

Registered number: 1048360
Charity number: 263954

ACORN VILLAGES LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



ACORN VILLAGES LIMITED
(A company limited by guarantee)

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ACORN VILLAGES LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	Mr K Burrows, Chairman (till 29/07/2022) (resigned 29 July 2022) Mr J Whittaker, Chairman (from 01/08/2022) Mr J Gray Mrs B Evers, Vice Chairman (from 01/08/2022) Mr K Jordan (resigned 26 June 2023) Mrs J Owens Rev D Lang Mr C Daines Mr D Willis Mr B Taylor (appointed 27 February 2023) Mrs E Shields (appointed 26 June 2023)
Company registered number	1048360
Charity registered number	263954
Registered office	Mistley Hall Clacton Road Essex CO11 2NJ
Company secretary	Carly Cridland
Chief executive officer	Michelle Cook
Independent auditors	Griffin Chapman 4 & 5 The Cedars Apex 12 Old Ipswich Road Colchester Essex CO7 7QR
Bankers	Lloyds Bank 27 High Street Colchester CO1 1DU
Solicitors	Ellisons Headgate Court Colchester Essex CO1 1NP

ACORN VILLAGES LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

Report of the trustees for the year ending 31 March 2023

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiaries, for the year ending 31 March 2023 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

Having taken over the role of Chair on 1st August 2022, it has been an interesting year watching Acorn "come back" to life after the challenging problems caused by Covid.

The top priority of the safety of our residents, tenants and staff eased as the lockdowns were relaxed, more visitors and workers were allowed on site. This meant some of the delayed projects were completed e.g. the Strover Centre and the Wellbeing Pod. It is very pleasing to see how popular and well used both these new amenities are for everyone on site.

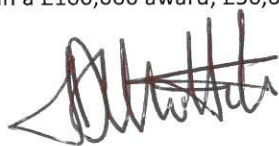
The move away from direct "fund raising" events to "income generation" is proving to be highly successful. The overall plan is to try to arrange "outside" run events such as the "Witchfinder General" (mini marathon) or the "Flower Shows", where Mistley hall is basically the venue. The aim being bringing visitors on site to use the Coffee Shop and onsite Charity Shop, which are not seeing their pre Covid numbers.

As is always the case with our "home for life" policy our aging population sees us lose residents regularly and with the pressure on Council budgets cash flow is a major concern. Our priority has to be minimising vacancies at all times to ensure our long term viability.

Our staff continue to be our strongest asset. A recent visitor from a comparable charity was amazed at our staff retention figures and staggered at our minimal use of "agency" staff, which was a massive extra cost to his charity. Well done to our staff for all their efforts and flexibility.

Nationally numbers of volunteers have dropped since Covid, and although we have fewer their continued support is essential. Add to this all the help and assistance from our "Friends and Family group" make Acorn the place it is.

It's been a challenging year, unlikely to improve much directly, but all our indirect aid means we have to develop new ideas and methods in many areas. A classic example of this was one of our staff taking it upon herself to apply for a Heritage Grant resulting in a £100,000 award, £50,000 received during the year to develop our site.



John Whittaker
Chair

20 September 2023

ACORN VILLAGES LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

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.
- Support beneficiaries to enjoy the benefits of a family life
- Support beneficiaries to develop and achieve their full potential
- Provide these benefits to adults with learning disabilities and associated problems living in the wider community.

The vision that shapes our activities remains the promotion of good care and the maximisation of the potential for 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 creating day care opportunities for 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" Red Rose Theatre Group, Sport for Confidence, Wheels for All and Essex and Suffolk Community Rail project, Ladies Group and a monthly residents and tenants meeting with the CEO.
- Learning new Life skills;
The new Strover Centre is proving very popular especially for baking.
- Crafting in numerous forms;
These include painting, weaving, model making, furniture upcycling.
- 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/Relaxation
As well as a visiting fitness instructor, sailing classes facilitated by volunteers of the Wolverstone Trust are popular. A regular reflexology slot is well received.

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FOR THE YEAR ENDING 31 MARCH 2023

- **Entertainment:**
Music in all forms is popular and playing instruments and performing is encouraged. Discos and parties are always well attended.
- **Use of facilities within by the local community;**
Popularity of the onsite coffee shop is slowly returning and will no doubt increase. It has also provided volunteering opportunities for service users. Together with the onsite charity shop, it also attracted people from the local community to visit the site and encouraged social interaction.

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 the charity shops as well as sorting and selling donated goods, we also have volunteers regularly helping in the craft centre with its numerous activities. We also 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. The selling of donated goods raised approximately £56,000 in year ending March 2023 and this would not be possible without the assistance of our volunteers 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 again this year.

Achievements and performance

The Impact of Covid continues to be greatly reduced and it has been wonderful to see Acorn Life returning to normal. The opening of our wellbeing Pod and the development of the services connected is proving beneficial for staff and volunteers.

Maintenance

A lot of general maintenance jobs have been caught up during this year e.g., general refurbishment and more specifically the new Strover Centre and Wellbeing Pod is now open and used on a daily basis.

As part of a health and safety review a survey of our water systems was conducted to identify potential risk areas for Legionella. Work to implement the recommendations made to eliminate potential risk areas identified has started. This involves multiple water cylinders, tanks and TMV's being replaced or cleaned, and "dead legs" removed. A new programme for ongoing testing has also been created.

An improved proactive system is in place to ensure that maintenance issues are addressed in a timely and cost-effective way.

Financial review

The deterioration in health of some of the tenants has meant them moving across to our residential service and long-term vacancies have been filled but attention to this issue is constantly under review. The government's 0.92 pence increase in wage per hour was split with 0.50p payable in December 2022 and the balance was applied in April 2023. This was not fully covered by local authority payments and a considerable amount of work has gone into establishing the core costs for the charity and individual resident costs and needs for discussion with commissioners. A 4% increase in staff costs, along with other cost increases resulted in the charity operating at a deficit of £(181,472) for the year to 31st March 2023 (2022 : £(101,965) Early indications suggest that the approaches in place to increase income and cover core costs, are having a positive outcome. However, it should be noted that the industry of social care is facing considerable challenges not helped by the pressures the NHS are facing.

The board of trustees decided to adopt a different auditor, Griffin Chapman following on from a financial review of organisational expenditure.

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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

Investment powers and policy

Investment Policy

The continuing financial constraints on local authority funding and the general difficulty in fund raising dictates that there is an increased need to maximise 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.

The board had moved £850,000 of the reserves into an income producing investment portfolio. This is now generating an income far exceeding that which can 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 10 months of year 2022/23 was £365,737 indicating that reserves should be in the order of £1,097,211. As of 31 March 2023 liquid reserves stood at £712k together with a further £861k in readily available investments. Whilst the trustees have no immediate concern with regard to solvency, there is a continuing need reduce the reliance on donations and discussions with our commissioners are ongoing. It should be noted that the financial pressures faced by local authorities impacts greatly on the negotiations required. The board are satisfied that the charitable company is a Going Concern and for the accounts to be prepared on this basis.

Plans for future

In last year's report we stated that there was some catching up to do on maintenance work needed on site.

Most of this has now been successfully completed.

Our plans for this year include

- Planning new and utilising existing buildings for much needed additional storage
- Completion of the Legionella work started last year
- Asbestos in Mistley Hall
- Onsite personal safety review and addressing any concerns raised

Reference and administrative details

Charity number: 263954

Company number: 1048360

Registered Office: Mistley Hall, Clacton Road, Mistley, Manningtree, Essex, CO11 2NJ

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: Griffin Chapman, 4 & 5 The Cedars, Apex 12, Old Ipswich Road, Colchester, Essex, CO7 7QR - (Appointed 27/02/2023)

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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

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:

The Trustees of the Charity, who are the Directors for the purposes of company law, and who served throughout the year and up to the date of this report were:

Mr K Burrows – Chairman (Retired 29/07/2022)
Mr J Whittaker – Vice Chairman (28/01/2022) & Chairman (01/08/2022)
Mr J Gray
Mrs B Evers – Vice Chairman (01/08/2022)
Mr K Jordan (Resigned 26/06/2023)
Mrs J Owens
Rev D Lang
Mr C Daines
Mr D Willis
Mr B Taylor (Appointed 27/02/2023)
Mrs E Shields (Appointed 26/06/2023)

Key management personnel:

M Cook	Chief Executive
C Cridland	Company Secretary
G Balls	Operations Manager
T Cox	Registered Manager with special responsibility for care service
S Gunn	Finance Manager
M Sear	HR Manager (01/04/2022)
A Stutter	Facilities Manager (30/06/2022)
K Buxton	Communications & Income Generation Manager (22/08/2022)
T Sage	Business Services Manager (Resigned 09/09/2022)

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.

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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

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. Mr Brian Taylor joined us this year with charities experience from Ipswich Hospital.

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 Chair 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/Snr 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, HR Manager, Facilities Manager and Communications & Income Generation 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.

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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

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 differential. 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.

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 online 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. With the appointment of the Communications & Income Generation Manager we now concentrate our main focus on grants and donations rather than fundraising events.

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).

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TRUSTEES' REPORT
FOR THE YEAR ENDING 31 MARCH 2023

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.

By order of the board of trustees



J Whittaker (Chair)

20 September 2023

ACORN VILLAGES LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN VILLAGES LIMITED

Opinion

We have audited the financial statements of Acorn Villages Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN VILLAGES LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion 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' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN VILLAGES LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

The engagement partner ensured the engagement team had the necessary skills and knowledge to identify non-compliance with applicable laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and for those that are most significant, we enquired into how management ensures compliance is maintained. We identified that the principal risks of non-compliance with laws and regulations related to health and safety and the ability to continue trading as a manufacturing and retail entity. Correspondence was reviewed from third parties, where relevant.

Enquiry and review of the company's transactions was undertaken to highlight any instances of penalties, fines or legal activity which could suggest non-compliance with laws and regulations. There was no contradictory evidence found. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting journal entries to increase profits or reclassify costs and management bias in accounting estimates, especially stock provision. In response, we incorporated testing of manual journal entries and scrutiny of unusual transactions into our audit approach. Analytical procedures were used to help identify risk factors in exceptional income received during the year. The incentive by management to portray positive company results was taken into consideration when undertaking audit testing in the higher risk areas of income and stock, with challenges made in relation to management assumptions and calculations used.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example,

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN VILLAGES LIMITED (CONTINUED)

forgery or intentional misrepresentations, or through collusion.

It is also stated, as a reminder, that the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

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

Use of our report

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



Daniel Aldworth (Senior statutory auditor)

for and on behalf of
Griffin Chapman

Chartered Accountants and Statutory Auditors

4 & 5 The Cedars

Apex 12

Old Ipswich Road

Colchester

Essex

CO7 7QR

Date: 21 September 2023

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(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

		Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
	Note				
Income from:					
Donations and legacies	4	60,403	34,172	94,575	71,177
Charitable activities:	5				
Acorn Village Community		4,033,108	-	4,033,108	3,658,352
Government Grants		121,243	-	121,243	393,697
Other trading activities	6	-	113,119	113,119	90,479
Investment Income	7	-	30,645	30,645	25,250
Total income		4,214,754	177,936	4,392,690	4,238,955
Expenditure on:					
Raising funds	8	-	96,103	96,103	58,587
Charitable activities		4,367,736	74,180	4,441,916	4,313,307
Total expenditure		4,367,736	170,283	4,538,019	4,371,894
Net (expenditure)/income before net (losses)/gains on investments		(152,982)	7,653	(145,329)	(132,939)
Net (losses)/gains on investments		-	(36,143)	(36,143)	30,974
Net expenditure		(152,982)	(28,490)	(181,472)	(101,965)
Transfers between funds	20	339,623	(339,623)	-	-
Net movement in funds		186,641	(368,113)	(181,472)	(101,965)
Reconciliation of funds:					
Total funds brought forward		1,580,728	3,293,615	4,874,343	4,976,308
Net movement in funds		186,641	(368,113)	(181,472)	(101,965)
Total funds carried forward		1,767,369	2,925,502	4,692,871	4,874,343

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 38 form part of these financial statements.


ACORN VILLAGES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1048360

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Tangible assets	13	3,265,647	3,304,561
Investments	14	861,477	897,620
		<u>4,127,124</u>	<u>4,202,181</u>
Current assets			
Stocks	15	9,333	9,565
Debtors	16	148,967	194,799
Cash at bank and in hand		796,086	809,386
		<u>954,386</u>	<u>1,013,750</u>
Creditors: amounts falling due within one year	17	(388,639)	(341,588)
Net current assets		<u>565,747</u>	<u>672,162</u>
Total assets less current liabilities		<u>4,692,871</u>	<u>4,874,343</u>
Net assets excluding pension asset		<u>4,692,871</u>	<u>4,874,343</u>
Total net assets		<u><u>4,692,871</u></u>	<u><u>4,874,343</u></u>
Charity funds			
Restricted funds	20	1,767,369	1,580,728
Unrestricted funds	20	2,925,502	3,293,615
Total funds		<u><u>4,692,871</u></u>	<u><u>4,874,343</u></u>

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

The financial statements were approved and authorised for issue by the Trustees on 20 September 2023 and signed on their behalf by:



.....
Mr J Whittaker
Chairman

The notes on pages 19 to 38 form part of these financial statements.

ACORN VILLAGES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1048360

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	3,265,176	3,303,986
Investments	14	861,477	897,621
		<u>4,126,653</u>	<u>4,201,607</u>
Current assets			
Stocks	15	8,410	8,245
Debtors	16	232,946	265,072
Cash at bank and in hand		712,007	740,434
		<u>953,363</u>	<u>1,013,751</u>
Creditors: amounts falling due within one year	17	(387,149)	(341,019)
Net current assets		<u>566,214</u>	<u>672,732</u>
Total assets less current liabilities		<u>4,692,867</u>	<u>4,874,339</u>
Net assets excluding pension asset		<u>4,692,867</u>	<u>4,874,339</u>
Total net assets		<u>4,692,867</u>	<u>4,874,339</u>
Charity funds			
Restricted funds	20	1,169,047	1,580,728
Unrestricted funds	20	3,523,820	3,293,611
Total funds		<u>4,692,867</u>	<u>4,874,339</u>

The Charity's net movement in funds for the year was £(181,472) (2022 - £(101,965)).

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

The financial statements were approved and authorised for issue by the Trustees on 20 September 2023 and signed on their behalf by:



.....
Mr J Whittaker
Chairman

ACORN VILLAGES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1048360

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The notes on pages 19 to 38 form part of these financial statements.

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	34,227	(34,390)
Cash flows from investing activities		
Dividends, interests and rents from investments	30,645	25,250
Proceeds from the sale of tangible fixed assets	-	100
Purchase of tangible fixed assets	(78,172)	(132,930)
Purchase of investments	-	(250,000)
Net cash used in investing activities	(47,527)	(357,580)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(13,300)	(391,970)
Cash and cash equivalents at the beginning of the year	809,386	1,201,356
Cash and cash equivalents at the end of the year	796,086	809,386

The notes on pages 19 to 38 form part of these financial statements

ACORN VILLAGES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. 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.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of a period at least one year from the date of authorisation of these financial statements and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the company's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

ACORN VILLAGES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Income

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

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 and support during the year.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

ACORN VILLAGES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.6 Gift Aid

In the case of a Gift Aid payment made within the Group, income is accrued when the payment is payable to the Parent Charity under a legal obligation. Measurement is at the fair value receivable, which will normally be the transaction value.

Where the right to receive Gift Aid has been established, the amount receivable is recognised as income in the Consolidated statement of financial activities.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives. .

Depreciation is provided on the following bases:

Freehold property	- Nil, 1%, 2%, 4%, 6.67% and 10% straight line
Plant and machinery	-
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

ACORN VILLAGES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

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

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group 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.

ACORN VILLAGES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.15 Pensions

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

2.16 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	60,403	34,172	94,575	71,177
<i>Total 2022</i>	4,685	66,492	71,177	

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from donations and legacies (continued)

5. Income from charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from charitable activities - Acorn Village Community	4,033,108	4,033,108	3,658,352
Income from charitable activities - Government Grants	121,243	121,243	393,697
	<u>4,154,351</u>	<u>4,154,351</u>	<u>4,052,049</u>

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fundraising activities	1,206	1,206	6,655
	<u>1,206</u>	<u>1,206</u>	<u>6,655</u>

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Trading income - Acorn Village (Trading) Limited	55,798	55,798	56,708
Trading income - Acorn Village (Acorns) Limited	56,115	56,115	27,116
	<u>111,913</u>	<u>111,913</u>	<u>83,824</u>

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income - dividends receivable from listed fixed asset investments	30,645	30,645	25,250

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Direct Fund Raising Expenses	62	62	2,118
Support Fund Raising Expenses	3,961	3,961	3,988
Governance Costs	2,962	2,962	3,076
Costs of raising voluntary income - wages and salaries	61,187	61,187	35,129
	<u>68,172</u>	<u>68,172</u>	<u>44,311</u>

Other trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Trading expenses - Acorn Village (Acorns) Limited	3,915	3,915	2,331
Trading expenses - Acorn Village (Trading) Limited	23,911	23,911	11,818
Acorn Village (Trading) Limited - depreciation	105	105	127
	<u>27,931</u>	<u>27,931</u>	<u>14,276</u>

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure by activities

	Acorn Village Community 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Acorn Village Community	4,441,916	4,441,916	4,309,282
Other Restricted	-	-	4,025
	<u>4,441,916</u>	<u>4,441,916</u>	<u>4,313,307</u>

10. Auditors' remuneration

	2023 £	<i>2022 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>11,700</u>	<u>11,748</u>

11. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Wages and salaries	3,483,847	3,369,560	3,483,847	3,369,560
Social security costs	273,288	248,124	273,288	248,124
Operating costs of defined contribution pension schemes	66,162	63,118	66,162	63,118
	<u>3,823,297</u>	<u>3,680,802</u>	<u>3,823,297</u>	<u>3,680,802</u>

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Staff costs (continued)

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

	Group 2023 No.	<i>Group 2022 No.</i>	Charity 2023 No.	<i>Charity 2022 No.</i>
Administration and Management Staff	19	17	19	17
Care Staff	144	141	144	141
Training Staff	3	3	3	3
Maintenance Staff	5	9	5	9
Educational Therapeutic Services Staff	8	8	8	8
Coffee Shop	3	4	3	4
	182	<i>182</i>	182	<i>182</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	1	1

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 £165,327 during the year ended 31st March 2023 (2022 : £155,476).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets

Group

	Freehold property £	Soft furnishings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2022	4,890,421	51,279	109,365	499,802	5,550,867
Additions	41,364	1,018	-	35,790	78,172
Disposals	-	-	-	(3,226)	(3,226)
At 31 March 2023	4,931,785	52,297	109,365	532,366	5,625,813
Depreciation					
At 1 April 2022	1,743,422	-	73,337	429,546	2,246,305
Charge for the year	81,220	-	9,008	26,468	116,696
On disposals	-	-	-	(2,835)	(2,835)
At 31 March 2023	1,824,642	-	82,345	453,179	2,360,166
Net book value					
At 31 March 2023	3,107,143	52,297	27,020	79,187	3,265,647
At 31 March 2022	3,146,999	51,279	36,028	70,256	3,304,562

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2022	4,890,421	51,279	109,365	498,099	5,549,164
Additions	41,364	1,018	-	35,790	78,172
Disposals	-	-	-	(3,226)	(3,226)
At 31 March 2023	4,931,785	52,297	109,365	530,663	5,624,110

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets (continued)

Charity (continued)

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Depreciation					
At 1 April 2022	1,743,422	-	73,337	428,419	2,245,178
Charge for the year	81,220	-	9,008	26,363	116,591
On disposals	-	-	-	(2,835)	(2,835)
At 31 March 2023	<u>1,824,642</u>	<u>-</u>	<u>82,345</u>	<u>451,947</u>	<u>2,358,934</u>
Net book value					
At 31 March 2023	<u>3,107,143</u>	<u>52,297</u>	<u>27,020</u>	<u>78,716</u>	<u>3,265,176</u>
At 31 March 2022	<u>3,146,999</u>	<u>51,279</u>	<u>36,028</u>	<u>69,680</u>	<u>3,303,986</u>

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2022	897,620
Revaluations	(36,143)
At 31 March 2023	<u>861,477</u>
Net book value	
At 31 March 2023	<u>861,477</u>
At 31 March 2022	<u>897,620</u>

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Fixed asset investments (continued)

	Listed investments £
Charity	
Cost or valuation	
At 1 April 2022	897,620
Revaluations	(36,143)
	<u>861,477</u>
At 31 March 2023	<u>861,477</u>
Net book value	
At 31 March 2023	861,477
At 31 March 2022	<u>897,620</u>

15. Stocks

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Stock of materials and consumables	9,333	9,565	8,410	8,245

16. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Due within one year				
Trade debtors	77,130	64,717	77,130	64,717
Other debtors	6,066	73,412	90,045	143,685
Prepayments and accrued income	65,771	56,670	65,771	56,670
	<u>148,967</u>	<u>194,799</u>	<u>232,946</u>	<u>265,072</u>

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade creditors	91,039	21,151	89,550	20,578
Other taxation and social security	82,344	91,290	82,344	91,290
Other creditors	179,722	168,201	179,721	168,205
Accruals and deferred income	35,534	60,946	35,534	60,946
	<u>388,639</u>	<u>341,588</u>	<u>387,149</u>	<u>341,019</u>

18. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	<u>796,086</u>	<u>809,385</u>	<u>712,007</u>	<u>740,434</u>

19. Prior year adjustments

The consolidated prior year figures have been re-stated to include the share capital of the two trading subsidiary companies.

ACORN VILLAGES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Statement of funds

Statement of funds - current year

	As Restated Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General Funds - all funds	3,293,611	177,936	(170,283)	(339,623)	(36,143)	2,925,498
Trading subsidiaries	4	-	-	-	-	4
	<u>3,293,615</u>	<u>177,936</u>	<u>(170,283)</u>	<u>(339,623)</u>	<u>(36,143)</u>	<u>2,925,502</u>
Restricted funds						
Acorn Village Community	-	4,154,351	(4,320,419)	298,845	-	132,777
Capital Fund	998	-	-	-	-	998
Freehold Property	1,539,026	-	(30,555)	40,778	-	1,549,249
Fixtures, Fittings and Equipment	6,476	3,358	(3,093)	-	-	6,741
Sundry Tools and Soft Furnishings	200	-	-	-	-	200
Motor Vehicles	956	-	(246)	-	-	710
Wellbeing Pod	26,843	-	-	-	-	26,843
National Heritage Lottery Fund	-	50,000	(8,372)	-	-	41,628
Various other restricted funds	6,229	7,045	(5,051)	-	-	8,223
	<u>1,580,728</u>	<u>4,214,754</u>	<u>(4,367,736)</u>	<u>339,623</u>	<u>-</u>	<u>1,767,369</u>
Total of funds	<u>4,874,343</u>	<u>4,392,690</u>	<u>(4,538,019)</u>	<u>-</u>	<u>(36,143)</u>	<u>4,692,871</u>

ACORN VILLAGES LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

The Acorn Village Community Fund is to support all charity residents, providing care and support.

Fixed asset restricted funds are where items or funds to acquire assets have been given to the charity for a specific purpose to support the work and activities of the charity.

The Wellbeing Pod Fund is to improve the wellbeing services for our staffing teams particularly having been through Covid.

The Heritage National Lottery Fund is for a project to showcase the heritage of the site exploring the the history into the present. The money will create an accessible garden area that can be used for workshops. It will create a walk around the site exploring the history and it has created a apple press facility so as we can press existing fruit from established trees but also support new trees that have been planted. It will also create strong links with different community groups who have and will be involved in the project going forward.

Other restricted funds are to support specific projects that are all consistent with the charities aims and ethos.

During the year there was a transfer of £339,623 from general reserves to restricted reserves to cover the costs and best support residents care needs.

Statement of funds - prior year

	<i>As Restated Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>As Restated Balance at 31 March 2022</i>
	£	£	£	£	£	£
Unrestricted funds						
General Funds - all funds	3,460,631	182,221	(57,036)	(323,179)	30,974	3,293,611
Trading subsidiaries	4	-	-	-	-	4
	<u>3,460,635</u>	<u>182,221</u>	<u>(57,036)</u>	<u>(323,179)</u>	<u>30,974</u>	<u>3,293,615</u>
Restricted funds						
Acorn Village Community	-	3,958,809	(4,309,283)	350,474	-	-
Capital Reserve	998	-	-	-	-	998
Fixtures, Fittings and Equipment	1,473,173	87,427	-	(21,574)	-	1,539,026

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>As Restated Balance at 1 April 2021</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2022</i> £
Sundry Tools and Soft Furnishing	2,821	5,814	-	(2,159)	-	6,476
Sundry Tools and Soft Furnishings	200	-	-	-	-	200
Motor Vehicles	1,284	-	-	(328)	-	956
Strover Centre	29,577	-	-	(29,577)	-	-
Wellbeing Pod	-	-	-	26,843	-	26,843
Mistley Wood Bathroom	500	-	-	(500)	-	-
Various Other Purposes	7,119	4,685	(5,575)	-	-	6,229
	<u>1,515,672</u>	<u>4,056,735</u>	<u>(4,314,858)</u>	<u>323,179</u>	<u>-</u>	<u>1,580,728</u>
Total of funds	<u>4,976,307</u>	<u>4,238,956</u>	<u>(4,371,894)</u>	<u>-</u>	<u>30,974</u>	<u>4,874,343</u>

21. Summary of funds

Summary of funds - current year

	<i>As Restated Balance at 1 April 2022</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2023</i> £
General funds	3,293,615	177,936	(170,283)	(339,623)	(36,143)	2,925,502
Restricted funds	1,580,728	4,214,754	(4,367,736)	339,623	-	1,767,369
	<u>4,874,343</u>	<u>4,392,690</u>	<u>(4,538,019)</u>	<u>-</u>	<u>(36,143)</u>	<u>4,692,871</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
General funds	3,460,635	182,221	(57,036)	(323,179)	30,974	3,293,615
Restricted funds	1,515,672	4,056,735	(4,314,858)	323,179	-	1,580,728
	<u>4,976,307</u>	<u>4,238,956</u>	<u>(4,371,894)</u>	<u>-</u>	<u>30,974</u>	<u>4,874,343</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	1,531,151	1,734,496	3,265,647
Fixed asset investments	-	861,477	861,477
Current assets	624,857	329,529	954,386
Creditors due within one year	(388,639)	-	(388,639)
Total	<u>1,767,369</u>	<u>2,925,502</u>	<u>4,692,871</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	<i>Group 2022 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(181,472)	<i>(101,965)</i>
Adjustments for:		
Depreciation charges	116,696	<i>111,312</i>
Gains/(losses) on investments	36,143	<i>(30,974)</i>
Dividends, interests and rents from investments	(30,645)	<i>(25,250)</i>
Loss on the sale of fixed assets	391	<i>-</i>
Decrease/(increase) in stocks	232	<i>(398)</i>
Decrease/(increase) in debtors	46,560	<i>(49,591)</i>
Increase in creditors	46,322	<i>62,476</i>
Net cash provided by/(used in) operating activities	34,227	<i>(34,390)</i>

24. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	3,854	<i>6,224</i>
Deposit accounts	584,264	<i>712,481</i>
Bank current accounts	207,968	<i>90,681</i>
Total cash and cash equivalents	796,086	<i>809,386</i>

25. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	809,385	(13,299)	796,086
	809,385	(13,299)	796,086

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25. Analysis of changes in net debt (continued)

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £nil (2022 - £nil) were payable to the fund at the balance sheet date.

27. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Not later than 1 year	1,529	1,476	-	1,476
Later than 1 year and not later than 5 years	5,733	-	-	-
	<u>7,262</u>	<u>1,476</u>	<u>-</u>	<u>1,476</u>

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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.

29. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2023.

30. Principal subsidiaries

The following were subsidiary undertakings of the Charity:

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**NOTES TO THE FINANCIAL STATEMENTS
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30. Principal subsidiaries (continued)

Names	Company number	Registered office or principal place of business	Principal activity
Acorn Village (Trading) Limited	02978015	Acorn Village, Mistley Hall, Clacton Road, Mistley, Manningtree. CO11 2NJ	The trading subsidiary operates the Coffee Shop at Acorn Village
Acorn Village (Acorns) Limited	06242791	Acorn Village, Mistley Hall, Clacton Road, Mistley, Manningtree. CO11 2NJ	The trading subsidiary operates the charity shops in Manningtree and at Acorn Village

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £
Acorn Village (Trading) Limited	55,798	4,020	51,883
Acorn Village (Acorns) Limited	56,115	23,912	32,203

The shares in both trading subsidiaries are held by the Chairman and the Chief Executive on behalf of Acorn Villages Limited. The whole of the profit of both trading subsidiaries is donated to Acorn Villages Limited by way of a gift aid distribution.