local authorities and commissioners to understand their developing strategies, proactive recruitment and assessment policies. Our curriculum is flexible and personalized for each student with competitive pricing contracts and continues to be an attractive option for prospective students and local authority commissioners. The risk is also mitigated through membership of the National Association of Specialist providers (Natspec) which represents Specialist Colleges at Government and Funding bodies level as well as providing information for prospective students. KPI's for recruitment are monitored throughout the year and we have a waiting list for future years. Our initiative to develop provision for communication and social interaction (COIN) has been successful; future recruitment numbers are positive but increasing provision depends on development of the site in line with our strategic plan.
- We depend on fundraising to extend our facilities and equipment and targets are set each year in line with our projected need. Risk of complaint is mitigated through our Treating Donors Fairly Policy. We have had no complaints this year. The relationship between funds raised and expenditure is monitored through our Fundraising and Marketing Board committee. We have had to delay planned projects for which funding had already been secured due to the lockdown in response to coronavirus. The risk of funders asking for the return of grants has been mitigated by maintaining transparent communication with funders about delays and revised plans.
- Unplanned costs due to a dip in income or increase in expenditure or substantial repairs and maintenance expenditure required to our charity assets are managed through our reserves policy.
- Our percentage occupancy for supported housing was 100% and the number of units will remain at 24 for next year.
- An inability to recruit and retain an effective and flexible workforce is a risk that is compounded by our geographical location. We have initiated a salary review and the outcome will be published next year to ensure that we offer competitive salaries. There has been a high staff turnover this year, but recruitment has been very successful enabling us to increase the diversity of the workforce. Employment issues are reported to the Board to ensure that exit interviews do not reveal adverse trends. A revised staff handbook has been published this year and changes to staff benefits have been implemented together with a strong staff development programme that has a focus on leadership.

## **The Orpheus Centre Trust**

- The impact of Brexit has been considered and updated. The impact on the ability of staff and students to attend the centre, the availability and transport of essential supplies and on fundraising where the value of the pound against other currencies could be adversely affected leaving less money for charitable donation has been assessed. We have put into place an action plan to minimise the risks that are under our control.
- We have developed a COVID policy that is updated very regularly to ensure that the college remains open for our students and is safe for both students and staff.

### **Reputational**

- Failure to report Safeguarding incidents is mitigated through our Safeguarding and Prevent Duty policies and mandatory training, updated every three years for all our staff and volunteers. Student awareness of safeguarding including on-line safety is embedded at induction and through the curriculum. The process for reporting of concerns is encouraged through the activities of the safeguarding team and awareness is enhanced through posters distributed throughout the college.
- We have reviewed our IT systems and software to optimize our resilience to cyber-attack and meet performance expectations related to quality data collection within a shorter time frame. We appointed a cloud consultancy to assess and implement our ongoing needs.
- Resilience to data compromise has been strengthened through the appointment of a data protection officer. GDPR training is given to all staff and volunteers and is updated regularly to minimise human error. GDPR compliance is partially reliant on the IT infrastructure, which has been improved and will be further upgraded. We have had no requests for personal information held by us this year.
- A health and safety consultancy has been appointed this year and a Health and Safety Audit has been completed. Implementation has been delayed due to COVID19 but an active maintenance programme will be progressed. Stronger and more transparent health and safety reporting including safeguarding is monitored through our health and safety committee. Breaches to health and safety procedures are investigated through HR.

### **Financial**

- Inadequate financial control procedures causing lack of financial compliance are mitigated through our Policies and procedures manual and our reserves policy (reviewed this year) and are available on the intranet.
- Overspend or unplanned expenditure is mitigated through in depth budget setting and monitoring and a strict procurement policy.
- Our insurance policies are regularly reviewed to ensure that we are fully covered for all our assets and activities.

### **Compliance with law and regulation**

- Non-compliance with fundraising regulations is a risk mitigated by our registration with the Fundraising Regulator, our membership of the Institute of Fundraising and adherence to the highest standards of fundraising practice as in the Code of Fundraising Practice. Orpheus received one complaint about fundraising this year.
- The Orpheus Centre is committed to providing a positive donor experience and we enjoy a long-term relationship with our supporters based on trust. Fundraisers working on behalf of Orpheus, who encounter either vulnerable potential donors or those who lack mental capacity, arrange appropriate additional support to ensure they make an informed decision to donate. Our fundraisers (both staff and volunteers) are familiarised with the Fundraising Code of Conduct to ensure that it is applied properly.
- Individual donors are written to occasionally to ask them to support our work, and applications are made to a number of charitable trusts, foundations and companies for grants as well as holding special events. Occasionally third parties are used to write large grant applications to

## The Orpheus Centre Trust

statutory bodies or foundations. This activity is monitored by the Director of Development using our Third-Party Fundraising policy which states the standards we expect.

- Orpheus domiciliary care is regulated by CQC and Orpheus Specialist College is regulated by Ofsted. We are currently rated Good by both regulatory bodies. The risk of non-compliance is mitigated through our self-assessment, quality improvement procedures and professional development of staff in line with the changing requirements of these regulatory bodies.

## COVID-19

The three issues facing the charity arising from the Coronavirus (COVID-19) pandemic remain:

1. Maintenance of high standard educational provision and domiciliary care
2. Mitigation of the decrease in funding from the Government and fundraising income
3. Maintenance of safety for both students and staff are of the utmost priority to trustees.

The Charity initially set up a rapid response group that included the Chair of the Finance committee, which enabled a faster and more responsive decision-making processes. Its mandate was to take steps to prevent or mitigate the effect of the emergency in question within existing financial controls. Timescales were very tight and with remote working much of the approval for expenditure above £10k was carried out via emails and Zoom meetings.

We ensured that we remained compliant with all Government Guidance for educational settings. The number of students and key workers attending the college are reported each day to the Department of Education. The quality of education and care were monitored through Board sub committees. Our self- assessment report for education demonstrated excellent feedback from students and a recent Ofsted interim report had no concerns with regard to the quality of teaching learning and assessment. The CQC report for domiciliary care was good.

Preventative measures to decrease the likelihood of infection were implemented by all staff working in the College and agency staff are no longer employed. Where necessary personal protective equipment (PPE) was made available and multiple sanitising stations were set-up at key points around the site.

Individual and organisational risk assessments for all staff and volunteers were implemented to fully support their return to the site over the summer and into September 2020. Our COVID policy was written and updated frequently as changes in legislation and our operational procedures required. Key changes that affect students are communicated by the CEO to their parents and carers and have been extremely well received.

Every student who left achieved all their targets. The transition team continue to support students who left Orpheus in July 2020 and now live in their chosen accommodation and actively contribute to their communities.

We welcomed our new intake of students by drawing on our experience with existing students. With the full support of students, parents and carers we successfully carried out a programme of induction to enable them all to participate fully in our online learning programme within Government Guidelines. Additional support for day students is provided by parents and carers and for those living in supported housing by Learning and Support care assistants.

We currently have 49 students for the 2021-22 academic year and continue to deliver the full curriculum within a Covid-19 secure 'bubble' system. We operate in 'bubbles' considering additional risks from day student travel arrangements. The curriculum has to be delivered differently with some students having to study a wider variety of subjects than they would prefer together with staff having to work in new and different ways. This has been challenging since only a limited number of staff are on site at the same time, external work placements and supported internships are unavailable and external performance and outreach opportunities restricted to virtual events. However, all staff have

## The Orpheus Centre Trust

responded positively recognising that there must be a balance between safety and curriculum. The operational plan continues to be met.

Recruitment of students for the academic year 2021-22 has not been affected by Covid-19. Providing funding continues we should maintain student numbers. Virtual assessments and open days have successfully replaced former activities. It is a credit to the whole team that so much has been achieved with such restricted resources. Whilst everyone would prefer we did not have to work in these ways, we have no choice but to work our way through the challenging balance of safety and curriculum. Staff in both care and learning are working very differently, with far more face to face contact time with students than previously. We have completed recruitment of LSCAs which will reduce the number of different contact interactions. The staff and volunteer teams have risen brilliantly to the challenge. Overall, there is a new energy and enthusiasm throughout the centre. Everyone is embracing the opportunity to collaborate and further the 'One Team' approach.

Our funding from the Education and Skills Funding Agency is not at risk and through-out our Finance Team have remained meticulous in their monitoring of our cash flow and immediately alerting the Rapid Response Team of an impending negative financial situation. The two financial impacts under close review are:

### 1. Fundraising Income

Like all charities we have faced a challenge this year as the pandemic continues to impact on the economy. However, the Director of Development maintains a risk assessment of income streams and has continued to review this at least monthly with the CEO. Trustees are informed about any concerns. At the end of November 2020 we have already achieved 13% of the annual income budget for fundraising albeit this is less than our fundraising target for 20-21. Some of our corporate supporters are facing huge losses, donors might lose their job or have a loss in investment income as will some trusts and foundations. We are still unable to resume most in person special events or community fundraising however we are mitigating these risks through maintaining strong relationships with all of our funders and exploring ways to stay connected, for example through online corporate volunteering using Zoom sessions. Our Fundraising team have developed a number of new fundraising products including online auctions, virtual challenges and even drive in concerts. We are actively exploring all new potential sources of funding and making applications to them. We have benefitted from the Government's additional funding for charities via an additional grant from the National Lottery Community Fund.

### 2. Local Authority

Croydon council is the first to impose emergency spending restrictions and issued a Section 114 notice. Going forward the council will be focused on spending on essential services only, which includes the provision of statutory services to vulnerable people. We currently have four day students one of whom lives in our supported housing that are funded by Croydon. From the announcement made by the Council it appears that our costs for these students will continue to be met, although they warned of delays in receiving payments, we have been paid promptly and therefore have no concerns.

We have and will continue to review other Local Authorities very carefully although our risks have been mitigated by having a spread of 49 students over 16 Local Authorities (only 4 students being with Croydon). Also, it appears that those Local Authorities considered most at risk are outside our area including Manchester, Leeds & Liverpool. We do not have any current students funded by these authorities so we have no financial exposure.

## The Orpheus Centre Trust

We are confident that the charity will remain a Going Concern for the duration of the COVID-19 Pandemic without compromising the safety of the students and staff.

### Thanks to the following funders

The Orpheus Centre has been fortunate to receive funding from several non-statutory sources over the last two years. The Board would therefore like to thank the following organisations, individuals and companies for the generous support that they have given:

Alchemy Foundation, Anglo-American Charitable Foundation, Austin & Hope Pilkington Trust, Borrows Trust, Brit Trust, The Bryans, Clothworker's Foundation, Edward Gostling Foundation, Ferndens Gatwick, George Goodsir Trust, Glendale Services, The Hallet Family, Johnsons, Joseph and Lillian Sully Foundation

Steve Kershaw, KeyMT, Kirker Travel, Knights Brown, Jim & Liz Madden, Mark Leonard Trust, Masonic Charitable Foundation, Millstone UK Ltd, National Lottery Community Fund, No Fear Bridge, Orpheus Development Board, Pears Foundation, Porticus UK, Rogers Stirk Harbour + Company, Royal Society of St George, The Sobell Foundation, South Square Trust, Geoff & Fiona Squire, Surrey Community Foundation, Surrey County Council, Transmission Investments

Unum, The Waterloo Foundation, Wates Family Enterprise, Wates Foundation, Weinstock Foundation, Richard & Valerie Wells, Marion Wilcocks, William Brake Foundation.

### Future plans

Our future plans are in line with the new strategic plan to be implemented in 2021. We will establish Orpheus ARTS (Aspire, Renew, Transform and Service Excellence) by 2025.. Within the strategic plan our main priorities for 2020 -2021 year are:

- To comply with COVID 19 Government regulations while giving our students the best education and care to achieve their future expectations and ambitions through curriculum innovation and staff development (S)
- To improve and initiate change in the development and delivery of our transition programme such that our enterprise activities, work with corporate volunteers and local arts businesses provide meaningful work experience for every student (S)
- To continue to provide the highest quality standard of care and education that maintains and exceeds the 'good' grades that we hold with both Ofsted and CQC regulatory bodies (S)
- Further invest and develop our COIN facilities and resources for existing cohort (S)
- To develop a virtual outreach programme mapped to existing and new networks to assist fund raising and extend alumni and student involvement (T)
- To achieve Disability Confident Leader status as part of our general focus to advocate for young people with SEND and develop roles for their employment (A)
- To nurture and develop the talents and wellbeing of our staff to assure their retention and positive impact on students and volunteers: in particular, through starting our leadership development programme and ensuring continuous professional development of all our staff (A)
- Review our networks of feeder schools, partners and research (T)
- Begin to develop our campaign for influencing the lives of young disabled people (T)
- As part of our digital strategy, strengthen our wifi connection so that it is accessible from all site locations. Purchase appropriate MIS system and hardware so that staff can access and disseminate information readily and every student can work remotely to the same quality standard. (S)
- Improve site security and implement health and safety 5 year maintenance plan
- To carry out a site review and plan a capital appeal to finalise build requirements for the development of an Arts Centre that includes fully accessible teaching spaces, a theatre and sculpture park in line with our five-year strategic plan (R)

### Statement of Trustee Responsibilities

The trustees (who are also directors of The Orpheus Centre Trust 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland').

Company law requires trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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 business.

The trustees are responsible for keeping accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

## The Orpheus Centre Trust

### Auditors statement

Moore Kingston Smith LLP have indicated their willingness to continue in office and, in accordance with the provisions of the Companies Act, it is proposed that they be reappointed auditors for the ensuing year.

The Trustees' Annual Report is approved by the Trustees of the charity on 7 April 2020. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as Directors of the charity under company law and is signed on its behalf by:

*John Beer*

John Beer, Chair of the Board of Trustees

10/05/21



## **The Orpheus Centre Trust**

### **Independent Auditor's Report to the members of The Orpheus Centre Trust**

#### **Opinion**

We have audited the financial statements of The Orpheus Centre Trust ('the charitable company') for the period ended 31 August 2020 which comprise the Statement of Financial Activities including the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## **The Orpheus Centre Trust**

### **Independent Auditor's Report to the members of The Orpheus Centre Trust**

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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 15, the trustees (who are also the directors of the charitable company 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.

#### **Auditor's 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

## **The Orpheus Centre Trust**

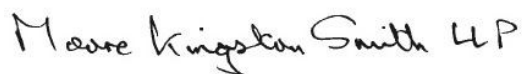
### **Independent Auditor's Report to the members of The Orpheus Centre Trust**

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



13 May 2021

**David Montgomery (Senior Statutory Auditor)**

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Betchworth House  
57-65 Station Road  
Redhill  
Surrey  
RH1 1DL

The Orpheus Centre Trust

Statement of Financial Activities for the year ended 31 August 2020

(Including Income and Expenditure Account)

		Unrestricted Funds	Restricted Funds	Endowment Fund	Year ended 31 August 2020	13 month period ended 31 August 2019
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and grants	2	343,233	511,450	-	854,683	1,161,542
Charitable activities	3	2,422,420	381,355	-	2,803,775	2,457,808
Other trading activities	4	68,057	-	-	68,057	89,169
Investments		1,246	-	-	1,246	1,220
<b>Total income</b>		<b>2,834,956</b>	<b>892,805</b>	<b>-</b>	<b>3,727,761</b>	<b>3,709,739</b>
<b>Expenditure on:</b>						
Raising funds		361,923	-	-	361,923	407,116
Charitable activities		1,847,742	735,553	-	2,583,295	2,810,346
<b>Total expenditure</b>	5	<b>2,209,665</b>	<b>735,553</b>	<b>-</b>	<b>2,945,218</b>	<b>3,217,462</b>
<b>Net income before gains on investments</b>		<b>625,291</b>	<b>157,252</b>	<b>-</b>	<b>782,543</b>	<b>492,277</b>
<b>Net gains on investments</b>	9	<b>16,150</b>	<b>-</b>	<b>-</b>	<b>16,150</b>	<b>46,904</b>
<b>Net income</b>	7	<b>641,441</b>	<b>157,252</b>	<b>-</b>	<b>798,693</b>	<b>539,181</b>
<b>Transfers between funds</b>	13	<b>122,591</b>	<b>(38,260)</b>	<b>(84,331)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds for the year</b>		<b>764,032</b>	<b>118,992</b>	<b>(84,331)</b>	<b>798,693</b>	<b>539,181</b>
<b>Reconciliation of funds</b>						
Funds brought forward		3,570,308	573,282	2,347,763	6,491,353	5,952,172
<b>Funds carried forward</b>	13	<b>4,334,340</b>	<b>692,274</b>	<b>2,263,432</b>	<b>7,290,046</b>	<b>6,491,353</b>

There were no gains or losses during the year other than those included in the statement of financial activities.

**The Orpheus Centre Trust**  
**Balance Sheet at 31 August 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	8	4,167,788	4,373,921
Investments	9	1,663,123	1,096,973
<b>Total fixed assets</b>		<b>5,830,911</b>	<b>5,470,894</b>
<b>Current assets</b>			
Debtors	10	329,854	305,474
Cash at bank and in hand		1,248,767	811,019
<b>Total current assets</b>		<b>1,578,621</b>	<b>1,116,493</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	11	119,486	96,034
<b>Net current assets</b>		<b>1,459,135</b>	<b>1,020,459</b>
<b>Total assets less current liabilities</b>		<b>7,290,046</b>	<b>6,491,353</b>
<b>Total net assets</b>		<b>7,290,046</b>	<b>6,491,353</b>
<b>Represented by:</b>			
Endowment funds	13	2,263,432	2,347,763
Restricted funds	13	692,274	573,282
Unrestricted funds	13	4,334,340	3,570,308
		<b>7,290,046</b>	<b>6,491,353</b>

Companies House no: 05089501

Approved by the Board on .....and signed on its behalf by

27/4/21



John Beer, Chairman

**The Orpheus Centre Trust**  
**Statement of Cash Flows for the year ended 31 August 2020**

		<b>Year ended 31 August 2020</b>	<b>13 month period ended 31 August 2019</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Net cash provided by operating activities</b>	<b>a</b>	1,058,894	827,762
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(71,146)	(274,303)
Purchase of investments		(550,000)	(300,000)
<b>Change in cash and cash equivalents in the year</b>		<u>437,748</u>	<u>253,459</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>811,019</u>	<u>557,560</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,248,767</u>	<u>811,019</u>
<b>a. Reconciliation of net income to net cash inflow from operating activities</b>			
Net income before gains on investments		782,543	492,277
Adjustments for:			
Depreciation and write-off of fixed assets		277,279	285,574
Decrease/ (increase) in debtors		(24,380)	49,415
(Decrease) / increase in creditors		23,452	496
<b>Net cash provided by operating activities</b>		<u>1,058,894</u>	<u>827,762</u>

## **1.ACCOUNTING POLICIES**

### **Basis of accounting**

The Orpheus Centre Trust is a charitable company limited by guarantee domiciled and incorporated in England and Wales. The registered office is Orpheus Centre, North Park Lane, Godstone, Surrey, RH9 8ND. Every member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up but not exceeding £1.

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 pound.

The charity meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the charity's governing document, the Companies Act 2006, the Charities Act 2011 and in accordance with the 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 (The FRS 102 Charities SORP).

### **Going concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable company's forecasts and projections and the impact of the ongoing Covid-19 pandemic. Whilst the ultimate impact of the pandemic cannot currently be quantified, the trustees believe that they have taken sufficient steps to mitigate the impact such that the pandemic will not affect the charity's ability to continue as a going concern. The charity also remains in a strong reserves and cash position. After making appropriate enquiries the trustees have therefore concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

### **Income**

All income is recognised where there is an entitlement to the funds, the receipt is probable and the amount can be measured reliably. Deferred income represents amounts received for future periods and is released to income for the period for which it has been received.

Government grants comprise amounts received during the year adjusted for income which relate to future period.

### **Expenditure**

Expenditure is included on an accrual basis.

Costs of generating funds are those incurred in attracting voluntary income.

Expenditure on charitable activities comprises those costs incurred on the learning programme, the provision of domiciliary care and supported housing. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature to support them.

Governance costs are associated with the governance arrangements of the charity and include the cost of external audit fees. These have been included in support costs.

Central services staff costs, administrative expenses and overheads are allocated to the costs of raising funds and charitable activities on the basis of time spent by staff on these activities.

### **Fund accounting**

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year to 31 August 2020**

**1.ACCOUNTING POLICIES (CONTINUED)**

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on a straight line basis at rates calculated to write off the cost less estimated residual value of each asset over its expected life.

The depreciation rates are as follows:

Freehold buildings	50 years
Building improvements	10 years
Musical instruments	5 years
Furniture and equipment	5 years
Computer equipment and music technology	3 years
Motor vehicles	4 years

Land is not depreciated.

The threshold for capitalising tangible fixed assets is £250.

**Operating leases**

Rentals applicable to operating leases are charged against expenditure over the period in which the cost is incurred.

**Pensions**

The Charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

**Financial instruments**

**a. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

**b. Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price.

**c. Fixed Asset Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**Critical accounting estimates and areas of judgement**

In the view of the trustees applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry significant risk of material adjustment in the next financial year.



**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**2 INCOME FROM DONATIONS AND GRANTS**

<b>Year ended 31 August 2020</b>	<b>Unrestricted Funds £ 2020</b>	<b>Restricted Funds £ 2020</b>	<b>Endowment Funds £ 2020</b>	<b>Total Funds £ 2020</b>
Donations	343,233	462,392	-	805,625
Grants	-	49,058	-	49,058
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total donations</b>	<b>343,233</b>	<b>511,450</b>	<b>-</b>	<b>854,683</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>13 month period ended 31 August 2019</b>	<b>Unrestricted Funds £ 2019</b>	<b>Restricted Funds £ 2019</b>	<b>Endowment Funds £ 2019</b>	<b>Total Funds £ 2019</b>
Donations	711,992	427,934	-	1,139,926
Grants	-	21,616	-	21,616
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total donations</b>	<b>711,992</b>	<b>449,550</b>	<b>-</b>	<b>1,161,542</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The Orpheus Centre Trust

Notes to the Financial Statements for the year ended 31 August 2020

**3 INCOME FROM CHARITABLE ACTIVITIES**

Year ended 31 August 2020	Unrestricted Funds £ 2020	Restricted Funds £ 2020	Endowment Funds £ 2020	Total Funds £ 2020
<b>Learning programme:</b>				
Learning fees	1,352,088	381,355	-	1,733,443
Box office	6,402	-	-	6,402
Grants and donations	-	-	-	-
	<b>1,358,490</b>	<b>381,355</b>	-	<b>1,739,845</b>
<b>Domiciliary care:</b>				
Domiciliary care fees	833,781	-	-	833,781
	<b>833,781</b>	-	-	<b>833,781</b>
<b>Supported housing:</b>				
Rent	230,149	-	-	230,149
Grants	-	-	-	-
	<b>230,149</b>	-	-	<b>230,149</b>
	<b>2,422,420</b>	<b>381,355</b>	-	<b>2,803,775</b>

13 month period ended 31 August 2019	Unrestricted Funds £ 2019	Restricted Funds £ 2019	Endowment Funds £ 2019	Total Funds £ 2019
<b>Learning programme:</b>				
Learning fees	916,287	436,326	-	1,352,613
Box office	6,593	-	-	6,593
Grants and donations	-	-	-	-
	<b>922,880</b>	<b>436,326</b>	-	<b>1,359,206</b>
<b>Domiciliary care:</b>				
Domiciliary care fees	883,364	-	-	883,364
	<b>883,364</b>	-	-	<b>883,364</b>
<b>Supported housing:</b>				
Rent	215,238	-	-	215,238
Grants	-	-	-	-
	<b>215,238</b>	-	-	<b>215,238</b>
	<b>2,021,482</b>	<b>436,326</b>	-	<b>2,457,808</b>

**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**4 OTHER TRADING ACTIVITIES**  
**Year ended 31 August 2020**

	Unrestricted Funds £ 2020	Restricted Funds £ 2020	Endowment Funds £ 2020	Total Funds £ 2020
Hire of facilities	46,992	-	-	46,992
Sales of goods and services	18,151	-	-	18,151
Other income	2,914	-	-	2,914
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>68,057</b>	<b>-</b>	<b>-</b>	<b>68,057</b>

**13 month period ended 31 August 2019**

	Unrestricted Funds £ 2019	Restricted Funds £ 2019	Endowment Funds £ 2019	Total Funds £ 2019
Hire of facilities	51,687	-	-	51,687
Sales of goods and services	32,603	-	-	32,603
Other income	4,879	-	-	4,879
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>89,169</b>	<b>-</b>	<b>-</b>	<b>89,169</b>

**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**5 EXPENDITURE**

<b>Year ended 31 August 2020</b>	<b>Staff costs</b>	<b>Other direct costs</b>	<b>Allocation of central costs</b>	<b>2020 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost of raising funds	266,945	30,320	64,658	361,923
Cost of charitable activities:				
Learning programme	944,704	53,862	271,571	1,270,137
Residential & domiciliary care	937,606	2,707	284,502	1,224,815
Supported housing	39,721	3,503	25,864	69,088
Governance	18,643	612	-	19,255
	<u>2,207,619</u>	<u>91,004</u>	<u>646,595</u>	<u>2,945,218</u>
<b>13 month period ended 31 August 2019</b>	<b>Staff costs</b>	<b>Other direct costs</b>	<b>Allocation of central costs</b>	<b>2019 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost of raising funds	242,537	91,519	73,060	407,116
Cost of charitable activities:				
Learning programme	948,745	101,113	306,853	1,356,711
Residential & domiciliary care	1,007,334	2,502	321,464	1,331,300
Supported housing	55,596	19,453	29,224	104,273
Governance	16,887	1,175	-	18,062
	<u>2,271,099</u>	<u>215,762</u>	<u>730,601</u>	<u>3,217,462</u>

**6 EMPLOYEES**

**Number of employees**

The average monthly number of full time equivalent employees during the period was 75 (2019 - 75).

	<b>Year ended 31 August 2020</b>	<b>13 month period ended 31 August 2019</b>
<b>Employment costs</b>	<b>£</b>	<b>£</b>
Salaries and wages	1,919,576	1,928,494
Social security costs	152,666	151,226
Pension Costs	34,306	28,759
	<u>2,106,548</u>	<u>2,108,479</u>
<b>Total employment costs</b>	<b>2,106,548</b>	<b>2,108,479</b>

Three employees received emoluments for the period in excess of £60,000 and one employee received emoluments for the period in excess of £70,000 (13 month period ended 31 August 2019 - one over £70,000). The centre made £5,205 (13 month period ended 31 August 2019: £1,220) in pension contributions. The key management personnel of the charity include the trustees. The Trustees received no remuneration or benefits in kind from the Charity. Total reimbursed expenses for the trustees were £612 (13 month period ended 31 August 2019 - £288). There were 2 Trustees reimbursed in the period for expenses relating to training conferences and travel.

**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**7 NET INCOMING/(OUTGOING)RESOURCES**

	Year ended 31 August 2020 £	13 month period ended 31 August 2019 £
Net incoming resources before transfers are stated after charging:		
Depreciation	277,279	285,574
Bank interest	1,246	1,220
Investment management fees	7,818	5,006
Auditors' remuneration	12,000	11,700
Auditors' non-audit remuneration	3,775	4,937
	<hr/>	<hr/>

**8 TANGIBLE FIXED ASSETS**

	Freehold land & buildings £	Musical instruments £	Furniture & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 31 August 2019	5,482,562	51,244	826,495	128,469	6,488,770
Additions	-	-	42,502	28,644	71,146
Disposals	<hr/> -	<hr/> -	<hr/> (42,837)	<hr/> -	<hr/> (42,837)
At 31 August 2020	<hr/> <b>5,482,562</b>	<hr/> <b>51,244</b>	<hr/> <b>826,160</b>	<hr/> <b>157,113</b>	<hr/> <b>6,517,079</b>
<b>Depreciation</b>					
At 31 August 2019	1,451,387	24,266	520,313	118,883	2,114,849
Charge for the year	135,121	6,183	129,285	6,690	277,279
Disposals	<hr/> -	<hr/> -	<hr/> (42,837)	<hr/> -	<hr/> (42,837)
At 31 August 2020	<hr/> <b>1,586,508</b>	<hr/> <b>30,449</b>	<hr/> <b>606,761</b>	<hr/> <b>125,573</b>	<hr/> <b>2,349,291</b>
<b>Net book value</b>					
At 31 August 2020	<hr/> <b>3,896,054</b>	<hr/> <b>20,795</b>	<hr/> <b>219,399</b>	<hr/> <b>31,540</b>	<hr/> <b>4,167,788</b>
At 31 August 2019	<hr/> <b>4,031,175</b>	<hr/> <b>26,978</b>	<hr/> <b>306,182</b>	<hr/> <b>9,586</b>	<hr/> <b>4,373,921</b>

**9 INVESTMENTS**

INVESTMENTS	2020	
	£	
Market value as at 31 August 2019	1,096,973	
Add: additions to investments at cost	550,000	
Add: net gain/loss on revaluation	16,150	
Market value as at 31 August 2020	<u>1,663,123</u>	
	31 August	31 August
	2020	2019
Split as:	£	£
Fixed asset investments	1,663,123	1,096,973
Current asset investments	-	-
	<u>1,663,123</u>	<u>1,096,973</u>
Comprised of:		
Listed equities	1,663,123	1,066,973
Cash held within the investment portfolio	-	30,000
	<u>1,663,123</u>	<u>1,096,973</u>

**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**10 DEBTORS**

	<b>31 August 2020</b>	<b>31 August 2019</b>
	£	£
Student income	19,479	100,361
Other debtors, prepayments and accrued income	310,375	205,113
	<hr/>	<hr/>
	<b>329,854</b>	<b>305,474</b>

**11 CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

	<b>31 August 2020</b>	<b>31 August 2019</b>
	£	£
Other taxes and social security	40,309	32,430
Wages	7,198	8,669
Other creditors and accruals	71,978	54,935
	<hr/>	<hr/>
	<b>119,486</b>	<b>96,034</b>

**12 FINANCIAL INSTRUMENTS**

	<b>31 August 2020</b>	<b>31 August 2019</b>
	£	£
<b>Carrying amount of financial assets</b>		
Financial assets measured at fair value through the SOFA	1,663,123	1,066,973
Financial assets measured at amortised cost - debtors less prepayments	298,039	290,077
	<hr/>	<hr/>
	<b>1,961,162</b>	<b>1,357,050</b>
	<hr/>	<hr/>
<b>Carrying amount of financial liabilities</b>		
Financial liabilities measured at amortised cost	79,175	63,604
	<hr/>	<hr/>

**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**13 MOVEMENT IN FUNDS**

Year ended 31 August 2020	At 1 September 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At August 31 2020 £
<b>Expendable endowment fund</b>					
Buildings and equipment	2,347,763	-	-	(84,331)	2,263,432
<b>Restricted funds</b>					
Gorton Fund	5,906	-	(500)	-	5,406
Outreach Programme	115,589	103,950	(17,650)	(38,260)	163,629
Learning Programme	-	381,355	(381,355)	-	-
Alchemy Foundation	-	44,274	(43,916)	-	358
COIN	45,000	10,000	-	-	55,000
Transitions Fund	259,115	162,935	(163,075)	-	258,975
Minibus Fund	2,527	-	-	-	2,527
Muga	65,971	-	-	-	65,971
Games equipment	116	-	-	-	116
Outdoor gym	77,816	4,000	-	-	81,816
Wheelchair accessible vehicle	-	28,684	(28,684)	-	-
Race Day 2019	-	10,332	(10,332)	-	-
Intensive weeks	-	12,500	(12,500)	-	-
Job Retention Scheme	-	45,131	(45,131)	-	-
Music lessons	-	5,000	(4,000)	-	1,000
IT project	-	69,847	(13,613)	-	56,234
Other activities	1,242	14,797	(14,797)	-	1,242
<b>Total restricted funds</b>	573,282	892,805	(735,553)	(38,260)	692,274
<b>Unrestricted funds</b>					
General funds	1,497,930	2,851,106	(2,209,665)	(641,441)	1,497,930
Designated funds					
Long term Building Fund	-	-	-	885,834	885,834
Music lessons	46,220	-	-	-	46,220
New building supported housing fund	316,871	-	-	(7,539)	309,332
Manor House Fund	79,461	-	-	(15,892)	63,569
Fixed Asset Fund	1,629,826	-	-	(98,371)	1,531,455
<b>Total unrestricted funds</b>	3,570,308	2,851,106	(2,209,665)	122,591	4,334,340
<b>Total funds</b>	6,491,353	3,743,911	(2,945,218)	-	7,290,046

**Expendable endowment fund**

The expendable endowment fund represents donations received specifically for building and equipping the Orpheus Centre. In 2019-20 depreciation on buildings amounting to £84,331 was charged to the fund (2018-19: £84,331).

**Restricted funds**

*Gorton fund*

The Gorton Fund represents a donation in the memory of a former apprentice to be used for any student wishing to undertake an adventurous activity.

*Outreach Programme*

This programme exists to give young disabled adults the opportunity to support and mentor other disadvantaged or disaffected groups across the UK.

*Learning programme*

The learning programme fund consists of bursaries and grants to fund learning activities during the year.

### **13 MOVEMENTS IN FUNDS (CONTINUED)**

#### *Alchemy Foundation*

The Alchemy Foundation grant is towards salary costs in the Fundraising Department.

#### *COIN*

A pilot Communication and Social Interaction Hub for students who have communication and social interaction difficulties and a passion for the creative and performing arts.

#### *Transitions*

This project supports our students to “move on” from the college and live independently once they leave us with an established social support structure and activities, and making a positive contribution to their community.

#### *Minibus Fund*

The Minibus Fund was set up to buy a minibus for student transport.

#### *Muga*

This fund is for the creation of a Multi Use Games Area (MUGA) for students and staff at the Orpheus Centre.

#### *Games equipment*

This fund was created to support the purchase of games equipment for use by our students.

#### *Outdoor gym*

This fund is for the creation of an outdoor gym for students and staff at the Orpheus Centre.

#### *Wheelchair Accessible Vehicle*

This fund was set up to purchase a wheelchair accessible vehicle for student transport.

#### *IT project*

This fund was set up following lottery Funding secured to improve the charities IT systems and to purchase new equipment.

#### *Other activities*

These relate to miscellaneous amounts granted towards funding various smaller activities.

#### **Unrestricted funds**

##### *General funds*

General funds represent those funds that are unrestricted.

##### *Designated funds*

The Fixed Asset Fund, New Building Supported Housing Fund and the Manor House Fund have been moved from Restricted Funds into the Designated Funds. The reason for the transfer is that the assets have been constructed and there are no ongoing restrictions in place and they are available to use by the Centre to fulfil its general charitable activities.

In 2019 a £50,000 legacy from the estate of Joyce Hayes was placed into a fund for music lessons in recognition of the donor's profession of a music teacher.

In 2020 a new designated fund (Long Term Building) was established to budget for capital expenditure on a long term basis (3-5 years)



**The Orpheus Centre Trust**  
**Notes to the Financial Statements for the year ended 31 August 2020**

**14 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**Year ended 31 August 2020**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds</b>
	£	£	£	£
Fixed assets	3,567,479	-	2,263,432	5,830,911
Current assets	886,347	692,274	-	1,578,621
Current liabilities	(119,486)	-	-	(119,486)
	<b>4,334,341</b>	<b>692,274</b>	<b>2,263,432</b>	<b>7,290,047</b>

**Period ended 31 August 2019**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds</b>
	£	£	£	£
Fixed assets	3,123,131	-	2,347,763	5,470,894
Current assets	543,211	573,282	-	1,116,493
Current liabilities	(96,034)	-	-	(96,034)
	<b>3,570,308</b>	<b>573,282</b>	<b>2,347,763</b>	<b>6,491,353</b>

**15 OPERATING LEASE COMMITMENTS**

The charity's future minimum operating lease payments are as follows:

	<b>31 August 2020</b>	<b>31 August 2019</b>
	£	£
<b>Equipment</b>		
Within one year	1,049	1,049
Between two and five years	<u>1,049</u>	<u>2,097</u>

**16 RELATED PARTY TRANSACTIONS**

Included in income is £44,274 (13 month period ended 31 August 2019: £45,883) from the Alchemy Foundation to cover the cost of salaries in the Fundraising team. Two of the trustees of The Orpheus Centre Trust are also trustees of The Alchemy Foundation.