

The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)



## **The Orchard Project (Cause) Ltd**

(A Registered Charity & Company Limited by Guarantee)

# **Report and Financial Statements**

1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023

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***Company Registration No: 06902160***  
***Charity Registration No: 1139952***

## The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)

### **Trustee Report For the Year Ended 31 March 2023**

The board of Trustees presents the statutory report with the accounts of The Orchard Project year ended 31<sup>st</sup> March 2023.

The report has been prepared in accordance with the Charities Act 2011.

The accounts have been prepared in accordance with current accounting policies and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in July 2014 by the Charity Commission.

### **Trustees / Directors of the Charity and Company**

1. Catherine Andrews: appointed on 12<sup>th</sup> July 2015
2. Antonia Bunnin: appointed on 27<sup>th</sup> June 2018
3. Julia Hicks: appointed on 27<sup>th</sup> June 2018
4. Lisa Stonestreet: appointed on 18<sup>th</sup> May 2020
5. Rozanne Davis, appointed on 21<sup>st</sup> January 2013. Resigned 24<sup>th</sup> April 2023
6. Philippa Ward: appointed on 5<sup>th</sup> June 2020. Resigned 24<sup>th</sup> April 2023
7. Chris Wehbe: appointed on 4<sup>th</sup> August 2020. Resigned 24<sup>th</sup> April 2023
8. Andrew Lamb: appointed 19<sup>th</sup> April 2023
9. Tim Andrews: appointed 20<sup>th</sup> April 2023
10. Kathryn Packer: appointed 23<sup>rd</sup> April 2023

During this year, the charity introduced terms of office for trustees of three years per term, renewable for a maximum of three terms or nine years. Several trustees completed their terms and stood down. We carried out a recruitment process as part of our succession planning, and were pleased to appoint three new trustees.

### **Bankers**

Triodos Bank  
Brunel House  
11 The Promenade  
Bristol BS8 3NN

**Registered Charity Number:** 1139952

**Company Registration Number:** 06902160

### **Registered and operational address:**

Fourth Floor The Archives, Unit 10 High Cross Centre, 1 Fountayne Road, London, N15 4BE.

### **Independent examiner**

Paul Cowham FCA DChA  
Green Fish Resource Centre, 46-50 Oldham Street, Manchester M4 1LE

## **Trustee Report (continued)**

### **Structure, Governance & Management**

#### **Governing Document**

The Orchard Project is a company limited by guarantee (company number 06902160) and a registered charity (charity number 1139952). It is governed by a Memorandum and Articles of Association dated 6<sup>th</sup> May 2009. The charity has a trading subsidiary called The Orchard Project Ventures and the activities in this report cover all activities undertaken by the charity and its subsidiary.

#### **Appointment of Trustees**

New trustees are appointed by the board, following a recruitment process and attendance at two trustee meetings. Potential new trustees are identified by external advertisement, after a gap analysis of existing trustee skills. We recognise that a diversity of voices in positions of power strengthens an organisation and helps to generate a greater variety of ideas and creative problem-solving approaches. We value people from all backgrounds whose life and/or work experiences provide the expertise to support our organisation to grow and develop more community orchards. We are committed to increasing the diversity of our board, so that it more closely reflects the communities we work with, and our recruitment processes seek to address this.

#### **Management**

The Board of Trustees governs the charity, meeting bi-monthly. The Trustees appoint the Chief Executive who oversees the day-to-day operation of The Orchard Project.

Kath Rosen is the CEO working 0.8FTE.

### **Risk Management**

Trustees and the senior management team review the main risks to which the charity is exposed. Systems and procedures have been put in place to manage these risks. Risks and mitigation measures include:

- Reliance on too few sources of income, and on grant funding; mitigated by ongoing work to diversify our funding to include new funding sources including individual giving donations, earned income and unrestricted revenue sources
- Operational risks from geographically diverse staff team; mitigated by strong staff support and communication structures
- Project risks of our individual orchards failing to succeed; mitigated by implementing our model of community training and support
- Health and safety risks to the public linked to our activities; mitigated by developing risk assessments, appropriate training for staff and taking out appropriate insurance
- Internal control risks linked to financial transactions, mitigated by a Financial Control Policy and seeking the help of professional accountants

## The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)

### **Public Benefit**

The Trustees confirm that they have complied with the duty in Section Four of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. The following sections demonstrate our provision of public benefit.

### **Objectives and Priorities**

The charity's objects are:

1. To encourage for the benefit of the public the conservation, protection and expansion of orchards and the preservation of their genetic biodiversity, landscape and heritage value
2. To advance the education of the public in healthy eating
3. To advance the education of the public in horticulture and in particular but not exclusively orchard management skills

### **Statement from the CEO and Chair**

*"Among material resources, the greatest unquestionably is land. Study how a society uses its land, and you can come to a pretty reliable conclusion as to what its future will be" - Schumacher, from Small Is Beautiful.*

Orchards are great enablers for making connections – with neighbours, community, place, nature and food. They fit into the smallest of places and across a wide range of settings: from just five fruit trees planted closely together on a small urban plot, to hundreds of trees across a large area of land.

They are a solid and manageable project for community groups and can be a starting point for wider community food growing. Orchards easily facilitate a variety of community gatherings and celebrations, such as tree planting, a blossom watch, harvests, pruning, apple days and wassails. Being involved in an orchard enables people to take practical action in a meaningful and tangible way in the face of climate change and biodiversity loss.

Living at this time of climate crisis - and experiencing the harmful human impact on our planet - is starting to feel more desperate each year. We are walking, blinkers on, into ecological disaster when we should be on an active footing, taking every step we can to reduce the harm.

As climate change increases the frequency of extreme weather events, we are already starting to see food shortages.

We have lost 80% of traditional orchards since the 1900s and 35-45% of our remaining orchards are in habitat decline. Disappearing with these orchards are thousands of bountiful varieties of fruit: a living genetic fruit bank. As a result, the UK is highly reliant on imports of fruit, sourcing 84% from abroad each year.

## The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)

A fruit growing revolution across the UK is urgently needed. By planting and restoring orchards in cities, communities increase their resilience, and urban orchards become a catalyst for positive change.

We may not be able to produce all the fruit needed through community fruit growing, even if everyone had an orchard in walking distance of their home, which is The Orchard Project's vision.

However, we know that urban orchards often act as the spark that enables people to get out of climate paralysis (the feeling that one cannot do anything meaningful to positively affect climate change).

In 2022-23, we planted, supported and restored over 100 orchards, which translates into over 74,000 portions of no-cost, pesticide-free fruit for people living in the most deprived and underserved communities in the UK. At a very minimum, for all of these orchards, 100,000 local people benefit more widely from having an improved urban green space in their neighbourhood. The orchards we support are typically in parks, schools or around social housing.

Our model of working with groups continues to focus on a co-design process that involves the whole community. This ensures there is community buy-in and ownership from the start, and that orchards include tree species and fruit varieties that reflect the needs of their local communities.

This year we continued to work with communities to design and plant orchards that bring in elements of forest gardens. It extends the variety of food that can be grown, and provides huge benefits in terms of soil, biodiversity and protection for the trees against climate shocks.

A golden thread of The Orchard Project, right from the charity's inception 14 years ago, is to ensure that orchards continue to be well-looked-after once they have been planted. We work on this in a variety of ways. Central to our model is providing high quality and engaging training, but we also help groups to look after their trees through ongoing support.

This year, we started a project using orchard blitzes – a concentrated day of care and support that brings extra 'people power' into the orchards. These proved so successful that we created a new post to focus on orchard aftercare and supporting more communities across the UK.

We also help groups look after their trees by training orchard mentors to give advice; running orchard summits to share and inspire about all aspects of orcharding; and through direct advice from our highly skilled staff. This is underpinned by high quality guides, advice and communications. Through all these measures, the tree survival rate in the orchards we work with is over 90%.

During this year, we trained 1,500 people directly in orcharding skills, with many of these taking part in one of our accredited training courses. And we're pleased to see that 99.7% of our beneficiaries rated the quality of our activities as good or excellent.

This year we started delivering work in a new area of Scotland, bringing our accredited training to communities in North Lanarkshire, specifically to those who are unemployed or on a low income.

Work also continued to plant three new food forests, providing guidance on the ground, and developing recommendations for similar initiatives in the future.

## The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)

We also extended our work with the Ministry of Justice, delivering orchard sessions across various UK prisons. Over the past 18 months we've trained over 150 prison staff and prisoners in orchard skills from 30 different sites. Orchards offer multiple benefits for people in prison, enhancing wellbeing by providing psychological relaxation and alleviating stress, stimulating social cohesion and supporting physical activity.

New funding also enabled us to provide free places on our latest Certificate in Community Orchard (CICO) course to students from backgrounds currently underserved in the horticultural sector. We have had a huge success rate with these courses, with a third of participants progressing into work or further training.

As a small charity, working with limited resources, we have been looking into how we can spread our work further to have the most impact. We are investigating new models of delivery, focusing on our acclaimed accredited training to create networks of orchardists who can initiate this and have the skills to run their own projects. We are also deepening our communications work to reach and inspire new groups to plant their own orchards.

There is still a long way to go to create a social tipping point which will enable us to avoid ecological tipping points. Orchards have their part to play in this, and the work of thousands of community orchardists and volunteers across the UK continues to inspire others.

**We envisage a land where everyone has access to quality, free, locally produced fruit in orchards that spill over with joy and abundance.**

Kath Rosen CEO and Catherine Andrews Chair

## Thanks to...

Every one of our funders, members, supporters and partners helps make our projects a reality and helps us grow our impacts. Thank you to everyone involved.

## Help us achieve more

Our impact is felt by people, communities, nature and green spaces in towns and cities across the country. Orchards are returning to urban areas where most people now live, and communities are gaining the traditional skills to care for them and sustain their rich heritage for generations to come. Create an orchard and you plant a legacy.

We welcome support from a wide range of individuals, organisations and businesses. You can join us as a member, over at [www.theorchardproject.org.uk](http://www.theorchardproject.org.uk). We are also keen to build new partnerships.

Please get in touch to discuss the next steps.

Thank you.

*"The enthusiasm, passion and knowledge that The Orchard Project staff have is infectious."  
"The support that we have received from the staff at the Orchard Project has been phenomenal."*

## The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)

### **Financial Review**

The results for The Orchard Project Cause limited are stated below:

#### **Income generation**

The total of income for the year was £720,220 compared to £675,550 last year.

The Orchard Project (Cause) Ltd owns 100% of the share capital of The Orchard Project (Ventures) Ltd (company no. 915489) which was incorporated in England and Wales. Its principal activity is planting and looking after orchards.

A summary of its trading results for the year ended 31 March 2023 are; turnover £2,875, compared to -£120 last year. Profit for the year ended 31 March 2023 is £1,093 compared to a deficit of £1,095 for the period ended 31 March 2022.

#### **Fundraising objectives**

Despite a challenging fundraising external environment, the charity has had a successful year, managing to grow its income. With multi-year funding from the Esmée Fairbairn Foundation along with grants from other trusts and corporate donations, we remain in a strong financial position. We have invested in developing our systems, fundraising, talent and delivery and have a robust charity structure and processes. There remains a huge need for our work. We continue to investigate how we can achieve a sustainable funding mix, with a particular focus on diversifying our funding portfolio and increasing the amount of unrestricted funding for the charity longer term from donations and earned income. Despite efforts to diversify our income in recent years, we remain overly reliant on grant funding. Many grants are single year and medium-sized, requiring a concerted effort year-on-year to raise the income we need to cover our costs and deliver our charitable work for people, communities and nature. This impacts on our ability to support long term initiatives. Due to the extended recession, inflation and cost of living crisis, our funding model is still precarious but we continue to develop and explore new areas of funding for the charity, particularly focusing on those which generate multi-year funding and unrestricted funding.

#### **Management & Administration**

The organisation considers all its work to be charitable, but does make an allowance for some costs that relate to legal and charitable compliance.

#### **Reserves Policy 2022/23**

The social and economic repercussions of the recent Covid-19 pandemic and current Cost of Living crisis will continue to be felt for some time to come, meaning that The Orchard Project is operating in a generally uncertain environment.

The principal risk that The Orchard Project faces is our ability to sustain the level of income needed to support our much-needed community and environmental work.

## The Orchard Project (Cause) Ltd- (A Company Limited by Guarantee)

The Trustees have reviewed the requirement to maintain reserves in the light of the main risks to The Orchard Project (TOP) and taking into account the guidance of the Charity Commission. This policy covers both our charity and our subsidiary trading company, The Orchard Project (Ventures) Ltd. which is wholly owned by the charity.

The specific purposes for which TOP trustees consider we should hold reserves are:

1. To weather volatility in our income streams, especially as much of our income is time-limited project-based funding received in arrears;
2. To mitigate increasing financial risk related to rising inflation and the cost of living crisis
3. To meet our legal and financial obligations should we have to wind up the organisation;
4. To be able to invest in new initiatives, projects and opportunities, including using staff skills and time, to foster innovation in order to become more financially sustainable.

### ***Free reserves***

The trustees have agreed to maintain a level of free reserves (Unrestricted reserves less Designated funds) equivalent to the costs of meeting our legal and financial obligations should we have to wind up the organisation, plus 3-6 months of operating expenditure.

Based on this analysis, for the purposes 1, 2 and 3 above, in 2023/24 the organisation should hold £208k to £372K of free reserves. Our free reserves at Mar-23 are £288K, within our target range.

In the event that we have to wind up the organisation, trustees would wish to act ethically and fairly and to seek for our work to leave lasting and positive effects.

### ***Designated reserves***

Taking these factors into account, the Trustees have reviewed the level of reserves currently held, along with the budgeted income and expenditure, and have concluded that the charity's funds will be sufficient to sustain its activities for a period of at least twelve months from the date of finalising these accounts.

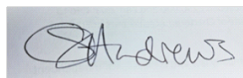
The trustees' expectation is that reserves will remain within our target range over the next 3 years.

The trustees have designated a fund of £170K to invest in new initiatives, projects and opportunities, including using staff skills and time, in order to foster innovation in our work (purpose 4). For 2023/24 the trustees have allocated £70k to this fund. With £100k additional reserves to be spent on this purpose over the next subsequent two years.

Accordingly, the accounts have been prepared on a going concern basis.

The Board reviews the reserves policy on an annual basis to assess the needs of the charity and this is linked to the annual budget-setting process. The Chief Executive considers the reserves policy requirements as part of the quarterly financial accounts updates to the Board, and reviews risks as part of our risk register.

**Approved by the Trustee Board on 22 November 2023, and signed on their behalf by:**



**Catherine Andrews** .....



## **Independent Examiner's Report to the Trustees of**

### **The Orchard Project (Cause) Ltd**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.


#### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Paul Cowham MA FCA DChA  
Green Fish Resource Centre  
46 – 50 Oldham Street  
Manchester  
M4 1LE

23 November 2023

Date.....

The Orchard Project (Cause) Ltd  
Statement of Financial Activities  
(including Income and Expenditure account)  
for the year ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<b>Income</b>					
Donations and legacies	3	171,353	-	171,353	82,183
Grants	4	156,644	274,986	431,630	483,682
Fees and other income	5	116,460	-	116,460	109,550
Investments	6	777	-	777	135
<b>Total income</b>		<b>445,234</b>	<b>274,986</b>	<b>720,220</b>	<b>675,550</b>
<b>Expenditure</b>					
Raising funds	7	68,377	-	68,377	70,053
Charitable activities	8	198,117	387,416	585,533	538,534
<b>Total expenditure</b>		<b>266,494</b>	<b>387,416</b>	<b>653,910</b>	<b>608,587</b>
<b>Net income/(expenditure) for the year</b>	9	<b>178,740</b>	<b>(112,430)</b>	<b>66,310</b>	<b>66,963</b>
Transfer between funds		-	-	-	-
<b>Net movement in funds for the year</b>		<b>178,740</b>	<b>(112,430)</b>	<b>66,310</b>	<b>66,963</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		297,969	184,859	482,828	415,865
<b>Total funds carried forward</b>		<b>476,709</b>	<b>72,429</b>	<b>549,138</b>	<b>482,828</b>

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

The Orchard Project (Cause) Ltd  
Company number 6902160  
Balance sheet as at 31 March 2023

	Note	2023	2022
		£	£
<b>Fixed assets</b>			
Investments	14	1	1
<b>Total fixed assets</b>		<b>1</b>	<b>1</b>
<b>Current assets</b>			
Debtors	15	141,444	137,925
Cash at bank and in hand		412,643	352,963
<b>Total current assets</b>		<b>554,087</b>	<b>490,888</b>
<b>Liabilities</b>			
Creditors: amounts falling due in less than one year	16	(4,950)	(8,061)
<b>Net current assets</b>		<b>549,137</b>	<b>482,827</b>
<b>Total assets less current liabilities</b>		<b>549,138</b>	<b>482,828</b>
<b>Net assets</b>		<b>549,138</b>	<b>482,828</b>
<b>Funds of the charity</b>			
Restricted income funds	17	72,429	184,859
Unrestricted income funds	18	476,709	297,969
<b>Total charity funds</b>		<b>549,138</b>	<b>482,828</b>

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 13 to 24 form part of these accounts.

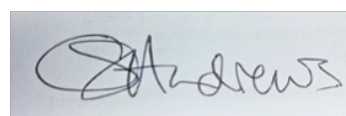
22 November 2023

Approved by the trustees on ..... and signed on their behalf by:

Catherine Andrews

Name

Signed



The Orchard Project (Cause) Ltd  
Statement of Cash Flows  
for the year ending 31 March 2023

	Note	2023 £	2022 £
<b>Cash provided by/(used in) operating activities</b>	20	<b>58,903</b>	<b>65,015</b>
<i>Cash flows from investing activities:</i>			
Bank interest		777	135
Proceeds from sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		-	-
Proceeds from sale of investments		-	-
Purchase of investments		-	-
<b>Cash provided by/(used in) investing activities</b>		<b>777</b>	<b>135</b>
<i>Cash flows from financing activities:</i>			
Repayment of borrowing		-	-
Cash inflows from new borrowing		-	-
<b>Cash provided by/(used in) financing activities</b>		<b>-</b>	<b>-</b>
Increase/(decrease) in cash and cash equivalents in the year		59,680	65,150
Cash and cash equivalents at the beginning of the year		352,963	338,999
<b>Cash and cash equivalents at the end of the year</b>		<b>412,643</b>	<b>404,149</b>

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023

### **1 Accounting policies**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **a Basis of preparation**

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

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

The Orchard Project (Cause) Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### **b Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees have considered the potential implications of the Coronavirus (COVID-19) pandemic. Whilst the eventual financial impact of the pandemic on the society, and on the overall economy, remains uncertain, the trustees are confident that the charity will be able to operate for at least 12 months from the date of signing.

There are no key judgments which the trustees have made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### **c Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

### **d Donated services and facilities**

Donated professional services and donated facilities are recognised as income 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 by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual 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.

### **e 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.

### **f Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### **h Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### **i Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

### **j 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.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

### **k Stock**

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

### **l Debtors**

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

### **m Cash at bank and in hand**

Cash at bank and cash 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.

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### O Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### P 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.

### Q Pensions

The charity pays into NEST for pensions under the auto enrolment scheme for its employees

## 2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. 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. The registered office address is disclosed on page 1.

## 3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Donations	64,190	-	64,190	63,383	-	63,383
Donation from trading subsidiary		-	-	-	-	-
Corporate sponsorship	107,163	-	107,163	18,800	-	18,800
Crowdfunding		-	-	-	-	-
<b>Total</b>	<b>171,353</b>	<b>-</b>	<b>171,353</b>	<b>82,183</b>	<b>-</b>	<b>82,183</b>



# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
City Bridge Trust:						
London Community Response Fund	-	7,125	7,125	-	-	-
David Cock Foundation	-	-	-	20,000	-	20,000
John Ellerman Foundation	25,000	-	25,000	-	-	-
Esmée Fairbairn Foundation	59,210	-	59,210	61,000	-	61,000
Farming the Future	-	-	-	-	59,650	59,650
Finnis Scott Foundation	-	6,000	6,000	-	-	-
Greater London Authority: Greener City Fund	-	-	-	-	16,634	16,634
Groundwork London Anonymous	20,000	18,581	18,581	-	11,921	11,921
Helvellyn Foundation	25,434	-	25,434	-	-	-
HMRC: Job Retention Scheme	-	-	-	10,514	-	10,514
Kickstart	-	2,096	2,096	-	12,767	12,767
Kusuma Trust	-	24,895	24,895	-	-	-
London Learning Consortium	-	10,143	10,143	-	8,714	8,714
MacRobert Trust	-	-	-	-	10,000	10,000
Manchester City Council	-	-	-	-	20,000	20,000
Midlothian Council	-	12,100	12,100	-	6,150	6,150
Moondance Foundation	-	92,697	92,697	-	88,456	88,456
The National Lottery: Heritage Fund	-	31,267	31,267	-	46,900	46,900
Paddington Development Trust	-	5,000	5,000	-	10,000	10,000
Queen's Green	-	29,832	29,832	-	-	-
Postcode Local Trust	-	-	-	-	20,000	20,000
Rank Foundation	-	20,000	20,000	-	34,363	34,363
RHS Flourish Fund	-	11,000	11,000	-	-	-
Stockport MBC	-	-	-	-	10,000	10,000
Swire Charitable Trust	20,000	-	20,000	20,000	-	20,000
The National Lottery: Awards for All	-	-	-	-	-	-
Waltham Forest Council	-	-	-	-	-	-
Wates Foundation	7,000	-	7,000	-	-	-
Other funders < £5,000	-	4,250	4,250	4,050	12,563	16,613
<b>Total</b>	<b>156,644</b>	<b>274,986</b>	<b>431,630</b>	<b>115,564</b>	<b>368,118</b>	<b>483,682</b>

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 5 Fees and other income

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Events, training & consultancy	113,167	-	113,167	86,167	-	86,167
Cider sales	3,293	-	3,293	23,251	-	23,251
Misc income	-	-	-	132	-	132
	<u>116,460</u>	<u>-</u>	<u>116,460</u>	<u>109,550</u>	<u>-</u>	<u>109,550</u>

All income from fees and trading is unrestricted.

### 6 Investment income

	Unrestricted £	Restricted £	2023 £	Unrestricted £	Restricted £	2022 £
Income from bank deposits	777	-	777	135	-	135
	<u>777</u>	<u>-</u>	<u>777</u>	<u>135</u>	<u>-</u>	<u>135</u>

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

### 7 Analysis of expenditure on raising funds

	Total 2023 £	Total 2022 £
Staff costs	66,507	52,832
Cider cost of sales	1,620	15,205
Other	250	2,016
	<u>68,377</u>	<u>70,053</u>

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 8 Analysis of expenditure on charitable activities

	Total 2023 £	Total 2022 £
Activities costs (Orchard Planting & Restoration, Education, training)	581,012	532,044
Support costs		
Governance	1,800	1,500
Staff costs		4,569
Other costs	2,721	421
	<hr/> 585,533	<hr/> 538,534
	<hr/> <hr/>	<hr/> <hr/>
	2023 £	2022 £
Restricted expenditure	387,416	287,820
Unrestricted expenditure	198,117	250,714
	<hr/> 585,533	<hr/> 538,534
	<hr/> <hr/>	<hr/> <hr/>

### 9 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2023 £	2022 £
Independent examiner's remuneration		
- accountancy	900	1,100
- independent examination	900	1,100
	<hr/>	<hr/>

### 10 Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	388,080	399,145
Social security costs	29,335	29,247
Employers pension contributions	18,915	19,947
	<hr/> 436,330	<hr/> 448,339
	<hr/> <hr/>	<hr/> <hr/>

No employee has employee benefits in excess of £60,000 (2022: Nil).

The average number of staff employed during the period was 18 (2022:18).

The average full time equivalent number of staff employed during the period was 11.6 (2022: 11.5).

The average number of staff employed during the period for both the charity and its trading arm was 18 (2021:16.5). The average full time equivalent number of staff employed during the period for both the charity and its trading arm was 11.5 (2021: 10.5).

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, the Head of Operations (job share 1.4 FTE) and Head of Fundraising (0.8FTE). The total employee benefits of the key management personnel of the charity were £157,827 (2022: £170,522).

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration during the year (2022: Nil). No trustees received reimbursed travel and meeting expenses (2022 £nil)

Aggregate donations from related parties were £nil (2022: £nil).

During the year, there were the following transactions with its subsidiary company, The Orchard Project (Ventures) Ltd:

	2023 £	2022 £
Management fees receivable	-	-
Cost paid by subsidiary on behalf of parent	-	5,115
Recovery of overhead/staff cost	-	-
Gift of surplus profits to parent charity	-	-
Amount owed to parent charity by subsidiary	92,059	66,608

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2022: nil).

### 12 Government grants

The government grants recognised in the accounts were as follows:

	2023 £	2022 £
Greater London Authority: Greener City Fund	-	16,634
HMRC Job Retention Scheme	-	10,514
Manchester City Council	-	20,000
Stockport Metropolitan Borough Council	-	10,000
	-	57,148

There were no unfulfilled conditions and contingencies attaching to the grants.

### 13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 14 Investments

The charity owns 100% of the share capital of The Orchard Project (Ventures) Ltd (co. no. 915489) which is incorporated in England and Wales. Its principal activity is planting orchards

	2023 £	2022 £
Shares in group undertaking (at cost)	1	1

A summary of its trading results for the year ending 31 March 2023:

	2023 £	2022 £
Turnover	2,875	(120)
Administrative expenses	(1,782)	(974)
Other Operating Income	-	-
	1,093	(1,094)

A summary of its balance sheet

	2023 £	2022 £
Net current assets	92,809	66,314
Creditors: amounts falling due within 1 year	(92,809)	(67,408)
Net assets	-	(1,094)

### 15 Debtors

	2023 £	2022 £
Grants receivable	37,217	18,804
Amounts owed by subsidiary	92,059	66,608
Other debtors	12,168	52,513
	141,444	137,925

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

	2023 £	2022 £
Trade creditors	3,150	2,973
Other creditors and accruals	1,800	5,088
Grants received in advance	-	-
	4,950	8,061

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 17 Analysis of movements in restricted funds

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
The National Lottery: Awards for All	3,930		(3,930)	-	-
Farming the Future	44,737		(44,737)	-	-
Chapman Charitable Trust	-	1,000	(1,000)	-	-
City Bridge Trust: London					
Community Response Fund	-	7,125	-	-	7,125
Finnis Scott Foundation	-	6,000	(3,000)	-	3,000
MacRobert Trust	10,000		(10,000)	-	-
Midlothian Council	6,150	12,100	(18,250)	-	-
Moondance Foundation	56,370	92,697	(110,443)	-	38,624
Greater London Authority: Greener City Fund	172	-	(172)	-	-
Groundwork London	7,159	18,581	(25,740)	-	-
DWP Kickstart	-	2,096	(2,096)	-	-
Kusuma Trust	2,050	24,895	(3,265)		23,680
London Learning Consortium	-	10,143	(10,143)	-	-
Manchester City Council	6,000		(6,000)	-	-
Mushroom Trust	500		(500)	-	-
The National Lottery Heritage Fund	39,400	31,267	(70,667)	-	-
Paddington Development Trust	-	5,000	(5,000)		-
Postcode Local Trust	2,292	-	(2,292)	-	-
Queen's Green Canopy	-	29,832	(29,832)	-	-
Schroder Charity Trust	2,099	-	(2,099)	-	-
Rank Foundation (Time to Shine)	-	20,000	(20,000)	-	-
RHS Flourish Fund	-	11,000	(11,000)		-
Stockport Metropolitan Borough Council	750	-	(750)	-	-
Swansea City Council	3,250	-	(3,250)	-	-
We Love Manchester	-	3,250	(3,250)	-	-
	184,859	274,986	(387,416)	-	72,429

# The Orchard Project (Cause) Ltd

Notes to the accounts for the year ended 31 March 2023 (continued)

## 17 Analysis of movements in restricted funds (continued)

Previous reporting period	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
The National Lottery: Awards for All	5,000	-	(1,070)	-	3,930
Farming the Future	-	59,650	(14,913)	-	44,737
Rank Foundation (cider project)	15,889	-	(15,889)	-	-
Garfield Weston Foundation	25,000	-	(25,000)	-	-
MacRobert Trust	-	10,000	-	-	10,000
Midlothian Council	-	6,150	-	-	6,150
Greater London Authority: Greener City Fund	-	16,634	(16,462)	-	172
Groundwork London	692	11,921	(5,454)	-	7,159
DWP Kickstart	-	12,767	(12,767)	-	-
Kusuma Trust	14,050	-	(12,000)	-	2,050
London Learning Consortium	-	8,714	(8,714)	-	-
Manchester City Council	-	20,000	(14,000)	-	6,000
Mushroom Trust	-	2,500	(2,000)	-	500
The National Lottery Heritage Fund	-	46,900	(7,500)	-	39,400
Paddington Development Trust	3,673	10,000	(13,673)	-	-
Postcode Local Trust	-	20,000	(17,708)	-	2,292
MHCLG: Pocket Parks Plus	4,587	-	(4,587)	-	-
Schroder Charity Trust	-	4,000	(1,901)	-	2,099
Rank Foundation (Time to Shine)	-	34,363	(34,363)	-	-
Stockport Metropolitan Borough Council	-	10,000	(9,250)	-	750
Swansea City Council	-	3,250	-	-	3,250
Biophilic Wales	-	2,813	(2,813)	-	-
	104,561	368,118	(287,820)	-	184,859

The balances on restricted funds are all unexpended grants for the charity's projects.

## 18 Analysis of movement in unrestricted funds

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	As at 31 March 2023 £
General fund	257,969	445,234	(226,494)	(188,061)	288,648
Innovation fund	40,000	-	(40,000)	170,000	170,000
Unrestricted funding received in 2022/23 to be spent in the following year	-	-	-	18,061	18,061
	297,969	445,234	(266,494)	-	476,709

# The Orchard Project (Cause) Ltd

## Notes to the accounts for the year ended 31 March 2023 (continued)

### 18 Analysis of movement in unrestricted funds (continued)

Previous reporting period	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	As at 31 March 2022 £
General fund	271,304	307,432	(280,767)	(40,000)	257,969
Innovation fund	40,000	-	(40,000)	40,000	40,000
	311,304	307,432	(320,767)	-	297,969

Name of	Description, nature and purposes of the fund
General fund	The free reserves of the charity
Innovation fund	Monies set aside to develop new initiatives, projects and opportunities, including using staff skills and time, in order to foster innovation in our work.
Unrestricted funding received in 2022/23 to be spent in the following year: these are unrestricted grants received by 31 Mar 23, which will be spent on project work in the following year	

### 19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	-	-	-	-
Net current assets/(liabilities)	436,708	40,000	72,429	549,137
Total	436,709	40,000	72,429	549,138

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

	2023 £	2022 £
<b>Net income/(expenditure) for the year</b>	66,310	66,963
<b>Adjustments for:</b>		
Depreciation charge	-	-
Loss/(profit) on sale of fixed assets	-	-
(Gains)/losses on investments	-	-
Dividends, interest and rents from investments	(777)	(29)
Decrease/(increase) in stock	-	-
Decrease/(increase) in debtors	(3,519)	(21,158)
Increase/(decrease) in creditors	(3,111)	19,239
<b>Net cash provided by/(used in)</b>	58,903	65,015