



ACORN VILLAGES LIMITED

(A COMPANY LIMITED BY GUARANTEE)

COMPANY NUMBER: 1048360

CHARITY NUMBER: 263954

CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

**ACORN VILLAGES LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**CONTENTS**

<b>1 - 6</b>	<b>Trustee's Annual Report (Including the Director's Report)</b>
<b>7 - 8</b>	<b>Independent Auditors Report to the Members</b>
<b>9</b>	<b>Consolidated Statement of Financial Activities (Including Income and Expenditure Account)</b>
<b>10</b>	<b>Consolidated Balance Sheet</b>
<b>11</b>	<b>Consolidated Cash Flow Statement</b>
<b>12 -22</b>	<b>Notes to the Financial Statements</b>
<b>The following pages do not form part of the statutory financial statements</b>	
<b>23 - 24</b>	<b>Detailed Statement of Financial Activities</b>

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

**Chair's report**

I am very aware that the rate of progress in the last year has been much diminished due to the corona virus pandemic. Much of what was planned had to be put on hold with the safety of residents, tenants and staff being our paramount concern. The site was closed to the general public a week before the official government lockdown.

Planned house improvements would have inevitably led to contractor contact with residents, tenants and staff so had to be put on hold.

Fund raising events were not possible and whilst the off-site charity shop was open, when allowed, income was reduced. Thanks to the help of volunteers working at home some e-bay sales continued but again income was reduced.

During lockdown we were unable to accept donated goods for sale but on a more positive note this did provide an opportunity to catch up on sorting and reviewing our existing stock.

My thanks go to all our staff who all did their utmost to keep the village running as smoothly as possible during the year.

Lockdown limitations were and continue to be particularly tough for care staff and the requirement to wear PPE all the time physically and mentally draining.

Whilst the care teams have perhaps borne the brunt of the lockdown all our staff have played their part. Activities such as preparing meals for houses in the coffee shop when colleagues were off or isolating, coming up with activities and entertainments for the residents that could be undertaken in the houses, keeping the grounds looking attractive and useable, helping to lift spirits, acquiring the correct PPE, paying the bills and wages, applying for grants have all been essential in keeping the village running.

Despite all the hurdles however the fundamental *raison d'être* of the village remained in place. "Life is for living" has been the motto of the village since its formation and remains the goal whatever else is happening and whilst the pandemic has been a challenge it has been met. Social media may have its drawbacks but it has been a real help during the pandemic. Acorn's "Life in lockdown" video (made under covid secure restrictions of course) was a good example of its use along with the judging of the "Easter bake off". Instead of the "Witchfinder Run" we had the "Witchfinder Quiz" on "Zoom" followed by a "Halloween Quiz, residents providing some of the questions. The Virtual "Acorn Pet show" replaced the annual dog show and so it went on.

On the positive side was the establishment of the "Staff only" and "Volunteer" Acorn Village Facebook pages a great source of inspiration.

A big thank you goes to those groups and individuals who have sent gifts of cakes and cards and sent messages of support, these have been a great help during a tough year.

Going forward we will need to catch up on planned maintenance and refurbishment projects and the proposed changes to our day care activities and this we can and will do as restrictions ease and risk decreases. But the stresses and pressures of the lockdown has re-emphasised the importance of the physical and mental welfare of staff and perhaps the most positive legacy will be the "Well Being" hub and support currently being put in place which has arisen from it.



Keith Burrows  
Chair

COMPANY NUMBER 1048360

CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)**

---

**Our purposes and activities**

Our charity's purpose as set out in the objects contained in the company's memorandum of association is to provide for:

The relief of those in need by reason of learning disability by all or any of the following:-

- Promoting beneficiaries physical or mental health;
- Meeting beneficiaries religious or spiritual needs;
- Advancing the education of beneficiaries.

To accomplish these aims we:-

- Provide care in permanent homes within a village community for adults with learning disabilities and associated problems where they can be supported.
- Allow beneficiaries to enjoy the benefits of a family life
- Allow beneficiaries to develop and achieve their full potential
- Provide these benefits to adults with learning disabilities and associated problems living in the wider community.

**Our purposes and activities (continued)**

The vision that shapes our activities remains the promotion of good care and the maximisation of the potential of all our residents and tenants.

The charity also has the general aim of contributing to the quality of life of the people in the local area by opening the day care opportunities to those in need of them in the area.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity-(PB2)'. The Village relies on donations both cash and saleable items to help cover any deficit in operating costs and to fund villager activities.

In normal circumstances we endeavour to encourage everyone in the local community to take part in our activities, attend our events and support our charity and coffee shops.

The strategies employed to achieve the charity's aims and objectives are to facilitate the following activities;

- **Social Interaction;**  
Social Interaction is encouraged not only within the Village community but by interaction with other societies such as "Harwich Sing" and The Harwich and District Community Crime Prevention Panel Rhyme V Crime poetry competition.
- **Learning new Life skills;**  
Baking is popular throughout the country and it is no different at Acorn Village. The Easter Bake-off competition was testament to this and cookery lessons are always popular with the residents and tenants.
- **Crafting in numerous forms;**  
These include painting, weaving, model making, furniture upscaling. Our facilities will be available to outside groups and individuals once the covid risks are no longer a threat thus increasing social interaction and involvement with the local community.
- **Gardening and Horticulture;**  
With our own polytunnels and allotments this is a popular activity with residents as is the maintenance of the garden area outside the houses. Produce is used within the houses and the coffee shop with any spare being sold to the general public either in the shop in Manningtree or onsite.
- **Education;**  
Supported attendance at college.
- **Active Leisure;**  
As well as a visiting fitness instructor sailing classes facilitated by volunteers of the Wolverstone Trust are popular.
- **Entertainment;**  
Music in all forms is popular and playing instruments and performing is encouraged drama workshops are always well attended as are disco's.
- **Use of facilities within by the local community;**  
The onsite coffee shop prior to lockdown was popular with other disability support groups and cycling groups. It also provided employment opportunity for tenants. Together with the onsite charity shop, it also attracted people from the local community to visit the site and encouraged social interaction.

COMPANY NUMBER 1048360

CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)**

---

**Our volunteers**

The Trust is part of the local community, with some residents and tenants living in Manningtree itself. The Trust relies on voluntary help and besides those regularly helping in, sorting and selling of donated goods in the charity shops and online we also have volunteers regularly helping in the craft centre with its numerous activities. As well as the regular volunteers we have numerous volunteers who assist at fund raising events in many capacities and we wish to thank them all for their loyal support and service. Fund raising in its many forms is an important part of our income, approximately £90,000 in year ending March 2020 and this would not be possible without the assistance of our volunteers. With the site closed to all but essential staff and the charity shop closed for much of the last year we have had to rely on internet sales of our existing donated goods and again some amazing volunteers have continued sorting and listing and posting out from their own homes as have some of our staff who have been having to work from home. Whilst income is, not surprisingly down on the previous year, it has still been very useful and our profound thanks go to all of them.

The Trustees/Directors are also volunteers and do not receive a salary, all volunteering their time, and although expenses would be available if needed, no expenses have been claimed.

**Achievements and performance**

Achievement in a period like we have just been through is difficult measure. To say the last year has been challenging would be an understatement. The initial challenges of acquiring PPE, frequent guidance changes and the length of time the disruption has continued have all contributed to a difficult situation.

However at the time of writing this report we have not lost a resident, tenant or member of staff to covid and life is slowly returning to normal. Bearing in mind massive effect the pandemic has had in the care sector this is no small achievement in itself.

Most of the interpretation and dissemination to staff and trustees of the ever changing guidance has been down to Michelle Cook the CEO and the organisation owes her a huge debt of gratitude for dealing with this additional workload.

At the time of writing the site is still not open to the general public and this will only happen when the risk to residents and staff reduces to an acceptable level in the view of the management and trustees.

**Financial review**

During the year we sadly lost two long term residents, neither due to covid but covid restrictions meant we were unable to utilize their accommodation until restrictions eased. Self-isolation of staff and the need to keep staff working in just one house (bubble) mean that we needed the services of more agency staff than usual thus increasing costs. Day care provision income also reduced due to covid as did income from the coffee shop and charity shops. However due to the constraints of the pandemic there was a reduced call on funds for renovations and improvement to the houses. This together with prudent use of furlough payments and the various government grants available the financial viability of the village was not unduly affected. The value of investments which fell considerably during the initial stages of the pandemic recovered and showed a major improvement on the start of the year. The income from the investments continues to greatly outweigh the interest that is available in conventional deposit or treasury accounts.

**Investment powers and policy**

The continuing financial constraints on local authority funding and the general difficulty in fund raising dictates that there is an increased need to maximize income from all sources including the reserves. The organisation's reserve policy is to ensure there is a minimum of three month's community running costs in a cash reserve. This is in the region of £1m and was historically held in cash.

With interest rates remaining at almost negligible levels since the financial crash in 2007, the board had moved £600,000 of the reserves into an income producing investment portfolio. Whilst interest rates remain at very low levels and no sign of improvement in the local Authority funding situation the board remained in favour of maintaining the portfolio which is generating an income far exceeding that which could be obtained from cash alone. This income is used to forward the aims of the charity. The trustees remain cognisant of the risk to capital but are prepared to take a low to medium risk stance to achieve their aims. The portfolio remains in funds specifically set up for charity investments and is diversified over a number of funds, managers and asset classes.

**Reserves policy and going concern**

The board has examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a reserve policy to ensure there is a minimum of three month's community running costs in unrestricted funds in a cash reserve. This is to cover the eventuality of short-term funding interruptions to cash flow or long term funding loss and enable residents to be relocated to different carers without the need for undue haste and the associated trauma that would entail. The average monthly running cost for the first 11 months of year 2020/21 were £322,654 and therefore the reserves should stand at a minimum of £967,962. As at 31 March 2021 liquid reserves stood at £1.17m together with a further £616,401 in readily available investments.

Whilst the trustees have no immediate concern with regard to solvency there is a need, as soon as circumstances allow, to utilise all available accommodation thereby increasing income and reducing the reliance on donations.

COMPANY NUMBER 1048360  
CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)**

---

**Plans for future periods**

As well as the need to concentrate on filling vacancies there is some catching up to do on maintenance work needed on site.

The strategic plan envisaged a number of maintenance/ refurbishment projects in 2020/21 for which an amount of £100,000 had been earmarked, but the light of the restrictions due to the pandemic, these were unable to be affected.

A revised list of priority work has been agreed and authorised by the trustees to be completed as soon as circumstances permit.

A project funded by a donation from a benefactor is enabling us to convert the old furniture store into a multipurpose facility comprising of a kitchen, bedroom and adult changing facilities. The refurbished space will be used for life skills training and a place for tenants to socialise. It could also be used as possible emergency accommodation.

One of the learning points of the pandemic has been the greater understanding of the need to take a more proactive approach to the care of the mental health of staff particularly on the care side in what has always a pressurised role but all staff. To this end the establishment of a wellbeing team and wellbeing champions together with a dedicated hub with due privacy has been authorised.

**Reference and administrative details**

Charity number: 263954  
Company number: 1048360  
Registered Office: Mistley Hall, Clacton Road, Mistley, Manningtree, Essex, CO11 2NU

**Our advisers**

Bankers: Lloyds Bank plc, 27 High Street Colchester Essex CO1 1DU  
Solicitors: Ellisons, Headgate Court, Colchester, Essex CO1 1NP and Sparlings, 13 High Street Manningtree, CO11 1AQ  
Auditors: Haines Watts, Town Wall House, Balkeine Hill, Colchester, Essex CO3 3AD

**Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees and officers serving during the year and since the year end were as follows:

Mr K Burrows – Chairman  
Mr R Finch – Deputy Chairman  
Mr J Gray  
Mrs B Eyers  
Mr K Jordan  
Mrs J Owens  
Mr J Whittaker  
Rev D Lang  
Mr C Daines  
Mr D Willis – appointed 17 June 2020

**Key management personnel:**

M Cook	Chief Executive
Mrs C Cridland	Company Secretary
G Balls	Operations Manager
T Cox	Registered Manager with special responsibility for care service
Mrs S Gunn	Finance Manager
T Sage	Business Services Manager
Mrs E Francis	Human Resources Manager

**Structure, Governance and Management**

**Governing Document**

The Charity is a company limited by guarantee, incorporated on 5 April 1972. The Company was established under a Memorandum and Articles of Association which was revised and updated during year ending 31 March 2012 to cater for changes in company law and to simplify the management of the Charity. The objects and ethos of the Charity however were deliberately left unaffected by the updated Memorandum and Articles of Association which remains the governing document. In the event of the Company being wound up the members are liable for an amount not exceeding £10.

COMPANY NUMBER 1048360

CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)****Appointment of trustees**

Trustees of the Charity are company directors for the purposes of company law and form the Management Board. One third of the Trustees retire by rotation each year, after which they can be re-elected at the next annual general meeting. The nature of the Charity's work focuses on care of adults with learning disabilities; the Trustees ensure that the needs of this group are appropriately reflected in the diversity of the Management Board composition. To date the Management Board has been successful in recruiting new members through their own networking and local knowledge. The ongoing business operation and specific skills required for working with people with learning disabilities are well represented on the Management Board. To obtain an essential skill mix and to avoid particular skills being lost due to retirement, individuals are approached to offer themselves for election or re-election to the Management Board.

**Trustee induction and training**

New Trustees are made aware of their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes. They are given a thorough briefing on the work of the Charity, its current business plan and financial position plus a tour of the operational activities. These are jointly led by the Chairman and Chief Executive of the Charity.

**Organisation**

The Board of Trustees meets at least quarterly and deals with the overall strategic direction and policy of the Charity. The Board has appropriate sub-committees with defined terms of reference, and including members of the management teams to further understand and develop our vision and aims for the Charity. The sub-committees are charged with reporting to the main board on their particular areas of responsibility. The committees are:

- Finance, Risk and Salaries
- Health & Safety, Procurement and Premises
- Personnel
- Marketing and Fundraising
- Care, Safeguarding and Care Quality Commission Compliance

The everyday management of the village is delegated to the Chief Executive alongside the managers who supervise the day-to-day running of the Village Community, including the Supported Living Communities. The overall responsibility for operational activities is delegated to the Chief Executive and Senior Management Team including budgeted finance and compliance.

Authorisation for non-budgeted capital spending remains with the Board. The responsibility for ensuring that staff receive appropriate training in line with Care Quality Commission requirements and standards, including Health and Safety at work, lies with the Operations Manager/Registered Manager.

**Key Management Personnel**

The Charity considers its key management personnel to be the Chief Executive Officer, the Operations Manager, Senior Registered Manager, Finance Manager, Business Services Manager and Human Resources Manager.

**Related parties and co-operation with other organisations**

None of our trustees receive remuneration or other benefit from their work with the charity. Trustees and close contacts are not allowed to be employed directly by the company and any financial interest which may potentially impact any decision must be declared.

**Pay policy for senior staff**

The remuneration package of the CEO is negotiated with the trustees directly. Remuneration of members of the senior management team, which are considered by the trustees to be the CEO's direct reports, are negotiated with the CEO on an individual basis and agreed with the trustees.

**Risk management**

The Management Board constantly reviews any major risks to which the Charity may be exposed, taking measures to alleviate such risks where appropriate.

A Risk Register has been developed which is reviewed at the quarterly board meetings and updated and amended as deemed necessary.

Policies and controls are updated and amended as regulations require or improvements are deemed beneficial.

A reserves policy is in place to cover any major detrimental financial event. The minimum level of the reserves is set at three times the average monthly running cost of the service.

Wage inflation is the perhaps the least controllable risk. An increase in the minimum wage is no more than the staff affected deserve and whilst such increases are not aimed at staff in higher wage brackets they do have an impact on those staff members wages in order to maintain a pay differentials. That means that tight budgetary settlements implemented by local authorities do not cover the increased costs of wage inflation. The seriousness of underfunding and low priority afforded to social care in the political arena represents a major risk not only to Acorn but to the sector in general.

All care facilities are registered with the Care Quality Commission.

Procedures are in place and regularly reviewed to ensure compliance with legislation. The Quality Assurance system is monitored and updated to ensure it meets people's needs. Results of Care Quality Commission inspections indicate that the Quality Assurance system is working but we are mindful of the need to be vigilant to ensure standards are maintained.

COMPANY NUMBER 1048360

CHARITY NUMBER 269954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)****Our approach to fundraising activities**

As a charity we comply with and support the expectations of the charity commission, the regulator of charities in England and Wales, and operate in a way which protects the charity's reputation and encourages public trust and confidence in the charity. This includes following the law and recognised standards, protecting the charity from undue risk, and showing respect for donors, supporters and the public.

We are pleased to receive donations and legacies from supporters and donated goods for sale in our charity shops and on line activities. We also appreciate the support of the public at fund raising events.

All our activities are run in accordance with the guidance for fundraising set out on the Charity Commission websites.

**Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also the directors of the Acorn Villages Limited for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. 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.

**Statement as to disclosure to our auditors**

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on:

28/1/2022

Signed on behalf of the board of trustees:

  
Mr K Burrows - Chairman



## OPINION

We have audited the financial statements of Acorn Villages Limited (the 'Parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities (including Income and Expenditure Account), Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related notes, 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 FRS102 The Financial Reporting Standard applicable in the UK 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 group's and of the Parent Charity's affairs as at 31 March 2021 and of the groups incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

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

## CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group'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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charities activities and wider economy. The 'trustees' view on the impact of COVID-19 is disclosed on page 12 in the accounting policies note.

## OTHER INFORMATION

The other information comprises the information included in the Trustees' 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 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has 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 group and the parent 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 in relation to which 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 Statement of Trustees' Responsibilities, the Trustees (who are also the Directors 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 group's and the parent'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 Charity or to cease operations, or have no realistic alternative but to do so.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- We considered the risk of fraud through management override and in response, we incorporated testing of manual journal entries into our audit approach throughout the financial year.
- We also considered the risk of fraud through assumptions and judgements used within accounting estimates and in response, reviewed and scrutinised these estimates in order to detect possible management bias.
- We also considered the risk of fraud associated with the preparation of the financial statements and in response, tested the disclosures prepared against relevant supporting documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our auditor's report.

#### USE OF OUR REPORT

This report is made solely to the Charity'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 Charity'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 anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**MSIMPSON**

Melinda J Simpson (Senior Statutory Auditor)

For and on behalf of Haines Watts  
Town Wall House  
Balkema Hill  
Colchester  
Essex  
CO3 3AD

Date:

28.1.2022

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted Funds		Restricted Funds (see Note 20)		Total Funds	
		2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
<b>INCOME AND ENDOWMENTS FROM:</b>							
Donations and Legacies	2	202,639	102,785	45,013	2,712	247,652	105,497
Charitable Activities:							
Community Income	3	-	-	3,816,065	3,424,628	3,816,065	3,424,628
Other Trading Activities:							
Income from Fund Raising		1,192	26,969	-	-	1,192	26,969
Income of Trading Subsidiaries:							
Acorn Village (Trading) Limited	4	27,095	64,150	-	-	27,095	64,150
Acorn Village (Acorns) Limited	5	68,618	72,782	-	-	68,618	72,782
Investment Income	6	19,308	18,021	-	-	19,308	18,021
<b>TOTAL</b>		<b>318,852</b>	<b>284,707</b>	<b>3,861,078</b>	<b>3,427,340</b>	<b>4,179,930</b>	<b>3,712,047</b>
<b>EXPENDITURE ON:</b>							
Raising Funds:							
Fund Raising Expenditure	7	54,196	55,274	-	677	54,196	55,951
Expenditure of Trading Subsidiaries:							
Acorn Village (Trading) Limited	4	9,757	25,815	-	-	9,757	25,815
Acorn Village (Acorns) Limited	5	3,832	3,244	-	-	3,832	3,244
Charitable Activities:							
Community Expenditure	8	-	-	4,040,985	3,832,667	4,040,985	3,832,667
Other	8	-	-	4,774	5,723	4,774	5,723
<b>TOTAL</b>		<b>67,785</b>	<b>84,333</b>	<b>4,045,759</b>	<b>3,839,067</b>	<b>4,113,544</b>	<b>3,923,400</b>
<b>NET GAINS/(LOSSES) BEFORE GAINS AND LOSSES</b>		<b>251,067</b>	<b>200,374</b>	<b>(184,681)</b>	<b>(411,727)</b>	<b>66,386</b>	<b>(211,353)</b>
<b>NET GAINS/(LOSSES) ON INVESTMENTS</b>							
Unrealised (Losses)/Gains	15	86,677	(63,127)	-	-	86,677	(63,127)
<b>NET INCOME/(EXPENDITURE)</b>		<b>337,744</b>	<b>137,247</b>	<b>(184,681)</b>	<b>(411,727)</b>	<b>153,063</b>	<b>(274,480)</b>
<b>TRANSFER BETWEEN FUNDS</b>	20	<b>(198,598)</b>	<b>(381,810)</b>	<b>198,598</b>	<b>381,810</b>	<b>-</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>139,146</b>	<b>(244,563)</b>	<b>13,917</b>	<b>(29,917)</b>	<b>153,063</b>	<b>(274,480)</b>
<b>RECONCILIATION OF FUNDS</b>							
Total Funds Brought Forward		3,321,486	3,566,049	1,501,755	1,531,672	4,823,241	5,097,721
Total Funds Carried Forward		3,460,632	3,321,486	1,515,672	1,501,755	4,976,304	4,823,241

There were no recognised gains or losses other than those included in the above Statement of Financial Activities. All income and expenditure derive from continuing activities

CONSOLIDATED BALANCE SHEET  
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group 2021		Group 2019		Charity 2021		Charity 2019	
		£	£	£	£	£	£	£	£
<b>FIXED ASSETS</b>									
Tangible Fixed Assets	14		3,283,043		3,342,488		3,282,340		3,341,630
Investments	15		616,646		529,969		616,646		529,969
			<u>3,899,689</u>		<u>3,872,457</u>		<u>3,898,986</u>		<u>3,871,599</u>
<b>CURRENT ASSETS</b>									
Stocks	16		9,167		10,835		7,836		9,231
Debtors	17		146,208		210,526		227,890		319,100
Cash at Bank in Hand	18		1,201,356		1,099,327		1,120,583		991,653
			<u>1,355,731</u>		<u>1,320,688</u>		<u>1,356,309</u>		<u>1,319,986</u>
<b>CREDITORS</b>									
Amounts due within one year	19		<u>279,116</u>		<u>369,904</u>		<u>278,991</u>		<u>368,344</u>
<b>NET CURRENT ASSETS</b>			<u>1,076,615</u>		<u>950,784</u>		<u>1,077,318</u>		<u>951,642</u>
<b>NET ASSETS</b>	22		<u>4,976,304</u>		<u>4,823,241</u>		<u>4,976,304</u>		<u>4,823,241</u>
<b>CAPITAL AND RESERVES</b>									
Called up share capital	23		-		-		-		-
Restricted Funds	20		1,515,672		1,501,755		1,515,672		1,501,755
Unrestricted Funds			3,460,632		3,321,486		3,460,632		3,321,486
			<u>4,976,304</u>		<u>4,823,241</u>		<u>4,976,304</u>		<u>4,823,241</u>



K Burrows



J Whitaker

These Accounts were approved by the Board of Trustees on 28/1/2022

Company Registration Number: 1048360

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Group 2021</b>		<b>Group 2020</b>		<b>Charity 2021</b>		<b>Charity 2020</b>	
	£	£	£	£	£	£	£	£
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>								
Net Income/(Expenditure)	153,063		(274,480)		153,063		(274,480)	
Depreciation of Fixed Assets	116,932		118,511		116,777		118,323	
(Gains)/Losses on Investments	(86,677)		63,127		(86,677)		63,127	
Dividends from Investments, Interest and Rents	(19,308)		(18,021)		(19,308)		(18,021)	
Decrease/(Increase) in Stocks	1,668		(2,683)		1,395		(2,346)	
Decrease/(Increase) in Debtors	65,318		7,109		91,210		6,950	
(Decrease)/Increase in Creditors	(90,788)		132,273		(89,353)		121,265	
Net cash provided by operating activities		140,208		25,836		167,107		14,818
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>								
Dividends from Investments, Interest and Rents	19,308		18,021		19,308		18,021	
Purchase of Tangible Fixed Assets	(57,832)		(41,834)		(57,832)		(41,834)	
Proceeds from Sale of Tangible Fixed Assets	345		890		345		890	
Purchase of Investments	-		(100,000)		-		(100,000)	
Net cash provided by/(used) by investing activities		(38,179)		(122,923)		(38,179)		(122,923)
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		102,029		(97,087)		128,928		(108,105)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		1,099,327		1,196,414		991,655		1,099,760
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<u>1,201,356</u>		<u>1,099,327</u>		<u>1,120,583</u>		<u>991,655</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's accounts.

**a) General Information**

Acorn Villages Limited is a charity registered with the Charity Commission with the Charity Number 263954. The Charity is incorporated as a company limited by guarantee at Companies House with the Company Number 1048360 and domiciled in the United Kingdom. Its registered office is Mistley Hall, Clecton Road, Mistley, Manningtree, Essex, CO11 2NJ.

**b) Basis of Accounting**

The financial statements have been prepared in accordance with the 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)) (issued in October 2019) - (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 is a Public Benefit Entity as defined by FRS 102.

These financial statements have been prepared under the historical cost accounting rules except that investments are included on the Balance Sheet at market value.

The financial statements are prepared in sterling, which is the financial currency of the entity.

**c) Fund Accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are funds which are to be solely used for a particular purpose.

**d) Going Concern**

The Trustees have considered the potential impact of COVID-19 on the Charity's financial position and whether the Charity's ability to continue as a going concern was likely to be affected. The Trustees consider that the primary source of income to the Charity being from Local Authorities it is unlikely to be affected in any material way. Our secondary sources of income, donations and fundraising mainly from the sale of donated goods, has been significantly impacted, it is still continuing via e-bay and our shop when legally allowed to open and remain firm. Whilst, the impact of COVID-19 might result in voids being of longer duration during pandemic restrictions the Trustees are cognisant of the need to fill these as soon as conditions allow. Based on these assessments, cash and the current funds available, the Trustees have concluded they can continue to adopt the going concern basis in preparing the annual reports and accounts.

**e) 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 residential and supported living fees represents amounts invoiced during the year. Accounting adjustments are made in respect of accrued or deferred income so that the amounts included on the Statement of Financial Activities represent fees receivable in relation to resident/tenant occupancy during the year.

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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate.

Donations and other voluntary income are reflected in the accounts for the period in which they are received. Donations in kind are recognised by the Charity when received except in the case of services provided free or undervalue by voluntary staff or others which are not reflected in the accounts.

**f) Interest Received**

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.

**g) Expenditure**

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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**h) Operating Leases**

Rentals payable under operating leases are charged through the Statement of Financial Activities on a straight-line basis over the term of the lease.

**i) Pension Costs**

The Charity operates an auto enrolment pension scheme and a defined contribution scheme. Payments into these schemes are charged to the Statement of Financial Activities as incurred.

**j) Depreciation**

Tangible fixed assets are depreciated on the straight line or reducing balance method at rates calculated to write off the assets over their estimated useful lives. The rates used are as follows:

Freehold Land & Buildings	- Nil - 1%, 2%, 4%, 6.67% and 10% straight line
Motor Vehicles	- 25% reducing balance
Fixtures, Fittings and Equipment	- 25% reducing balance

Sundry Tools and Soft Furnishings are not depreciated, the Statement of Financial Position amount representing the value of items that are constantly being replaced, the replacement cost being written off as incurred.

Expenditure of a capital nature on domestic appliances costing less than £500 and other items costing less than £200 is not capitalised.

A proportion of the freehold land and buildings is not depreciated because, in the opinion of the Trustees, the net realisable value of these assets is not materially different from their cost.

**k) Investments**

Investments are shown on the Statement of Financial Position at their market value. Changes in market values during an accounting period are reflected in the accounts as unrealised gains or losses. Upon disposal of an investment the difference between original cost and disposal proceeds is reflected in the accounts as a realised gain or loss and an adjustment is made to unrealised gains or losses to reverse unrealised movements in value in earlier years.

**l) Stocks**

These are valued at the lower of cost and net realisable value.

**m) Financial Instruments**

*Cash and Cash Equivalents*

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity of less than six months.

*Debtors and Creditors*

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

**n) Assets Financed by Restricted Funds**

Since the cost of fixed assets was frequently financed by restricted funds but it was not possible to ascertain to what extent the cost of such assets had been so financed it was assumed that as at 1 April 1995, 90% of the book value of freehold property, excluding Oak Lodge (which was under construction at that date) had been financed by restricted funds.

Since Oak Lodge was under construction at 1 April 1995, it was possible to ascertain the extent to which it was financed by restricted funds.

All other assets at 1 April 1995 were assumed to have been financed by unrestricted funds.

Where assets have been treated as financed by restricted funds an amount equal to the depreciation on those assets is transferred each year from the appropriate restricted fund to the Acorn Village Community restricted fund.

Assets acquired to maintain and improve the existing infrastructure are treated as far as possible as being funded by Acorn Village Community to the extent that they are not funded by any other restricted fund.

**o) Allocation of Staff and Other Costs**

Staff costs and other expenses primarily relate to the management and administration of the Acorn Village Community and the extent to which these relate to fund raising and governance of the Charity is estimated by the Trustees. These estimated amounts are included as Fund Raising and Governance Costs. The remaining expenses, which relate to the management and administration of the Village Community, are shown as Community Expenditure.

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

2. DONATIONS AND LEGACIES

	<u>2021</u>	<u>2020</u>
	£	£
Donations and Gifts	237,652	80,823
Legacies and Bequests	-	22,887
Grants	10,000	1,787
	<u>247,652</u>	<u>105,497</u>
The donations and legacies income relates to the following funds:		
Unrestricted Funds	202,639	102,785
Restricted Funds - Fund Raising Events	45,013	2,712
	<u>247,652</u>	<u>105,497</u>

3. INCOME FROM CHARITABLE ACTIVITIES - ACORN VILLAGE COMMUNITY INCOME

	<u>2021</u>	<u>2020</u>
	£	£
Maintenance Fees:		
Residential Income	2,644,060	2,516,593
Supported Living Income	843,455	834,566
Training Income	1,650	4,905
Educational Therapeutic Services Income	7,778	21,772
Residential Recharged Expenses	12,480	44,086
Government Grants	293,267	-
Sundry Income	7,395	2,706
	<u>3,816,065</u>	<u>3,424,628</u>

4. TRADING SUBSIDIARY - ACORN VILLAGE (TRADING) LIMITED

Acorn Village (Trading) Limited (Company number: 02978015) was incorporated in October 1994 to carry out certain trading activities on behalf of Acorn Villages Limited and the whole of its profit is donated to Acorn Villages Limited by way of Gift Aid. The shares in Acorn Village (Trading) Limited are held by the Chairman and Chief Executive on behalf of Acorn Villages Limited. The trading subsidiary operates the Coffee Shop at Acorn Village.

The results of these activities are as follows:

	<u>2021</u>	<u>2020</u>
	£	£
Turnover	17,095	64,150
Other Income	10,000	-
Cost of Sales and Administration Costs	(9,757)	(25,815)
	<u>17,338</u>	<u>38,335</u>
Amount Gift Aided to Charity		
	<u>17,338</u>	<u>38,335</u>

The assets and liabilities of the subsidiary were:

	<u>2021</u>	<u>2020</u>
	£	£
Fixed Assets - Tangible Fixed Assets	703	858
Current Assets	17,135	40,323
Current Liabilities	(17,836)	(41,179)
	<u>2</u>	<u>2</u>
Total Net Assets	<u>2</u>	<u>2</u>
Aggregate share capital and reserves	<u>2</u>	<u>2</u>

Staffing at the Coffee Shop is provided by Acorn Villages Limited



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

5. TRADING SUBSIDIARY – ACORN VILLAGE (ACORNS) LIMITED

Acorn Village (Acorns) Limited (Company number: 06242791) was incorporated on 10 May 2007 to carry out certain trading activities on behalf of Acorn Villages Limited and the whole of its profit is donated to Acorn Villages Limited by way of Gift Aid. The shares in Acorn Village (Acorns) Limited are held by a Director and the Chief Executive of Acorn Villages Limited on behalf of Acorn Villages Limited. The trading subsidiary operates the charity shops in Manningtree, Essex and at Mistle Hall.

The results of these activities are as follows:

	2021 £	2020 £
Turnover	38,710	72,782
Other Income	29,907	-
Cost of Sales and Administration Costs	(3,831)	(3,244)
Amount Gift Aided to Charity	64,786	69,538
The assets and liabilities of the subsidiary were:	2021 £	2020 £
Current Assets	65,138	68,979
Current Liabilities	(65,138)	(68,977)
Total Net Assets	2	2
Aggregate share capital and reserves	2	2

6. INVESTMENT INCOME

	2021 £	2020 £
Dividends receivable from listed fixed asset investments	19,308	18,021

7. FUND RAISING EXPENDITURE

	2021 £	2020 £
The staff and other costs estimated by the Trustees to relate to Raising Funds of the Charity are as follows:		
Wages and Staff Expenses	46,665	46,141
Rates and Water Charges	396	368
Insurance	354	344
Light and Heat	954	1,004
Software Support Costs	518	537
Telephone, Postage, Stationery and Advertising	1,057	994
Other Direct Fund Raising Expenses	49,944	49,396
Support Costs - Governance Costs (note 9)	3,156	3,484
	54,196	55,951
The raising funds expenditure relates to the following funds:		
Unrestricted Funds	54,196	55,274
Restricted Funds - Fund Raising Events	-	677
	54,196	55,951

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

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Acorn Village Community		Other Restricted Funds		Total	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Wages and Staff Expenses	3,344,487	3,187,091	-	-	3,344,487	3,187,091
Agency Staff Costs	101,413	19,046	-	-	101,413	19,046
Subcontract Gardening Services	4,628	22,779	-	-	4,628	22,779
Training Costs	18,985	16,949	-	-	18,985	16,949
Food and Household Expenses	106,589	97,871	-	-	106,589	97,871
Waste Disposal	20,907	24,315	-	-	20,907	24,315
Registration Fees and Subscriptions	6,744	14,464	-	-	6,744	14,464
Rent	4,515	4,515	-	-	4,515	4,515
Rates and Water Charges	25,764	23,807	-	-	25,764	23,807
Insurance	22,998	22,366	-	-	22,998	22,366
Light and Heat	61,997	65,244	-	-	61,997	65,244
Repairs and Renewals	88,035	88,466	3,107	5,723	91,142	94,189
Hire of Equipment	4,664	4,514	-	-	4,664	4,514
Fire Alarm and Emergency Lighting System Costs	3,752	5,798	-	-	3,752	5,798
Educational Therapeutic Services Expenses	7,347	15,357	-	-	7,347	15,357
External Advisory Services	326	3,911	-	-	326	3,911
Telephone, Postage, Stationery and Advertising	18,534	17,896	500	-	19,034	17,896
Motor Expenses and Transportation	28,620	42,143	-	-	28,620	42,143
Legal and Professional Fees	-	3,158	-	-	0	3,158
Bank Charges and Interest	2,899	1,998	-	-	2,899	1,998
Health and Safety	17,121	-	1,000	-	18,121	-
Sundry Expenses	5,497	4,924	167	-	5,664	4,924
Depreciation of Fixed Assets	116,777	118,323	-	-	116,777	118,323
Support Costs - Governance Costs (note 9)	28,408	27,732	-	-	28,408	27,732
	<u>4,040,985</u>	<u>3,832,667</u>	<u>4,774</u>	<u>5,723</u>	<u>4,045,759</u>	<u>3,838,390</u>

9. SUPPORT COSTS - GOVERNANCE COSTS

	2021	2020
	£	£
The staff and other costs estimated by the Trustees to relate to Raising Funds of the charity are as follows:		
Wages and Staff Expenses	16,612	16,294
Rates and Water Charges	265	245
Insurance	235	229
Light and Heat	636	669
Software Support Costs	518	537
Telephone, Postage, Stationery and Advertising	1,058	994
	<u>19,324</u>	<u>18,968</u>
Auditors Remuneration	12,240	11,845
	<u>31,564</u>	<u>30,813</u>
The Support Costs have been allocated between the following activities:		
Charitable Activities - Acorn Village Community	28,408	27,732
Fund Raising Expenditure	3,156	3,081
	<u>31,564</u>	<u>30,813</u>

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

10. NET INCOME/EXPENDITURE FOR THE YEAR

	<u>2021</u>	<u>2020</u>
	£	£
Net income/(expenditure) is stated after charging:		
Depreciation of Owned Assets	116,777	118,323
Hire of Plant and Machinery	4,626	4,626
Other Operating Leases	4,515	4,515
Auditors Remuneration:		
In their capacity as auditors	9,300	8,850
Other work	2,940	2,995

11. STAFF COSTS

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

	<u>2021</u>	<u>2020</u>
Administration and Management Staff	18	17
Care Staff	138	137
Training Staff	3	3
Maintenance Staff	9	8
Educational Therapeutic Services Staff	8	10
Coffee Shop	4	4
	<u>180</u>	<u>179</u>

The aggregate payroll cost of these persons were as follows:

	<u>2021</u>	<u>2020</u>
	£	£
Salaries and Staff Expenses	3,126,726	2,959,661
Social Security Costs	223,119	205,285
Pension Costs	57,919	54,580
	<u>3,407,764</u>	<u>3,249,526</u>
This total is allocated as follows:		
Charitable Activities - Acorn Village Community	3,344,487	3,187,091
Fund Raising Expenditure	46,663	46,341
Governance Costs	16,612	16,294
	<u>3,407,764</u>	<u>3,249,526</u>

Pension costs relate to defined contribution schemes. The contributions during the year ended 31 March 2021 were £57,919 (2020 £54,580) and at 31 March 2021 contributions of £Nil (2020 £Nil) were outstanding.

One employee received employee benefits more than £60,000 but less than £70,000 during the year ended 31 March 2021 (2020 Nil).

The Trustees of the Charity receive no remuneration or reimbursement of expenses during the year ended 31 March 2021 or 31 March 2020.

The key management personnel of the Charity are considered to be the Chief Executive Officer, the Operations Manager and the Senior Registered Manager. The total employee benefits, excluding pension contributions, of the key management personnel are £152,813 during the year ended 31 March 2021 (2020 £148,287).

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

12. OPERATING LEASE COMMITMENTS

	2021 £	2020 £
The total future minimum lease payments under non-cancellable operating leases are as follows:		
Not later than one year	2,952	5,494
Later than one year but not later than five years	1,476	4,428
	<u>4,428</u>	<u>9,922</u>

13. TAXATION

As a charity, Acorn Villages Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 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.

14. FIXED ASSETS - TANGIBLE FIXED ASSETS (ALSO COMPRISING THAT OF THE GROUP)

	<u>Freehold Property</u> £	<u>Sundry Tools &amp; Soft Furnishings</u> £	<u>Fixtures, Fittings &amp; Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
Cost					
At 1 April 2020	4,773,652	51,279	470,306	85,515	5,380,752
Additions	7,836	-	28,896	20,000	57,832
Disposals	-	-	(7,687)	(2,200)	(9,887)
	<u>4,781,588</u>	<u>51,279</u>	<u>492,515</u>	<u>103,315</u>	<u>5,428,697</u>
At 31 March 2021					
Depreciation					
At 1 April 2020	1,583,197	-	394,750	60,817	2,038,764
Charge for the Year	82,719	-	27,049	7,164	116,932
Eliminated On Disposals	-	-	(7,687)	(1,835)	(9,542)
	<u>1,665,916</u>	<u>-</u>	<u>414,112</u>	<u>65,626</u>	<u>2,145,654</u>
At 31 March 2021					
Net Book Value					
At 31 March 2021	<u>3,115,672</u>	<u>51,279</u>	<u>78,403</u>	<u>37,689</u>	<u>3,283,043</u>
At 31 March 2020	<u>3,190,455</u>	<u>51,279</u>	<u>75,556</u>	<u>25,198</u>	<u>3,342,488</u>

15. FIXED ASSET INVESTMENTS

	2021 £	2020 £
Listed Investments		
Market value at Beginning of the Year	529,969	493,096
Additions during the year	-	100,000
Unrealised Gains/(Losses)	86,677	(63,127)
	<u>616,646</u>	<u>529,969</u>
Market Value at the End of the Year		
Cost Value at the End of the Year	<u>600,201</u>	<u>600,201</u>

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

16. STOCKS

	<u>Group</u>		<u>Charity</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Stationery	2,212	2,327	2,212	2,327
Electric Lamps	1,400	567	1,400	567
Household	4,224	6,337	4,224	6,337
Coffee Shop Stock	1,331	1,604	-	-
	<u>9,167</u>	<u>10,835</u>	<u>7,836</u>	<u>9,231</u>

17. DEBTORS

	<u>Group</u>		<u>Charity</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Trade Debtors	-	24	-	-
Income Debtors	54,572	131,828	54,572	131,828
Other Debtors	14,252	8,439	96,934	117,037
Prepayments	45,643	50,953	45,643	50,953
Accrued Income	30,741	19,282	30,741	19,282
	<u>145,208</u>	<u>210,526</u>	<u>227,890</u>	<u>319,100</u>

18. CASH AT BANK AND IN HAND

	<u>Group</u>		<u>Charity</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Community Current Account	105,459	118,156	105,459	118,156
Amenities Current Account	35,018	27,660	35,018	27,660
Development Account	975,302	838,058	975,302	838,058
Bank Current Account	18,857	45,707	-	-
Bank Deposit Account	60,949	59,568	-	-
PayPal Account	540	907	-	-
Cash in Hand	5,231	9,271	4,804	7,781
	<u>1,201,356</u>	<u>1,099,327</u>	<u>1,120,583</u>	<u>991,655</u>

19. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Trade Creditors	44,970	619	44,845	59,072
Taxation and Social Security	57,756	57,334	57,756	55,484
Other Creditors	146,903	233,117	146,903	221,425
Accruals	20,576	7,425	20,576	20,025
Deferred Income	8,911	12,338	8,911	12,338
	<u>279,116</u>	<u>310,833</u>	<u>278,991</u>	<u>368,344</u>

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

## 20. ANALYSIS OF MOVEMENT ON RESTRICTED FUNDS

	Opening Balance		Movement in Resources				Notes	Transfers Between Funds		Notes	Closing Balance	
	2021	2020	Income		Expenditure			2021	2020		2021	2020
	£	£	£	£	£	£		£	£		£	£
Acorn Village Community (See note 21, Page 21)	-	-	3,816,065	3,424,628	(4,040,985)	(3,832,667)	1,3	224,920	408,039		-	-
Other restricted funds:												
Capital Reserve	998	998	-	-	-	-		-	-		998	998
Restricted funds represented by: -												
Fixed Assets:												
Freehold Property	1,490,179	1,514,804	7,936	-	-	-	1	(24,942)	(24,625)		1,473,173	1,490,179
Fixtures, Fittings and Equipment	3,080	2,760	683	1,350	-	-	1	(942)	(1,030)		2,821	3,080
Sundry Tools and Soft Furnishing	200	200	-	-	-	-		-	-		200	200
Motor Vehicles	1,722	2,296	-	-	-	-	1	(438)	(574)		1,284	1,722
Other restricted funds:												
Furniture Store Refurbishment	-	-	29,577	-	-	-		-	-	4	29,577	-
Fundraising Event Expenditure	-	-	-	677	-	(677)		-	-		-	-
New Build in Mistley Wood	3,500	5,000	-	-	-	-	2	(3,000)	(1,500)	4	500	3,500
Mistley Wood Bathroom	-	-	-	-	(3,000)	-	2	3,000	-		-	-
For the benefit of David Rudd	-	364	-	-	-	(364)		-	-		-	-
Gazebo's	250	250	-	-	-	-		-	-	4	250	250
Wet Room Installations	-	5,000	-	-	-	(5,000)		-	-		-	-
Musical Instruments	24	-	-	230	-	(206)		-	-	4	24	24
Oak Lodge Garden Furniture	277	-	-	430	(107)	(153)		-	-	4	170	277
Creative Craft Centre Sensory Room	1,525	-	-	25	-	-		-	1,500	4	1,525	1,525
Cards	-	-	500	-	(500)	-		-	-		-	-
Covid PPE Costs	-	-	1,000	-	(1,000)	-		-	-		-	-
Sewing Machine	-	-	67	-	-	-		-	-	4	67	-
Christmas Lights	-	-	150	-	-	-		-	-	4	150	-
Staff Celebration	-	-	5,000	-	(67)	-		-	-	4	4,933	-
Sundries for Creative Craft Centre	-	-	100	-	(100)	-		-	-		-	-
	1,501,755	1,531,672	45,013	2,712	(4,774)	(6,400)		(26,322)	(26,229)		1,515,672	1,501,755
	1,501,755	1,531,672	3,861,078	3,427,340	(4,045,759)	(3,839,067)		198,598	381,810		1,515,672	1,501,755

## Notes

1. Transfers of £26,322, being depreciation on assets financed by other restricted funds.
2. Transfer of donations for aborted Mistley Wood new build, £500 of which remains unallocated.
3. Transfer of £198,598 from Unrestricted Funds to the Acorn Village Community to eliminate the deficit.
4. These represent funds received but not utilised at the Balance Sheet date.

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

21. **ACORN COMMUNITY INCOME AND EXPENDITURE**

	<b>2021</b>		<b>2019</b>	
	£	£	£	£
<b>INCOME</b>				
Maintenance Fees				
Residential Income		2,644,060		2,516,593
Supported Living Income		843,455		834,566
Training Income		1,650		4,905
Educational Therapeutic Services Income		7,778		21,772
Residential Recharged Expenses		18,460		44,086
Government Grants		293,267		-
Sundry Income		7,395		2,706
		<u>3,816,065</u>		<u>3,424,628</u>
<b>EXPENDITURE</b>				
Wages and Staff Expenses	3,344,487		3,187,091	
Agency Staff Costs	101,413		19,046	
Subcontract Gardening Services	4,626		22,779	
Training Costs	18,965		16,949	
Food and Household Expenses	106,589		97,871	
Waste Disposal	20,907		24,315	
Registration Fees and Subscriptions	6,744		14,464	
Rent	4,515		4,515	
Rates and Water Charges	25,764		23,807	
Insurance	22,998		22,366	
Light and Heat	61,997		65,244	
Repairs and Renewals	88,035		88,466	
Hire of Equipment	4,664		4,514	
Fire Alarm and Emergency Lighting System Costs	3,752		5,798	
Educational Therapeutic Services Expenses	7,347		15,357	
External Advisory Services	326		3,911	
Telephone, Postage, Stationery and Advertising	18,534		17,896	
Motor Expenses and Transportation	28,620		42,143	
Legal and Professional Fees	-		3,158	
Bank Charges and Interest	2,899		1,998	
Health and Safety	17,121		-	
Sundry Expenses	5,497		4,924	
Depreciation of Fixed Assets:				
Freehold Buildings	82,719		82,408	
Motor Vehicles	7,164		9,614	
Fixtures, Fittings & Equipment	26,894		26,301	
Support Costs - Governance Costs	28,408		27,732	
		<u>4,040,985</u>		<u>3,832,667</u>
		(224,920)		(408,039)
<b>TRANSFER BETWEEN FUNDS</b>				
Being depreciation on fixed assets				
finance by restricted funds:				
Freehold Property	24,942		24,625	
Motor Vehicles	438		574	
Fixtures, Fittings and Equipment	942		1,030	
	<u>26,322</u>		<u>26,229</u>	
Being from Unrestricted Funds to eliminate deficit	198,598		381,810	
		<u>224,920</u>		<u>408,039</u>
<b>NET DEFICIT FOR THE YEAR</b>		<u>-</u>		<u>-</u>

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

22. ANALYSIS OF NET ASSETS BETWEEN RESERVES - CHARITY

	<u>Fixed Assets</u>		<u>Net Current</u>	<u>Total</u>
	<u>Tangible</u>	<u>Investments</u>	<u>Assets</u>	
	£	£	£	£
Restricted Funds:				
Capital Reserve	998	-	-	998
Freehold Property	1,473,173	-	-	1,473,173
Fixtures, Fittings and Equipment	2,821	-	-	2,821
Sundry Tools and Soft Furnishings	200	-	-	200
Motor Vehicles	1,284	-	-	1,284
New Build in Mistley Wood	-	-	500	500
Furniture Store Refurbishment	-	-	29,577	29,577
Gazebo's	-	-	250	250
Musical Instruments	-	-	24	24
Oak Lodge Garden Furniture	-	-	170	170
Creative Craft Centre Sensory Room	-	-	1,525	1,525
Sewing Machine	-	-	67	67
Christmas Lights	-	-	150	150
Staff Celebration	-	-	4,933	4,933
	<u>1,478,476</u>	<u>-</u>	<u>37,196</u>	<u>1,515,672</u>
Unrestricted Funds	<u>1,803,864</u>	<u>616,646</u>	<u>1,040,122</u>	<u>3,460,632</u>
	<u>3,282,340</u>	<u>616,646</u>	<u>1,077,318</u>	<u>4,976,304</u>

23. LEGAL STATUS

Guarantee: Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up whilst he is a member, for the payment of debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding £10.

During the year ended 31 March 2012 the Memorandum and Articles of Association of the Company were amended, the principal change being that membership of the Company is now limited to those who are Directors.

24. RELATED PARTY TRANSACTIONS

There were no related party transaction during the year ended 31 March 2021.



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	<b>2021</b>		<b>2020</b>	
	£	£	£	£
<b>INCOME AND ENDOWMENTS</b>				
<b>Donations and Legacies</b>				
Donations and Gifts	-		80,823	
Legacies and Bequests	237,652		22,887	
Grants	10,000		1,787	
		247,652		105,497
<b>Charitable Activities – Acorn Village Community</b>				
Maintenance Fees				
Residential Income	2,644,060		2,516,593	
Supported Living Income	843,455		834,566	
Training Income	1,650		4,905	
Educational Therapeutic Services Income	7,778		21,772	
Residents Recharged Expenses	18,460		44,086	
Government Grants	293,267		-	
Sundry Income	7,395		2,706	
		3,816,065		3,424,628
<b>Other Trading Activities</b>				
Income from Fund Raising	1,192		26,969	
		1,192		26,969
<b>Income from Trading Subsidiaries</b>				
Acorn Village (Trading) Ltd	27,095		64,150	
Acorn Village (Acorns) Ltd	68,618		72,782	
		95,713		136,932
<b>Investment Income</b>				
Dividends Receivable from Fixed Asset Investments		19,308		18,021
<b>TOTAL INCOME</b>		<b>4,179,930</b>		<b>3,712,047</b>
<b>EXPENDITURE</b>				
<b>Raising Funds</b>				
Direct Fund Raising Expenses	1,096		3,484	
Wages and Staff Expenses	46,665		46,141	
Rates and Water Charges	396		366	
Insurance	354		344	
Light and Heat	954		1,004	
Software Support Costs	518		537	
Telephone, Postage, Stationery and Advertising	1,057		994	
Support Costs – Governance Costs	3,156		3,081	
		54,196		55,951
<b>Charitable Activities – Acorn Village Community</b>				
Wages and Staff Expenses	3,344,487		3,187,091	
Agency Staff Costs	101,413		19,046	
Subcontract Gardening Services	4,626		22,779	
Training Costs	18,965		16,949	
Food and Household Expenses	106,589		97,871	
Waste Disposal	20,907		24,315	
Registration Fees and Subscriptions	6,744		14,464	
Rent	4,515		4,515	
Rates and Water Charges	25,764		23,807	
Insurance	22,998		22,366	
Light and Heat	61,997		65,244	
Repairs and Renewals	88,035		88,466	
<b>Balance Carried Forward</b>	<b>3,807,040</b>	<b>54,196</b>	<b>3,586,913</b>	<b>55,951</b>

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021

	<u>2021</u>		<u>2020</u>	
	£	£	£	£
<b>EXPENDITURE (CONTINUED)</b>				
Balance Carried Forward	3,807,040	54,196	3,586,913	55,951
<b>Charitable Activities – Acorn Village Community</b>				
Hire of Equipment	4,664		4,514	
Fire Alarm and Emergency Lighting System Costs	3,752		5,798	
Educational Therapeutic Services Expenses	7,347		15,357	
External Advisory Service	326		3,911	
Telephone, Postage, Stationery and Advertising	18,534		17,896	
Motor Expenses and Transportation	28,620		42,143	
Legal and Professional Fees	-		3,158	
Bank Charges and Interest	2,899		1,998	
Health and Safety	17,121			
Sundry Expenses	5,497		4,924	
Depreciation of Fixed Assets	116,777		118,323	
Support Costs – Governance Costs	28,408		27,732	
		4,040,985		3,832,667
<b>Charitable Activities - Other Direct Charitable Expenditure</b>				
<b>Expenditure from Other Restricted Funds</b>				
Mistley Wood Bathroom Refurbishment	3,000		-	
Covid PPE Costs	1,000		-	
Cards for Creative Craft Centre	500		-	
Staff Celebration Expenses	67		-	
Sundries for Creative Craft Centre	100		-	
Wet Room Refurbishments	-		5,000	
Replacement Musical Instruments	-		206	
Oak Lodge Garden Furniture and Equipment	107		153	
Replacement Equipment for Benefit of David Rudd	-		364	
		4,774		5,723
<b>Expenditure by Trading Subsidiaries</b>				
Acorn Village (Trading) Ltd	9,757		25,815	
Acorn Village (Acorns) Ltd	3,832		3,244	
		13,589		29,059
<b>TOTAL EXPENDITURE</b>		4,113,544		3,923,400
<b>NET EXPENDITURE BEFORE GAINS AND LOSSES</b>		66,386		(211,353)
<b>NET INVESTMENT (LOSSES)/GAINS</b>				
Unrealised Investment (Losses)/Gains		86,677		(63,127)
<b>NET EXPENDITURE</b>		153,063		(274,480)