



## **THE HARINGTON SCHEME LIMITED**

(Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>st</sup> JULY 2021

THE HARINGTON SCHEME  
ANNUAL REPORT AND ACCOUNTS  
2020-21

**COMPANY INFORMATION**

Trustees:	Rachel Allison	Chair
	Joanna Sheehan	Honorary Treasurer and Deputy Chair (Resigned 1 August 2021)
	Carol Burgess	Resigned on 30 September 2020
	Jennifer Horne-Roberts	
	Pauline Treen	
	David Aitchison-Tait	
	Margaret Barth	
	Peter Drummond	
	Ed Jordan	Appointed 18th November 2020
		Appointed 3rd March 2021
	Mark Cooke	(Honorary Treasurer and Deputy Chair from 1 August 2021)
Company Number:	01467946	
Charity Number:	279376	
Registered Office:	55a Cholmeley Park London N6 5EH	
Auditors:	Calders (1883) LLP trading as Calder & Co Statutory Auditor and Chartered Accountants 30 Orange Street London WC2H 7HF	
Bankers:	TSB Bank 19 Highgate Hill London N19 5LS	Metro Bank 1 Southampton Row London WC1B 5HA

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**Foreword by the Chair of the Board of Trustees**

As I reported last year, the lockdown in Spring 2020 was a very difficult time for our students who really want to be, and benefit from being, on site learning and socialising. Harington provides a safe and inclusive environment for our students, many regard it as a home from home, and those unable to attend in person missed it enormously. Some either had to shield themselves or stay at home to protect other members of their families, and at one time we had just 5 students on site. This has a huge impact on student mental health, but our staff team have been wonderful in addressing this, providing support and mentoring with the kindness and compassion for which they are renowned. The trustees cannot thank them enough.

Fortunately, by August 2020 almost everyone was able to return for the new academic year. Although we are justifiably proud of the online learning we delivered during spring and summer 2020, there are some things that simply cannot be taught online, such as practical gardening lessons. I am very pleased to report that by July 2021 all students had caught up with any work missed during the previous academic year, and all achieved their target qualifications.

Our new training hub at Hornsey opened, as planned, to our first student intake in August 2020. It is a lovely space and is very popular with both students and staff. A huge and unforeseen benefit of this new facility was that it gave us much needed extra classroom space at a time when we had to limit numbers in rooms on the main site due to social distancing requirements. Complying with Covid regulations meant that we had to reduce the number of days on site for each student from four to three, supplementing this with online learning. However, had we not had the extra space at Hornsey we would have had to reduce the number of days with us to two. Completion of the Hornsey hub really could not have been more timely.

When the pandemic first hit we were unable to find the work placements for our students which are such an integral part of their education. However, we have largely rebuilt those relationships, and while not back to pre-pandemic levels our progression team have made major strides in finding work placements for everyone. Our own Harington shops and Gardeners have been invaluable in providing work experience at this time. It is an added bonus that our shops are increasingly profitable. We very much missed the retail income for the months we were forced to close, but turnover is back to pre-pandemic levels. Our shop on Archway Road benefitted from a much-needed makeover, and our shop at Hornsey performed even better than expected.

As ever we are very grateful to the many trusts and generous individual donors who continue to support us. Several approached us directly to see if they could help, correctly surmising that this has been time of unforeseen expenditure. Gary Sycamore and the Farmers Markets have continued, despite everything, to support us every week during the summer months and once again raised over £5,000. George Meyer held an online auction and raised over £15,000, more than matching the amount he has previously raised from his annual concerts. Sue Whittington has, incredibly, raised over £2,000 making face masks. Other generous donors include Mr and Mrs Fadil, Michael Gerson, John and Rose Bardner and Martin Hellawell. Ruth Bowden kindly remembered us in her will, having fond memories of buying Harington produce at our stall in Pond Square.

The Bernard Lewis Foundation has continued with its extremely generous support and enabled us to purchase the extra IT we needed for online learning. The John Lyons Foundation awarded us an additional £28,000 covid relief funding, and we received other unrestricted donations from the Jack Petchey Foundation, the Joseph Levy Foundation, Highgate School, Tottenham Grammar School Foundation, the 29<sup>th</sup> May 1961 Charitable Trust and the Henry and Gabrielle Meyer Memorial Trust. These donations have meant that we have been able both to make the site modifications needed to comply with covid regulations and also to support our students and staff with all the new equipment required for online learning.

The Friends of Harington have been somewhat thwarted in delivering their usual intensive events programme of concerts, quizzes, wine tastings and walks, but have continued to support us whenever they are able to for which we are very grateful. Trustees hope that this year we really will be able to hold both a Celebration of Achievement and a party to say thank you to all our supporters and volunteers.

Harington Gardeners has had some stop start periods over the year with teams having to isolate every time a member tested positive for covid. However, the teams were largely able to continue to work, and turnover is only slightly down on the budget forecast. We continue to benefit from generous support from the John Lyons Foundation who enable us to

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employ a gardening interns supervisor. The internships have become a useful stepping stone for students progressing from our two year education programme to focus on gardening and starting work.

Many people have reviewed their lives and commitments during the pandemic and Harington has been no exception. The last 12 months has seen the departure of some long-standing members of our community. Former Chair Carol Burgess has retired after 15 years on the Trustee board. In the months before her departure Carol had overseen a complete review of our safeguarding policy and practice. She held off her planned retirement until this was complete, for which we are very grateful. Jennifer Horne-Roberts has taken over the mantle as Trustee responsible for safeguarding.

In July 2021 we said goodbye to Jo Sheehan, Harington Treasurer for 17 years. Jo's circumspection, dedication and attention to detail will be very much missed, but we are lucky to have found an excellent and extremely well qualified replacement in Mark Cooke. Jo and Mark had a three-month handover prior to Jo's departure.

Also in July 2021 Joanna Baxter, our Scheme Manager, left us after 21 years service. During Joanna's long tenure we expanded from 15 full time students to 50, our turnover increased 10 fold and our staff team from 6 to 45. We would like to record our thanks for her dedication, and we all wish Joanna well as her career develops.

No review of this year would be complete without thanks to Pat Dubas. Over the last 12 months Pat has led on education, and along the way she has reviewed our safeguarding policy and practice, curriculum, staff contracts, staff structure and many of our policies. More recently she has been interim Scheme Manager, taking over day-to-day responsibility for the shops and Harington Gardeners. As we now search for a new Head we are confident everything is in place for a smooth transition and whoever we appoint will be able to hit the ground running.

As always, there is more to do, not least major refurbishment of the site at Cholmeley Park. However, trustees believe we have used the pandemic to reflect, review and improve, and are in a very strong place going into 2022.



Rachel Allison  
Chair of Harington Trustees

**THE HARINGTON SCHEME  
TRUSTEES' ANNUAL REPORT  
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## **Introduction**

The trustees are pleased to present their Trustees' Annual Report and the charity's financial statements for the year ended 31 July 2021, which are also prepared to meet the requirements for a directors' report and accounts for purposes of the Companies Act. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). The Trustees of the Company are its Directors for the purpose of company law and throughout this report they are collectively referred to as the Trustees.

## **Objectives and Activities**

The Harington Scheme provides a unique learning experience for young people and adults with learning disabilities and/or difficulties to help them into employment, further education or a more rewarding life through appropriate learning opportunities. Set up as a Charity by the local community 40 years ago, the majority of students come from the North London area. The Scheme operates from an attractive site behind Highgate High Street, and at our newly developed facilities in Hornsey High Street, both of which are in North London. It employs about 50 staff and has a turnover of around £1.8 million. It has helped hundreds of trainees since it began in 1980.

The Scheme was set up 'to provide young people who have learning difficulties or disabilities with life skills and vocational training that will enable them to participate more fully in living and working in the community.' (Mission Statement). Since 2003 we have extended our work to include work with adults with learning disabilities. The majority of our work aims to increase students' employability and independence.

The objects of the Charity are to:

1. advance the education and training of adults (especially young adults) with learning disabilities, or learning difficulties or physical disabilities
2. relieve unemployment for the public benefit amongst people with learning disabilities, or learning difficulties or physical disabilities

The strategy used to achieve the goals and objectives of the charity is to offer beneficiaries opportunities for education, training, employment and work experience. There are four main activities:

The Skills Pathways aim to prepare students for work, further study or greater independence and participation in community activities. Students work toward qualifications and develop their skills in horticulture, customer service, employability and independent living skills. The programmes are designed as holistic packages lasting 1-3 years, that develop each student's talents and abilities. Learning plans and activities are individually tailored so students can also improve their communication, English, mathematics, ICT, employability and independent living skills. Most students gain work experience as part of their programme. This helps them to develop transferable skills vital for successful and sustained employment or volunteering opportunities.

- Day Service provision offers horticultural activity of a therapeutic nature to young people and adults with a learning disability or mental health support needs.

Harington Gardeners is an employment and training initiative that provides a stepping stone for students who are not ready to go straight into work at the end of their training. It operates as a garden maintenance company and generates income through contracts with local organisations and private customers. The programme offers on-the-job training and coaching aiming to help Assistant Gardeners develop their skills and independence. Harington Gardeners also offers practical work experience in horticulture for students on Harington's Skills Pathway programmes.

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- Harington Charity Shops – Our Charity Shops were set up to offer practical work experience in retail and customer service for students on Harington's Skills Pathways programmes. All surpluses from the shops are used to support the activities of the Charity.

Fees and grants from statutory bodies do not cover the full cost of the training provision of the Scheme. The Scheme relies on grants from charitable trusts and other grants and donations to make up the difference.

#### Public Benefit

The purpose of the Harington Scheme is to improve the education, employability and life skills of people, mainly young people, with learning disabilities and/or difficulties, enabling them to participate more fully in the community and the economy. This is the basis for all the Charity's work and underpins key objectives of the business plan.

Access to the services provided by the Scheme is based on individual need and our ability to provide a worthwhile and fulfilling experience to students. In developing new services, the Charity ensures that no unnecessary eligibility criteria are created that could be a barrier to open access and there is sufficient flexibility in the programme design to allow a broad range of individuals to benefit. Training places are mainly funded through the Education and Skills Funding Agency (ESFA) and local authorities. The Harington Gardeners and the Harington Charity Shop exist to increase the skills and employability of its beneficiaries, the Assistant Gardeners and students. All income from these enterprises is directly used in furtherance of the Charity's objectives.

The Board of Trustees has referred to the guidance provided by the Charity Commission in ensuring that Harington's aims, objectives and activities are for the public benefit. All parts of the Scheme as described above under Objects and Activities continue to be successful in helping Harington students and trainee gardeners to gain employment beyond the Scheme and to achieve a better quality of life.

#### Volunteers

Volunteers play a very significant role in the Scheme. In addition to the contribution of the Trustees who all give their time freely, volunteers help out with the day-to-day running of the charity in the following ways:

- assisting with the training of students by working individually to help develop their reading, writing, communication and mathematics skills or in group teaching sessions;
- coaching staff and providing group or individual professional development sessions;
- working with managers to improve the quality of the training;
- serving customers and processing stock at the charity shops; and
- supporting fundraising activities and events.

It is estimated that the volunteer contribution represents about five full-time equivalent employees. The Friends of Harington is staffed entirely by volunteers. The Friends maintain crucial links between the Scheme and the local community and also raise funds for specific purposes.

### **Achievements and performance**

#### Strategic Objectives

During the past year, Trustees and staff have worked toward the strategic objectives set out in the Scheme's business plan. These are:

- i) Strengthening services to prepare students for employment and independent living
- ii) Securing the long-term sustainability of the charity

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Our business plan aims to deliver improved services and outcomes for our beneficiaries within the plan period and beyond. It focusses on improving pathways to adulthood for young people with learning difficulties and disabilities. There are four key areas: Employment, Independent Living, Community Inclusion and Health.

To support the objective to “strengthen services”, we will also undertake activities to ensure the long-term sustainability of the charity by improving marketing and ensuring we have resources to staff and govern the charity.

Performance Monitoring

The Scheme monitors its achievements using the following main indicators:

- beneficiary numbers, i.e. the total number of young people and adults with learning difficulties and/or disabilities who received training or support from the Harington Scheme during the year;
- Qualification Achievement Rate - The percentage of qualifications and learning aims undertaken by students on the Skills Pathway programmes that were achieved;
- progression rate - The percentage of those who completed their Skills Pathway training during the year that achieved a positive progression, i.e. employment, further education, further training or other valued daytime activity;
- progress toward the strategic objectives and the business plan;
- financial performance.

Achievements and performance 2020/2021

- i) Our provision to prepare our students for employment has been more challenging over the past year, due to the government restrictions on students engaging in work experience/ work placements, and in response to this we have had to focus, for most of the year, on delivering work related projects linked to enterprise and general employability skills and training. Towards the end of the Summer term we were able to engage our students in work experience opportunities linked to our charity shops and Harington gardeners. Despite this we were successful in achieving a 91.7% positive progression in relation to the students who were moving on from Harington at the end of the 2020/21 academic year.

In September 2020 we began a pilot in Supported Internships linked to horticulture and general work placements, and while other work placements did not take place the supported interns continued to engage in their placements throughout the year. There were 5 students on this programme with a further student joining the programme later in the year. Out of the 5 students, 2 of the students have successfully progressed onto employment as Assistant Gardeners with Harington Gardeners, and the other 3 have successfully gained employment beyond Harington.

Despite the challenges of the past year we have managed to achieve significant achievements for our students with 100% of students achieving their vocational qualifications and most students achieving their Maths and English qualifications. These qualifications have enabled students to successfully move onto their next year of study skills enabling progression for them towards future employment.

While the challenges of the past year have inevitably impacted on income from the Charity Shops and Harington Gardeners, to support delivery of our learning programmes, our continued focus on fund raising and marketing has led to increased donations, which have supported Harington in managing income losses in other areas. We are pleased that, after lockdown, we were able to swiftly return to business, in order to minimise the overall impact. There has been a wider impact on the engagement of volunteers, particularly during the Autumn Term 2020 and after lockdown, but volunteers have started to return to both the Charity Shops and to support education and training delivery during the Summer Term.



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ii) Beneficiary numbers

In the academic year to 31st July 2021, 72 young people and adults with learning disabilities benefited from the training or support offered by the Harington Scheme's core training provision.

There were 49 students on the ESFA funded Skills Pathways Study Programmes in 2020/21. 47 of these students were High Needs Students with Education, Health and Care Plans. We provided aftercare support for 3 former Skills Pathway students. This support included: liaising with employers on their behalf; helping them to find or re-engage in further education or volunteering; support with accessing benefits and services and general information, advice and guidance.

Nine young people with learning difficulties/disabilities were employed by Harington Gardeners as Assistant Gardeners during the year and one former retail student was employed at the Harington Charity Shop.

Ten adults with learning disabilities participated in the horticultural day provision and volunteering placements.

iii) Curriculum – *Ensuring our curriculum is broad and balanced and well sequenced, and supports our students in successfully progressing into future training, employment or meaningful engagement in the community*

During 2020/21 we have continued to develop our curriculum provision to ensure it maximises the opportunities for student progression, both within and beyond Harington. We have reviewed the curriculum entitlement for all our students, including a focus on their personal development, wellbeing and safeguarding needs, particularly in response to the challenges of Covid-19.

We have identified our Curriculum Intent and have used this to further develop our curriculum plans ensuring they are well sequenced, and we have identified further ways in which we can support our students in understanding their learning journey, including remembering and using previous learning and understanding their intended learning outcomes.

We narrowed our enrichment activities in line with Covid regulations, and we will plan to bring these back during 2021/22.

iv) Teaching and learning: - *Ensure all teaching and learning is consistently good (or better) across all Skills Pathway programmes.*

Through our ongoing training and development work we continue to develop the skills of teachers, and our Learning Support Assistants, to ensure the quality of teaching and learning is good or better across all areas, for all our students.

In order to achieve this we have continued to develop our remote learning offer, to ensure all students who are unable to attend school in response to Covid, can access learning remotely. This has been a significant piece of work and has enabled our students to continue their learning throughout the year. The impact of this is recognised through our achievements, in particular our 100% achievement of vocational qualifications, at the end of 2020/21, and most students achieving their Maths and English qualifications. This is a significant improvement on the previous year, where the % of students completing their programme, due to the impact of Covid and lockdown, was 50% overall.

v) Harington Gardeners: – *Develop opportunities for Harington Gardeners*

During 2020/21 we introduced a new horticultural internship programme hosted by Harington Gardeners, as part of our support for students in progressing on to future employment. This built on our work with parks and open spaces in Barnet. We have been awarded a 3-year grant toward staffing for our planned Supported Internship programme by the John Lyons Charity. This new programme also supports student progression on to short term employment with Harington Gardeners.

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During the lockdown in 2020/21 Harington Gardeners were closed for a short period of time and this inevitably had some impact on income. In addition to this work experience for students was also restricted, during 2020/21.

A Gardeners' Review was carried out to inform future developments to a) maximise income and minimise expenditure, and b) to increase student progression. The outcomes of this will be implemented in 2021/22.

- vi) Charity Shops – Build on the success of the Harington Charity shops as a key resource for students  
During 2020/21 Harington has successfully operated 2 charity shops, within the context of Covid and a national lockdown. Both shops have continued to thrive and are popular within their local communities.

In addition to this, and in line with our core purpose which is for the charity shops to be a key resource for students, the shops, within the context of Covid, have continued to provide a work experience resource for our students, although it is recognised that this has been more limited during 2020/21. In addition to this the income from the shops, contributes to the provision of the learning programmes and experiences of the students, although due to us closing our shops in January 2021, due to lockdown, the income for 2020/21 for the shops was lower than expected.

- vii) Employment, Independent living and community inclusion – *increased opportunities for students to participate in their local community and/or develop independent living skills to support them in increasing their success in gaining employment or engaging in meaningful community projects*  
Although during 2020/21 there were significant restrictions on student engagement in external community venues and work experience, a number of students managed to engage in local luncheon clubs, our charity shops and Harington Gardeners, during the Summer term 2021. This meant that while not managing to complete the number of planned weeks of work experience for our students, 39 of our students undertook some work experience or volunteering placement. Our supported interns continued to access their work placements, during the lockdown period.

Through these opportunities students have had the opportunity to learn about independent or safer travel, and also about the expectations of work, and in particular the expectations of working and engaging within the community. These opportunities support our students in developing increased skills and awareness to support them in their future adult life.

- viii) Health: - *Increase support to students to improve their health and health awareness*  
We have continued to deliver a personal, social and health-related curriculum to enrich the learning programmes. The provision of regular communication and personal, social and health education groups was increased and students benefited from discussion and learning on a range of health-related topics including relationships, sexual health and personal safety. Included in this was, of course, personal hygiene and social distancing to support the well-being of everyone on the premises.

Through this work we have supported the wellbeing and safeguarding needs of our students, both of which have been a particular area of focus during Covid and lockdown. During lockdown, while around 50% of our students continued to access learning on site, the remaining students accessed learning remotely, and all delivery staff were trained in how to deliver learning safely online, to ensure they could continue to deliver learning while keeping students safe. In addition to this we have additional safeguarding practices in place to ensure we kept in regular contact with all our students, in particular our most vulnerable students. This included home visits, where required.

- ix) Marketing and branding: - *Review marketing strategies to attract new students and supporters*  
During 2020/21 we have continued to market Harington within the local communities, which includes Highgate and Hornsey. In addition to this there has been continued work with the Local Authorities to ensure they view Harington as a positive choice for students with SEND.

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During 2020/21 we have continued to work on donations for Harington to ensure we continue to provide the best for students. During 2020/21 we were successful in receiving a high number of donations than initially planned, and this was particularly helpful as it supported us in managing losses in other areas due to lockdown.

In addition to the above, the number of external horticulture sales which Harington normally engages in did not take place due to Covid. These are often used to support fund raising and also act as a marketing opportunity.

- x) Staff resources: *Ensure policies and procedures support recruitment and retention, and for Harington to be known as a good employer which values staff and volunteers*

During 2020/21 the roles and responsibilities of senior teaching leaders were reviewed and implemented, including relevant training to support them in carrying out these roles effectively.

In addition to this, during 2020/21 a number of curriculum and teaching and learning procedures were developed, to support teachers and LSAs in understanding expectations. These were used to inform the training provided for staff, and to enable regular training to take place, Harington introduced 5 training days for the education team, and also introduced a weekly information and training session (45 mins) for teachers.

- xi) Governance – *Ensure full compliance and best practice in all aspects of governance*

During 2020/21 there was a focus on the strategic priorities for education, in order to ensure Harington was compliant with the requirements of the Inspection Framework. In addition to this safeguarding and management of Covid were also key priorities to ensure the safety of our students and staff were of paramount importance.

Throughout 2020/21 the cycle of trustee meetings continued, although these took place remotely.

## Financial Review

The outturn for the year was a deficit of £41k (2020 – surplus £220k). However, despite the exceptional circumstances during the year, there was a surplus on unrestricted funds of £9k. The deficit reflected the use of restricted funds received in earlier years.

### Income

Income held up well during the year, with total income for the year of £1,796k only slightly lower than in the previous year (2020- £1,894k).

Charitable grants and donations were lower, partly reflecting fewer fundraising opportunities, but mainly that some grants for specific projects were received in the previous year.

Our main income, from government and local authority grants, was down very slightly £1,122k (2020 -£1,171k)

Income from Harington Gardeners increased to £138k (2020 - £102k)

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The opening of the Hornsey shop almost offset the reduction in shop income due to both shops being closed during lockdown periods, with income of £159k (2020 - £176k). The shops exceeded their budgeted sales during the periods that they were open. Taking into account income from government grants, mainly furlough payments for staff who could not work during lockdown, the shops still delivered a net surplus during the year.

## **Expenditure**

Total expenditure rose by £163k to £1,837k (2020-£1,674k). Most of this related to increased expenditure on our core training activities, reflecting the increased costs of maintaining activity during the pandemic and costs related to the Hornsey training hub. About half of the additional expenditure was met from restricted funds contributed specifically to meet these costs.

Expenditure on Harington Gardeners was also increased from restricted funds, including staffing to support additional supported interns from the John Lyons Foundation.

## **Balance Sheet**

The net assets of Harington fell by £42k (2020 – increase of £220k) during the year, leaving net assets of £724k (2020 - £765k). As noted above, this fall reflects the use of restricted funds received in previous years which have now been used for their intended purposes. Unrestricted funds increased by £9k to £705k (2020 - £696k)

There was relatively little change in the composition of the assets, with some drawing down of investments to meet capital expenditure requirements.

## **Reserves and Investment Policy**

The Trustees' current policy on reserves is that free reserves should be in the range of £300k-£380k. Free reserves exclude tangible fixed assets (the properties and equipment used by Harington), restricted funds and designated funds.

Trustees have set aside three designated funds totalling £114k as at 31 July 2021 (2020 -£114k) as set out in Note 24. These are:

Building works - £57,188 - for planned works on the site, including adaptations and improvements. This fund was increased in 2016/17 to provide a solid base for funding future projects. Expenditure on buildings is charged to this fund.

Site development –£41,605 - for major capital works. The long-term plan is to build new or replace major buildings. We will fundraise for this work when plans are progressed.

IT Infrastructure – £15,000 - to provide for upgrades to IT infrastructure as items become obsolete.

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Free reserves at the year-end were £270k (2020-£265k). This is less than the target range set by the trustees, although not so far as to be of immediate concern.

The Trustees consider that the free reserves need to be readily available to meet any contingencies, particularly in the current uncertain circumstances, so it would be inappropriate to invest them for the medium or long-term. Consequently, available funds are invested in short term fixed interest deposits

The Trustees will review their financial strategy during 2022, alongside the broader strategy of the Charity. This will include a review the designated reserves required, the appropriate level of free reserves, the investment policy and the actions needed to ensure continued financial stability.

### **Financial plans for 2021-22**

The Trustees approved a break-even budget for 2021-22, although this took a cautious view of voluntary fundraising in view of the uncertainty about the ending of the pandemic.

Subject to there not being any further period of lockdown, the shops are expected to produce increased net income. Improvements are being made to the operations of Harington Gardeners, which should reduce the net cost during the year.

The financial position will be kept under regular review during the year to ensure that we respond as quickly as possible to the situation as it develops.

### **Our fundraising practices**

Harington benefits greatly from the support of local people. We gain new supporters mainly through networking, word of mouth and recommendations that lead to unsolicited donations and legacies. When we carry out fundraising, we strive to give the best experience to our supporters.

The majority of our fundraising activities are carried out by Harington staff and volunteers, including the Friends of Harington and trustees. We do not use professional fundraisers or involve commercial participators.

Our regular fundraising activities include:

- raising funds through our charity shops;
- raising funds through the sale of plants and produce at annual sales and a weekly stall;
- fundraising events such as concerts, walks, open gardens and social events;
- subscribing to giving websites such as JustGiving and Virgin Money Giving; and
- raising funds via other sources such as charitable trusts, foundations or companies.

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Harington staff and trustees also help to co-ordinate and publicise events organised for our benefit by our supporters in wider community. These supporters are briefed by Harington staff on any relevant rules and conditions as appropriate, e.g., gift aid rules.

We occasionally make appeals for donations towards specific projects by writing to existing supporters (direct marketing), advertising in the Friends of Harington newsletter, local media and posting appeals on our website and social media. All direct marketing is co-ordinated by the Harington's Business Support team to ensure that it is not unreasonably intrusive or persistent and meets data protection requirements. When contact is made through direct marketing, the material contains clear instructions on how a person can be removed from mailing lists.

There have been no complaints about fundraising activity this year.

## **Business Plan**

### Achievements and performance 2021/2022

We will continue to focus on the planned learning aims of our students to ensure we maximise their outcomes and progression beyond Harington. We will continue to provide additional stretch by enabling students to achieve their Awards and achieve additional units towards a full Certificate.

We will introduce our termly RAG rating system to ensure we can respond quickly to any students who are not on track to achieve their learning aims.

### Beneficiary numbers

We will continue to see additional potential students to support us recruiting students up to our full capacity. We will start student recruitment for 2022/23 early to ensure student numbers for 2022/23 are also at full capacity.

Curriculum – *Ensuring our curriculum is broad and balanced and well sequenced, and supports our students in successfully progressing into future training, employment or meaningful engagement in the community*  
We will focus on embedding our supported interns programme and we will implement the pre-internship programme, including extended work placements, as part of our wider offer for students.

We will fully implement the use of 'Deep Dives' to support us in identifying and responding to future development priorities within individual curriculum areas.

We will review our work related curriculum, including work experience/placements and Careers Advice, in line with the reviewed Matrix accreditation, and identify and implement the required developments.

We will continue to embed functional skills within vocational learning AND ensure functional skills learning enables students to understand relevance within vocational contexts.

We will bring back our enrichment opportunities in line with our identified timeline plan, taking account of Covid requirements.

Teaching and learning: - *Ensure all teaching and learning is consistently good (or better) across all Skills Pathway programmes.*

We will continue to understand the development priorities of individual teachers and Learning Support Staff, in order to ensure that our training enables ongoing improvement.

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We will continue to use our appraisal process, including supervision meetings and additional support to ensure the quality of teaching and learning continually improves.

We will use expertise from within the teaching and learning team to provide individual support for identified teachers.

Harington Gardeners: – *Develop opportunities for Harington Gardeners*

We will respond to the outcomes of the Gardeners Review to increase student progression into employment, year-on-year.

We will implement a range of strategies to decrease the overall cost of providing Harington Gardeners, and increasing income.

We will maximise the use of Harington Gardeners to support work experience and work placement of Harington students.

Charity Shops – *Build on the success of the Harington Charity shops as a key resource for students*

We will continue to develop the provision of the Charity Shops to ensure income is maximised, including seeking additional volunteers.

We will maximise the use of the Charity Shops to support work experience and work placement of Harington students.

Employment, Independent living and community inclusion – *increased opportunities for students to participate in their local community and/or develop independent living skills to support them in increasing their success in gaining employment or engaging in meaningful community projects*

We will use the increase in work experience and work placements to support the students in gaining employability, independent living skills and in being able to understand and behave appropriately within the community, to support them in progressing beyond Harington.

During 2021/22 we will, taking account of Covid restrictions, bring back wider community based projects, and Harington events, to increase opportunities for students to engage with the local community and access real life situations.

Health: - *Increase support to students to improve their health and health awareness*

During 2022/22 we will fully implement our newly developed Personal, Social, Health and Emotional programme, and we will provide further training for staff regarding mental health and wellbeing.

Marketing and branding: - *Review marketing strategies to attract new students and supporters*

During 2021/22 we will continue to seek out donations to support Harington, including new potential funders. We will complete funding applications earlier, in response to completion of Annual Reviews, and begin student recruitment earlier, to maximise the opportunities for Harington to have a full compliment of students.

Staff resources: *Ensure policies and procedures support recruitment and retention, and for Harington to be known as a good employer which values staff and volunteers*

During 2021/22 we will review staff policies to ensure they support the management of staff.

Governance – *Ensure full compliance and best practice in all aspects of governance*

We will continue to develop organisational practice to ensure it meets the inspection framework requirements, and national guidance regarding Health and Safety and Covid.

We will continue to ensure safeguarding is a priority and provide ongoing training for staff, including the involvement of the safeguarding trustee in ongoing DSL team monitoring.

THE HARINGTON SCHEME  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 JULY 2021

Face-to-face Trustee meetings will be resumed.

**Reference and Administrative Details**

Company Number: 01467946

Charity Number: 279376

Principal Office: 55A Cholmeley Park, London, N6 5EH

Auditors: Calder & Co. Chartered Accountants and Statutory Auditors  
30 Orange Street  
London WC2H 7HF

Accountants: Moore Stephens Northern Home Counties Limited

Bankers:	TSB Bank	Metro Bank
	19 Highgate Hill	1 Southampton Row
	London	London
	N19 5LS	WC1B 5HA

**Directors and Trustees:**

The Trustees of the Company are its Directors for the purpose of company law and throughout this report they are collectively referred to as the Trustees.

The Trustees that served during the year and since the year end were as follows:

Rachel Allison	Chair of Trustees
Joanna Sheehan	Honorary Treasurer and Deputy Chair Resigned 1 <sup>st</sup> August 2021
Carol Burgess	Resigned 30 September 2020
Jennifer Horne-Roberts	
Pauline Treen	
David Aitchison-Tait	
Margaret Barth	
Peter Drummond	
Ed Jordan	Appointed 18th November 2020
Mark Cooke	Appointed 3rd March 2021 Honorary Treasurer and Deputy Chair from 1st August 2021

**Key Management Personnel:**

Scheme Manager Joanna Baxter (left 15 July 2021)



THE HARINGTON SCHEME  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 JULY 2021

## **Structure, Governance and Management**

### Governing Document

The Harington Scheme is a registered Charity (no. 279376) governed by its Memorandum and Articles of Association dated 10th November 1979 (and amended on 19th August 2003) and is constituted as a company limited by guarantee. Its objectives and powers and other constitutional matters are set out in its Memorandum and Articles of Association. It is governed by a Board of Trustees which is responsible for setting the strategic direction of the organisation and for establishing policy. The Trustees meet regularly to oversee its affairs. The day-to-day operation is delegated to the full-time staff.

### Appointment of Trustees

New Trustees join the Board at the invitation of the Board and are chosen with a view to ensuring an appropriate balance of skills and experience relevant to the operations of the Charity. Trustees' appointments are confirmed at the next Annual General Meeting.

### Trustee Induction and Training

Each new trustee is given an introductory pack covering the responsibilities of Charity Trustees and comprehensive details about the Scheme.

### Organisation

The Board of Trustees, which can have up to 15 members, administers the Charity. It meets at least quarterly and there are working groups that meet more often. A Scheme Manager is appointed by the Board to manage the day-to-day operations of the Charity. To facilitate effective operations, the Scheme Manager has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and providing service-related activity.

### Related Parties

None of our trustees receive remuneration or other benefit from their work with the charity. There are no contracts with the Scheme in which any of the Trustees, close family members of the Trustees or companies related to Trustees have, or have had, an interest, either during or at the end of the financial year. A Trustee Register of Interests is maintained to ensure that related party transactions can be easily identified.

The Scheme has developed links with similar organisations so that the best use is made of existing provision whilst avoiding duplication of services. Organisations and services referring clients to the Scheme include local authorities, colleges, schools and other services that work with young people.

The Friends of Harington is an independent group which exclusively provides financial and volunteer support to the charity. It is also an important link between the Scheme and the local community.

### Pay Policy for Senior Staff and Trustees

The Trustees and the Scheme Manager are the key personnel in charge of directing, running and operating the charity. The Trustees give their time freely and no Trustee received any remuneration in respect of their services as a Trustee during the year ended 31 July 2021 (2020 - none).

The salary of the Scheme Manager is periodically reviewed by the Chair of Trustees and any proposed change is referred to the board of Trustees for a decision. The Scheme Manager's salary was reviewed during 2020/21 in line with this becoming a vacant post and the need to recruit. The responsibilities of the Scheme Manager were also reviewed and an amended Job Description developed.

### Risk Management

The Trustees are aware of the major risks to which the Charity is exposed. A risk register is in place, and this is planned to be reviewed in the Autumn Term 2021 and updated on a quarterly basis. Where appropriate, internal controls, policies and procedures have been developed to mitigate these risks.

Particular attention has focussed on non-financial risks arising from safeguarding, fire and health and safety. These risks are managed by having robust policies and procedures in place, and regular awareness training for staff. The Trustees

THE HARINGTON SCHEME  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 JULY 2021

also commissioned a Safeguarding Audit during 2020/21 and this has informed developments to further improve Safeguarding. Progress in relation to the required developments is reviewed by Trustees on a quarterly basis.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors of the Harington Scheme 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 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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

Statement as to disclosure to our auditors

In accordance with company law, as the company's Trustees, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware: and
- as the Trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

**Auditor**

The auditors, Calder & Co, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

In preparing this report, the Trustees have taken advantage of the Small Companies Exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Trustees on 8 March 2022 and signed on its behalf by

*Mark A Cooke*

Mark Cooke  
Trustee

THE HARINGTON SCHEME  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HARINGTON SCHEME  
FOR THE YEAR ENDED 31 JULY 2021

## OPINION

We have audited the financial statements of The Harington Scheme (the 'charitable company') for the year ended 31 July 2021 which comprise The Statement of Financial Activities (incorporating income and expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming
- resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

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

## CONCLUSIONS RELATING TO GOING CONCERN

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

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

## OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

THE HARINGTON SCHEME  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HARINGTON SCHEME  
FOR THE YEAR ENDED 31 JULY 2021

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the 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.

- 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; or
- the Trustees' were not entitled to take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement set out on page 6, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Ewen (Senior statutory auditor) for and on behalf of  
Calders (1883) LLP Statutory Auditor and Chartered Accountants, 30 Orange Street, London WC2H 7HF

Date: 8 March 2022

THE HARINGTON SCHEME  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2021

**Summary Income and Expenditure Account**

		<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>2021</u>	<u>2020</u>
	Note	£	£	£	£
<b>Income from:</b>					
<u>Donations and legacies</u>					
Charity grants and donations	2	133,359	30,000	163,359	285,746
Legacies and other donations	3	51,282	5,000	56,282	38,051
<u>Charitable Activities:</u>					
Training scheme income including fees and grants from public bodies	5	1,114,365	7,865	1,122,230	1,171,310
Harington Gardeners	6	138,439	-	138,439	102,452
Charity Shops	7	158,821	-	158,821	175,966
Fundraising events	8	362	-	362	5,239
Investment income	4	1,861	-	1,861	2,984
Other income	9	154,287	-	154,287	112,240
Total Income		<u>1,752,776</u>	<u>42,865</u>	<u>1,795,641</u>	<u>1,893,988</u>
<b>Expenditure on:</b>					
<u>Raising funds</u>					
Expenditure on raising funds	14	14,828	-	14,828	18,315
<u>Charitable Activities:</u>					
Harington Gardeners	10	295,046	39,517	334,563	265,975
Training Scheme	11	1,216,558	43,957	1,260,515	1,185,009
Governance costs	12	22,270	-	22,270	21,321
Charity Shops	13	204,708	-	204,708	182,909
Total Expenditure		<u>1,753,410</u>	<u>83,474</u>	<u>1,836,884</u>	<u>1,673,529</u>
Net Incoming/(Outgoing) Resources Before Transfers		(634)	(40,609)	(41,243)	220,459
Transfer between funds	22	<u>9,931</u>	<u>(9,931)</u>	-	-
NET INCOME FOR THE YEAR		9,297	(50,540)	(41,243)	220,459
Total Funds at 1st August 2020		696,125	69,478	765,603	545,144
Total Funds at 31st July 2021		<u>705,422</u>	<u>18,938</u>	<u>724,360</u>	<u>765,603</u>

The notes on Pages 24 to 34 form part of these Financial Statements.

THE HARINGTON SCHEME  
BALANCE SHEET  
FOR THE YEAR ENDED 31 JULY 2021

			<u>2021</u>		<u>2020</u>
	Note	£	£	£	£
Fixed Assets:					
Tangible assets	18		320,531		317,461
Investments	19		<u>277,726</u>		<u>311,197</u>
			598,257		628,658
Current Assets:					
Debtors	20	252,886		197,884	
Cash at bank and in hand		<u>22,852</u>		<u>30,958</u>	
		275,738		228,842	
Creditors: Amounts falling due within one year	21	<u>(149,635)</u>		<u>(91,897)</u>	
Net Current Assets			126,103		136,945
Total Net Assets			<u>724,360</u>		<u>765,603</u>
The Funds Of The Charity:					
Restricted funds	22		18,938		69,478
Unrestricted funds:	23				
Designated funds			113,793		113,793
General			<u>591,629</u>		<u>582,332</u>
			<u>724,360</u>		<u>765,603</u>

The trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Financial Statements were approved by the Board on ..... and signed on its behalf.

  
..... Trustee  
Rachel Allison

  
..... Trustee  
Mark Cooke

The notes on Pages 24 to 34 form part of these Financial Statements.

THE HARINGTON SCHEME  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2021

		<u>2021</u>		<u>2020</u>
	Note	£	£	£
<b>Cash flows from operating activities</b>				
Cash absorbed by operations	1		7,674	265,159
<b>Investing activities</b>				
Movement in fixed asset investments		33,471	(25,391)	
Purchase of tangible fixed assets		(51,112)	(222,838)	
Interest received		<u>1,861</u>	<u>2,984</u>	
<b>Net cash used in investing activities</b>			<u>(15,780)</u>	<u>(245,245)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(8,106)	19,914
Cash and cash equivalents at beginning of year			30,958	11,044
<b>Cash and cash equivalents at end of year</b>			<u>22,852</u>	<u>30,958</u>
 <b>1. Cash generated from operations</b>				
(Deficit)\Surplus for the year			(41,243)	220,459
Adjustments for:				
			(1,861)	(2,984)
Investment income				
Depreciation			48,042	40,042
Movements in working capital:				
Movement in debtors			(55,002)	33,823
Movement in creditors			57,738	(26,181)
<b>Cash absorbed by operations</b>			<u>7,674</u>	<u>265,159</u>

The notes on Pages 24 to 34 form part of these Financial Statements.

THE HARINGTON SCHEME  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

## 1. Accounting Policies

### Charity information

The Harington Scheme is a private company limited by guarantee incorporated in England and Wales. The registered office is 55A Cholmeley Park, London, N6 5EH.

### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2015)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### 1.2 Income

Income from donations and legacies income is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

Income from charitable activities from investments are included when receivable.

Income from Central and Local Government grants is accounted for in the SOFA in the period to which it relates. All other income is accounted for when receivable.

### 1.3 Expenditure

Expenditure is recognised in the period in which a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds are those costs incurred in attracting voluntary income from grants and donations and the costs of staging fundraising events.

Charitable activities include expenditure associated with Harington Gardeners, the training scheme and the charity shops and include both the direct costs and support costs relating to these activities.

Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs have been allocated to the appropriate cost categories on a basis consistent with the use of resources.

### 1.4 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold buildings and improvements	-	Over the life of the lease
Short-life buildings	-	over 10 years
Motor vehicles	-	over 5 years
Office equipment	-	33% reducing balance method



THE HARINGTON SCHEME  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

**1.5 Impairment of Fixed Assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.6 Stocks and Work in Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value.

**1.7 Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.8 Unrestricted Funds**

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

**1.9 Designated Funds**

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

**1.10 Restricted Funds**

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

**1.11 Workshop and Nursery Tools**

Small items of equipment are written off to the Scheme Income and Expenditure Account in the year of purchase.

**1.12 Donated goods**

Donated goods are not being recognised at the point of receipt from donor. The charity recognises the value of the donated goods when the goods are sold.

**1.13 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**THE HARINGTON SCHEME**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

**2. Charity Grants and Donations**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Tottenham Grammar School	42,000	-	42,000	47,000
Nina & Roger Stewart Charitable Trust	-	-	-	-
Henry and Gabriele Meyer Memorial Trust	10,800	-	10,800	-
Jack Petchey Foundation	500	1,500	2,000	1,500
Sir Mark and Lady Turner Charitable Settlement	-	-	-	500
The Menzies Charity	-	-	-	-
Bailey Thomas Charitable Grant	-	-	-	-
TSB Community Grant	-	-	-	2,000
LB Barnet Parks	-	-	-	5,000
Bloomfield Charitable Trust	-	-	-	-
Hornsey Parochial Charities	-	-	-	3,000
Worshipful Company of Gardeners	-	-	-	500
Metropolitan Park and Garden Association	-	-	-	596
Bernard Sunley Foundation	-	-	-	10,000
Beatrice Laing Trust	-	-	-	10,000
Constable Education Trust	-	-	-	95,000
Gary Sycamore and the city and Country Farmers Market	4,500	-	4,500	5,300
Eleanor Palmer Trust	-	-	-	2,500
Haringey Council	-	-	-	50,000
Groundwork	-	-	-	17,650
John Lyon Charity	-	28,000	28,000	34,000
Lady Gould Charity	-	-	-	1,000
Other donations-Site improvement for Social distancing	300	-	300	200
Mr & Mrs Fadil	4,500	500	5,000	-
Bernard Lewis	40,000	-	40,000	-
Michael Garson	8,000	-	8,000	-
Estate of R Bowden	22,759	-	22,759	-
	<u>133,359</u>	<u>30,000.00</u>	<u>163,359</u>	<u>285,746</u>

**3. Legacies and Other Donations**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Friends of Harington Scheme	26,382	-	26,382	-
Legacies - Estate of RA McBarnet	-	-	-	-
Other	24,900	5,000	29,900	38,051
	<u>51,282</u>	<u>5,000</u>	<u>56,282</u>	<u>38,051</u>

THE HARINGTON SCHEME  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

**4. Investment Income**

	<u>2021</u>	<u>2020</u>
	£	£
Interest received from cash deposits	<u>1,861</u>	<u>2,984</u>

**5. Training Scheme Income including Fees and Grants from Public Bodies**

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Education and Skills Funding Agency	618,920	-	618,920	554,192
Local Authorities HNS funding	464,303	-	464,303	556,643
Training fees (local authorities, schools and individuals)	27,941	-	27,941	35,438
Training Scheme Sales	3,201	-	3,201	10,116
ESFA Student Support Funds	-	7,865	7,865	14,921
	<u>1,114,365</u>	<u>7,865</u>	<u>1,122,230</u>	<u>1,171,310</u>

**6. Harington Gardeners Income**

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Customer sales	138,439	-	138,439	102,452
	<u>138,439</u>	<u>-</u>	<u>138,439</u>	<u>102,452</u>

**7. Charity Shops Income**

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Sales of donated goods	139,025	-	139,025	156,113
Sales of bought in goods	-	-	-	135
Donations from gift aided items	19,219	-	19,219	19,145
Gift Aid agency fees	577	-	577	573
	<u>158,821</u>	<u>-</u>	<u>158,821</u>	<u>175,966</u>

**8. Fundraising events**

	<u>2021</u>	<u>2020</u>
	£	£
Fundraising event income	<u>362</u>	<u>5,239</u>

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**9. Other income**

	<u>2021</u>	<u>2020</u>
	£	£
Other income	681	5,820
Other income - Business Grants	153,606	106,420
	<u>154,287</u>	<u>112,240</u>

**10. Harington Gardeners Expenditure**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>Funds</u>	<u>Funds</u>	£	£
Salaries and consultancy fees	91,030	33,523	124,553	82,068
Gardeners' wages	93,620	-	93,620	92,402
Other staff costs	421	-	421	1,863
Delivery costs	9,233	5,994	15,227	17,748
Repairs and maintenance	7,647	-	7,647	4,033
Heating and lighting	2,120	-	2,120	1,458
Depreciation	17,965	-	17,965	17,842
Support costs	73,010	-	73,010	48,561
Profit on fixed asset disposal	-	-	-	-
	<u>295,046</u>	<u>39,517</u>	<u>334,563</u>	<u>265,975</u>

**11. Training Scheme Expenditure**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>Funds</u>	<u>Funds</u>	£	£
Salaries and consultancy fees	940,593	12,399	952,992	938,389
Other staff costs	13,591	-	13,591	8,927
Student bursaries and free meals	10,876	-	10,876	15,149
Training delivery costs	41,860	10,875	52,735	45,153
Repairs and maintenance	12,336	-	12,336	14,204
Heating and lighting	13,432	-	13,432	5,612
Depreciation	13,402	723	14,125	10,377
Support costs	145,744	19,960	165,704	128,419
Computing expenses	24,724	-	24,724	18,779
	<u>1,216,558</u>	<u>43,957</u>	<u>1,260,515</u>	<u>1,185,009</u>

**12. Governance Costs**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u>	<u>2020</u>
	<u>Funds</u>	<u>Funds</u>	£	£
Audit and accountancy	3,763	-	3,763	3,529
Support costs	18,507	-	18,507	17,792
	<u>22,270</u>	<u>-</u>	<u>22,270</u>	<u>21,321</u>

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**13. Charity Shops Expenditure**

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Salaries and consultancy fees	99,278	-	99,278	85,380
Other staff costs	388	-	388	40
Delivery costs	696	-	696	1,216
Repairs and maintenance	1,467	-	1,467	7,117
Heating and lighting	6,542	-	6,542	249
Depreciation	15,952	-	15,952	11,823
Support costs	80,385	-	80,385	77,085
	<u>204,708</u>	<u>-</u>	<u>204,708</u>	<u>182,910</u>

**14. Support Costs**

	<u>Costs of</u> <u>Generating</u> <u>Funds</u>	<u>Harington</u> <u>Gardeners</u>	<u>Training</u> <u>Scheme</u>	<u>Governance</u> <u>Costs</u>	<u>Charity Shops</u>	<u>Total</u> <u>2021</u>	<u>Total</u> <u>2020</u>
	£	£	£	£	£	£	£
Salaries	10,379	13,494	64,253	14,706	14,706	117,538	117,371
Rates and rent	-	-	7,250	-	58,182	65,432	58,171
Telephone/Internet	-	50	7,529	-	-	7,579	7,906
Stationery, Printing and Postage	483	1,566	7,130	483	341	10,003	8,753
Insurances	-	11,146	9,722	-	-	20,868	17,597
Public relations and marketing	-	-	-	-	-	-	4,097
Sundry expenses	271	2,066	3,248	271	566	6,422	5,065
Subscriptions	199	1,194	2,385	199	-	3,977	2,168
Cleaning and Hygiene Expenses	1,648	9,300	20,365	1,648	3,954	36,915	25,617
Refreshments	211	632	3,161	211	-	4,215	5,025
Computing Expenses	494	988	7,910	494	-	9,886	7,510
Fundraising Expenses	648	-	-	-	-	648	926
Professional Services	495	32,439	32,419	495	-	65,848	24,636
Bank charges	-	-	332	-	2,636	2,968	2,309
Bad debts	-	135	-	-	-	135	3,021
	<u>14,828</u>	<u>73,010</u>	<u>165,704</u>	<u>18,507</u>	<u>80,385</u>	<u>352,434</u>	<u>290,172</u>

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**15. Surplus/(Deficit) for the Year**

	<u>2021</u>	<u>2020</u>
	£	£
The surplus/(deficit) for the year is stated after charging:		
Depreciation of tangible fixed assets	48,042	40,042
Auditors' remuneration:		
Audit fee	3,763	3,529

**16. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

No remuneration was paid to the Trustees in accordance with the Memorandum of Association. The staff costs included in the Financial Statements are as follows:-

	<u>2021</u>	<u>2020</u>
	£	£
Wages & salaries	1,236,439	1,183,656
Social Security costs	100,283	96,538
Pension contributions	26,909	25,974
	<u>1,363,631</u>	<u>1,306,168</u>

The average weekly number of staff employed by the Charity during the year was as follows:-

	<u>2021</u>	<u>2020</u>
Staff	46	48
Assistant gardeners	9	10
	<u>55</u>	<u>58</u>

One employee had employee benefits in excess of £60,000 (2019/20: 1). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds. One employee received emoluments of more than £60,000 but less than £70,000 per annum.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019/20: £nil) neither were they reimbursed expenses during the year (2019/20: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019/20: £nil).

Key management personnel of the charity comprise the trustees and the Scheme Manager. The employee benefits of the key management personnel were £68,516 (2019/20: £62,232).

**17. Taxation**

As a registered Charity, the Scheme is exempt from income tax and corporation tax.

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**18. Tangible Assets**

	<u>Leasehold buildings and improvements</u>	<u>Short life buildings</u>	<u>Fixtures &amp; Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost or Valuation At 1st August 2020	243,837	206,701	168,202	73,560	692,300
Additions	33,096	-	18,016	-	51,112
Disposals	-	-	-	(8,400)	(8,400)
At 31st July 2021	<u>276,933</u>	<u>206,701</u>	<u>186,218</u>	<u>65,160</u>	<u>735,012</u>
Depreciation At 1st August 2020	3,890	181,199	139,794	49,956	374,839
Charge for Year	13,929	9,791	12,526	11,796	48,042
Disposals	-	-	-	(8,400)	(8,400)
At 31st July 2021	<u>17,819</u>	<u>190,990</u>	<u>152,320</u>	<u>53,352</u>	<u>414,481</u>
Net Book Value At 31st July 2021	<u>259,114</u>	<u>15,711</u>	<u>33,898</u>	<u>11,808</u>	<u>320,531</u>
Net Book Value At 31st July 2020	<u>239,947</u>	<u>25,502</u>	<u>28,408</u>	<u>23,604</u>	<u>317,461</u>

**19. Investments**

	<u>2021</u>	<u>2020</u>
	£	£
Cash deposits	<u>277,726</u>	<u>311,197</u>

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**20. Debtors: Due within one year**

	<u>2021</u>	<u>2020</u>
	£	£
Trade debtors	109,104	133,644
Other debtors	119,681	27,231
Prepayments and accrued income	<u>24,101</u>	<u>37,009</u>
	<u>252,886</u>	<u>197,884</u>

**21. Creditors: Amounts falling due within one year**

	<u>2021</u>	<u>2020</u>
	£	£
Trade creditors	43,388	21,240
Other creditors	36,607	34,847
Accruals	<u>69,640</u>	<u>35,810</u>
	<u>149,635</u>	<u>91,897</u>

**22. Restricted Funds**

	<u>Balance at 1</u> <u>August 2020</u>	<u>Incoming</u> <u>Resources</u>	<u>Expenditure</u>	<u>Capital</u> <u>Expenditure</u>	<u>Balance at 31</u> <u>July 2021</u>
	£	£	£	£	£
<u>Grants and Donations:</u>					
Former restricted grants and donations towards capital items	3,217	-	723	-	2,494
ESFA Student Financial Support Funding	5,714	7,865	10,875	-	2,704
Haringey Ward Budget	3,481	-	-	-	3,481
Jack Petchey Foundation	1,276	1,500	1,500	500	776
TSB Community Grant	3,000	-	3,000	-	-
Other donation (equipment)	524	-	-	524	-
LB Barnet- Pocket Parks Plus	12,832	-	9,016	-	3,816
Groundwork -Greener City Fund Community Grants	2,367	-	2,367	-	-
John Lyon Charity	34,000	-	28,333	-	5,667
The Tottenham Grammar School Foundation	3,067	-	2,200	867	-
Covid-19 London Community Response Fund	-	28,000	19,960	8,040	-
JP Grant toward COVID resonse - Marquee	-	500	500	-	-
The 29th May 1961 Charitable Trust - Charitable grant	-	5,000	5,000	-	-
	<u>69,478</u>	<u>42,865</u>	<u>83,474</u>	<u>9,931</u>	<u>18,938</u>



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**22. Restricted Funds (continued)**

The restricted funds in the year were from:

The former grants and donations for capital items including a portacabin and vehicles that are reducing as these items depreciate.

Donations from individuals toward the Hornsey Hub - Toward the establishment of an Employability Hub at Hornsey High Street

London Borough of Haringey - Toward the establishment of an Employability Hub at Hornsey High Street

The Tottenham Grammar School Foundation - Towards the cost of IT resources for the Employability Hub in Hornsey High Street.

London Borough of Barnet - Pocket Parks Plus - Delivery of practical and community events, to develop and established community garden at the Tarling Road Site.

London Borough of Barnet - Edward Harvist Charity - To galvanise community activity to improve the condition of Cricklewood Millennium Green in partnership with Cricklewood Millennium Green Trust, to include learning disabled young people (aged 15 to 25) attached to Harington Gardeners.

Groundwork London - Greener City Fund Community Grants Scheme: Learning from Nature Project at Cricklewood Millenium Green

Jack Petchey Foundation - Projects chosen by winners of Jack Petchey Achievement Awards

TSB Local Community Fund - Community Growth Project: Toward outdoor community workshops

ESFA Student Support Funds - Student bursaries and Free Meals in Education

Other donations (equipment) - Donations from individuals towards horticultural equipment.

Haringey Ward Budget - Haringey Council Ward Budget grant to provide, supply and fit planters on Archway Road.

Former restricted grants and donations towards capital items - The former grants and donations for capital items including a portacabin and vehicles that are reducing as these items depreciate.

John Lyon's Charity - Internship Fund: Toward a Horticultural Supervisor salary

Other donation - Site improvements for social distancing

The 29th May 1961 Charitable Trust - Toward the Supported Internship programme/HHS - allocated to salary of (acting) Supported Internship Co-ordinator who teaches Interns 1 day per week.

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
	£	£	£	£
Balance at 1st August 2020	582,332	113,793	69,478	765,603
Movement in funds for the year	(634)	-	(40,609)	(41,243)
Transfer	9,931	-	(9,931)	-
Balance at 31st July 2021	<u>591,629</u>	<u>113,793</u>	<u>18,938</u>	<u>724,360</u>

Designated Reserves comprise:

Building work R&M	57,188
Site development	41,605
IT infrastructure	15,000
	<u>113,793</u>

The Trustees have reviewed the reserves policy and have three designated reserves. 1) Building works for planned improvements and adaptations on the Harington sites, 2) Site Development- for major capital works and 3) IT infrastructure to ensure there us a rolling replacement of hardware and IT infrastructure.

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Donations totalling £35,300 were received during the year, and there was a further £69,478 brought forward for a number of restricted purposes. £8,958 of this income was expended prior to the year end, thereby discharging the restriction. A transfer of £9,981 was made from restricted to unrestricted funds to reflect these transactions.

**23. Analysis of Fund Balances Between the Net Assets**

	<u>Unrestricted Funds</u>		<u>Restricted</u>	
	<u>General Fund</u>	<u>Designated</u> <u>Funds</u>	<u>Funds</u>	<u>Total</u>
	£	£	£	£
Tangible fixed assets	317,871	-	2,660	320,531
Investments	163,933	113,793	-	277,726
Net current assets	109,825	-	16,278	126,103
	<u>591,629</u>	<u>113,793</u>	<u>18,938</u>	<u>724,360</u>

**24. Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	<u>2021</u>	<u>2020</u>
	£	£
Less than 1 year	62,388	62,388
More than 1 year and less than 5 years	112,346	174,734
	<u>174,734</u>	<u>237,122</u>

**25. Related party transactions**

During the year the company received donations from related parties as follows:

	<u>2021</u>	<u>2020</u>
	£	£
Aggregated donations	<u>-</u>	<u>2,545</u>

There were no other transactions with related parties.