

# THE ORCHARD TRUST

England & Wales · Charity number 801122

## Details

---

**Other names** THE ORCHARD TRUST LIMITED

**Status** Registered

**Legal form** Charitable company

**Company number** [02348350](#)

**Registered** 1989-03-14

**Register** [View on the Charity Commission register](#)

## Contact

---

**Address** Valley Springs  
Central Lydbrook  
Lydbrook  
GL17 9PP

**Phone** 01594861137

**Email** [admin@orchard-trust.org.uk](mailto:admin@orchard-trust.org.uk)

**Website** [www.orchard-trust.org.uk](http://www.orchard-trust.org.uk)

## Activities

---

**Objects:** (I) TO RELIEVE NEED, HARDSHIP AND DISTRESS OF PERSONS WHO ARE MENTALLY DISABLED BY THE PROVISION OF ACCOMMODATION AND OTHER AMENITIES AND FACILITIES. (II) TO PROVIDE EDUCATION AND TRAINING FOR SUCH PERSONS TO ENABLE THEM TO IMPROVE THEIR CONDITIONS OF LIFE.

**Activities:** The Orchard Trust aims to improve the quality of life of people with a learning disability and those who care for them by the provision of flexible high-quality services. These include Supported Living, residential homes, residential short breaks, day care activities and domiciliary care services. The Trust is also an independent training provider, registered with City & Guilds.

## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability, Accommodation/housing, Animals, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities

## Geography

- Gloucestershire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,432,559	£5,477,927	£6,232,183	217
2024-03-31	£5,133,271	£5,326,838	£6,277,551	205
2023-03-31	£4,834,613	£4,755,162	£6,471,118	203
2022-03-31	£4,519,339	£4,182,246	£6,391,667	193
2021-03-31	£4,320,568	£4,139,219	£6,028,822	191

## Trustees

Name	Role	Appointed
<b>NICHOLAS PETER BUDD</b>	Chair	
CHRISTOPHER LLOYD		2019-07-31
CLAIRE ELEANOR SMART		2017-03-13
Elizabeth Charlotte Bell		2022-01-15
Frances mary Kershaw		2026-03-18
JUDITH JANE MORRIS KAYE		2011-12-23
Julia Elizabeth Anne Lythaby		2025-11-26
LEON BRIAN KAYE		
Peter Edward Wakerley		2024-03-15
ROBERT HARRY MORGAN		2015-01-19

**THE ORCHARD TRUST**

England & Wales - Charity number 801122

---

# Accounts

---

**Company Number: 2348350**  
**Charity Number: 801122**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2025**

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**C O N T E N T S**

	<b>Page</b>
OFFICERS AND ADVISORS	1
CHAIRMAN'S REPORT	2
REPORT OF THE TRUSTEES	3 - 10
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	11 - 13
STATEMENT OF FINANCIAL ACTIVITIES	14 - 15
BALANCE SHEET	16
STATEMENT OF CHANGES IN EQUITY	17
STATEMENT OF CASH FLOWS	18
NOTES TO THE FINANCIAL STATEMENTS	19 - 29

**THE ORCHARD TRUST  
(Limited by Guarantee)  
OFFICERS AND ADVISORS  
FOR THE YEAR ENDED 31 MARCH 2025**

---

<b>Trustees</b>	Mr N Budd Mr B Kaye Mrs J Morris Kaye Mr R Morgan Mrs C Smart Mr C Lloyd Mrs E C Bell Mr P E Wakeley
<b>Chief Executive Officer</b>	Mrs C Andrews
<b>Registered and Administrative Office</b>	The Orchards Valley Springs Central Lydbrook Gloucestershire GL17 9PP
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT
<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
<b>Bankers</b>	Lloyds TSB 19 Eastgate Street Gloucester GL1 1NU
<b>Company Number</b>	2348350 (England and Wales)
<b>Charity Number</b>	801122

**THE ORCHARD TRUST  
(Limited by Guarantee)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2025**

---

This year has been one of celebration as the Trust entered its 35th year with hope and a drive to take the charity forward, marked by a wonderful black-tie ball where awards were given out and clients and their staff danced the night away.

However 2024/25 has again been a difficult year for the care sector, one in which the Trust has worked tirelessly to ensure that finances meet the needs of all clients at the same time battling increased costs from all quarters. Plans have been put in place to increase revenue from non-residential areas, make the most of all our facilities and at the same time continue to develop and enhance the facilities that the Trust offers to clients, most notably the development of Sevenoaks.

During this difficult year all the local authorities the Trust deals with have continued to be supportive particularly in ensuring bills are paid promptly.

An ageing resident population, with all the increased risks and challenges that provides, inevitably results in individuals reaching their natural demise. This year we said farewell to Alan Thompson, having lived with the Trust for 24 years, initially at Offa's Dyke then at Orchards, and had the joy of welcoming Elin and Ashley to the Orchard Trust family.

On a financial basis, although we ended the year with a deficit of £45,368, we have not had to eat into the invested funds and are looking into secured arrangements to cover the cost of the extension to Sevenoaks should it be decided that it is in the best interest of the Trust not to use our capital reserves to cover the costs.

The next few years will continue to be challenging for all care providers, ourselves included. However, we have a strong leadership team, a dedicated staff group, volunteers and a community that values our services.

*Nick Budd*

**Nick Budd  
Chairman of Trustees  
The Orchard Trust**

**Date:** 2/12/2025

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

The Trustees present their report together with the audited financial statements (“accounts”) of the company for the year ended 31 March 2025.

**PURPOSE AND IMPACT**

The Orchard Trust (referred to as the Trust from now on) was established in 1989 by a group of parents looking to improve care options for their children and others with learning disabilities. Having grown over the past 35 years the Trust provides residential care, supported living homes within the Forest of Dean, along with rebound therapy, a hydro pool therapy and day services based on a working smallholding at Stowfield which is open to all who may wish to benefit from the services offered.

To see more about our homes and facilities please visit our website: [www.orchard-trust.org.uk](http://www.orchard-trust.org.uk)

**Philosophy of the Orchard Trust**

Orchard Trust believes people with disabilities have the same rights as any other individual and support each to enjoy the services and opportunities available to any other member of the community.

**Values**

**Kindness** - We treat others and ourselves with gentleness, warmth and care, focusing on the little things that really matter.

**Respect** - We look after ourselves, each other, our places and the environment.

**Individuality** - We recognise one another for the people we are, understanding and accepting preferences and beliefs to ensure personalised care and support.

**Working together** - We believe the best results are gained through working as a team, valuing suggestions and encouraging new ideas as we strive to continuously improve the care we provide.

The Trust’s values reflect the intrinsic behaviours of staff within the organisation and daily decisions are enhanced by the ongoing focus provided by the values.

**Objectives (Mission)**

We are a consistent and long-term place for life for people with disabilities, with a warm and friendly environment where each individual is supported to realise their ambitions.

**Activities, Achievements and Performance**

Our mission is achieved by working towards the following aims:

- Consistently look for innovation and fresh ideas to improve the care we provide
  - Trust staff are increasingly using and becoming more familiar with Care Control, our new digital care planning system. Uptake of the system has been gradual but steady, especially taking into account the impact of various changes in management across the Trust, and the time it takes for each member of staff to learn how to use a new system effectively
  - The senior team have worked closely with Gloucester County Council firstly helping them to improve their guidance for providers in managing client finances, and secondly in piloting and reviewing their new quality monitoring framework. This has allowed the ethos and best practices of the Trust to be shared with a greater number of social care organisations in the county.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

- Ensuring each staff member has the skills and attributes of our values through effective recruitment, ongoing support, development and shared vision
  - There has been significant change in the leadership teams of the Trust this year. The Trust's Senior Management Team has been restructured following the retirement of Ant Jeffers, Head of Support and Operations and the departure of the training manager. Roles and tasks have been reallocated and two internal promotions have filled these posts, Tony Lafford is now Head of Support and Liz Watkins is Training & Operations Manager. Charlie Sterry has become Manager of Hilltop and Supported Living and, following the resignation of Rob Wilcox, Suzann Scotford was promoted to Sevenoaks Manager. These two changes have allowed a further internal promotion of Hannah Robertson to Charlie's Deputy Manager and the external recruitment of Amelia Pace as Deputy Manager at Sevenoaks.
  - Stowfield also had a change of management with Sabrina Downie taking up the post of Manager for the site following Bianca Bertalot's move to Stowfield Development Manager.
  - These leadership changes have ensured the right skills and expertise are in place to put the Trust in a strong position to move forward into the challenges we are likely to face in the coming years.
  - We continue to develop new and existing staff through the use of funded apprenticeship schemes and our ability to use the apprenticeship levy pot of our supply chain. In 2020/25 this amount was £12,000.
  - We continue to use values-based recruitment to attract staff who share our stated values and conduct an annual staff survey to gauge employee satisfaction and find ways to improve. All staff follow a programme of online and face to face training to equip them for their roles and the needs of those we support.
- Building financial resilience through diversification of income, internal efficiencies and the provision of added value through alternative funding
  - In April 2024 we invested in a new accounting system, Xero, creating efficiencies in the ways of work along with more modern and analytical software providing improved reporting and accessibility.
  - Increases to the percentage of Employer National Insurance rates, along with a significant threshold drop have increased our expenses by approximately £160,000. These additional costs have not been considered by local authorities when calculating annual uplift figures so will be borne by the Trust. Further efficiencies are planned; however, these will be balanced between the financial benefit and any negative impact on clients before decisions are finalised.
  - We have been working hard to build financial resilience by diversifying income sources. In addition to traditional grant funding we are attracting corporate donations, raising funds through events and online campaigns and supporting our network of donors. We raise income through chargeable services including Day Service and Therapy Suite.
  - Donations throughout 2024/25 totalled over £212,000, including a very generous donation from the Chris Wiltshire Trust of £125,000.
  - We will seek to continue diversifying income streams in the forthcoming years to mitigate the impact of increasing costs and lower than necessary uplifts from Local Authorities.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

- Developing our homes to ensure we continue to meet the need of our clients
  - Progress on planning the Sevenoaks extension continues.
  - The front garden at Orchards was redesigned in Spring 2025, removing the decaying ramps and creating a new ramp, flat path, accessible gardens and closer parking area which has made life significantly easier for clients and staff.
- Expanding the reach of our Stowfield Site to benefit the wider community
  - Bianca's new role gives space for research and networking to allow the Stowfield site, especially the open spaces, to adapt and develop to meet the needs of the community. The investment in a dedicated manager marks a commitment to maximise the reach of the Stowfield site for the community and the Trust's clients.
  - Planning for OrchardFest, our first accessible music festival designed for people with learning disabilities began, with the festival itself being held on 20<sup>th</sup> August 2025.
- Increasing the positive and reducing the negative impact of our work on the environment
  - A carbon audit was undertaken in Autumn 2024, reviewing 2023/24's emissions, as part of a project fully supported by The Growth Hub. The resulting emission figure was 116.9 tonnes of Carbon Dioxide and its equivalents (CO<sub>2</sub>e) within the year. This covers scope 1 and 2 emissions, direct and indirect energy use respectively. Further calculations covering sections of scope 3, including business travel, staff commuting, water usage and waste disposal, increase this figure to 138.1 CO<sub>2</sub>e. Further work to understand our procurement and how this impacts scope 3 emissions will be undertaken in the upcoming years. Benchmarking to similar organisations remains difficult, due to the diversity and uniqueness of services offered by the Trust, however for context an average UK home produces 26 tonnes of CO<sub>2</sub> equivalent per year. Source: <https://energyguide.org.uk/average-carbon-footprint-uk/>
  - These results will allow us to focus activities on areas where emissions can be most effectively reduced, and we will seek to do so in the upcoming years.
  - As part of our impact reduction plan residential homes are diversifying foods and meals offered by seeking alternatives to meat and introducing a meat free day once per week – with one home enjoying the increased variety of food so much that they now have two meat free days a week.
  - A laurel hedge, considered an invasive species, was removed when the building works were undertaken at Orchards, and replanted using native species. Further native hedgerows comprising 1,550 hedge plants were planted on the Stowfield site to create wildlife corridors across the pastureland, along with three additional trees.

The Trust also wishes to thank Gloucestershire Care Providers Association (GCPA), Gloucestershire County Council, along with the various other Local Authorities and NHS Trusts we work with, for their ongoing support.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**VALUES AND WAYS OF WORKING**

The Trust is deeply committed to providing high quality and positive risk based care. To support sharing of learning and best practice the Trust has many internal committees to provide effective two-way feedback between all services and management. These include:

- Client Group (Trust our Voice)
- Parent Support Group (Carers & Sharers)
- Trustee buddy scheme across the services of the Trust
- Trustee Sub-Committees – Finance & Investment, Remuneration
- Staff Communication Group (Comms)
- Action Based Management (ABM)
- Health & Safety Staff Reps - with Trustee representation
- Environmental Champions
- Wellbeing Champions
- Menopause Champions
- Neurodiversity Champions
- Disability (staff) Champions

**Ensuring our work delivers our mission**

The Trust ensures all actions contribute to achieving its mission through regular monitoring of performance by CQC and local authorities, external expert by experience quality visits, family and staff questionnaires, Trustee buddy visits, senior manager audits, peer visits along with an internal 'mum' test. The board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when determining how current and future activities meet the Trust's objectives.

**Staff Pay Award**

Fee uplifts, effective from April 2024 and received from Local Authorities and NHS Trust's, did not cover the full impact of the increase in National Living Wage (NLW). The Trust chose to invest in its staff teams by providing all staff a pay increase above the NLW along with increasing the differential between care worker and team leader - reflecting the increased responsibilities required of the leader role. A pay progression route allows opportunity for salary increases through qualifications and length of service which supports the Trust's aim to ensure each staff member has the skills and attributes of our values through effective recruitment, ongoing support, and training and shared vision. The Trust is delighted to continue to pay all staff above the National Living Wage reflecting the importance of the tasks they are doing and the gratitude the Trust has for their commitment and continuous hard work.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**OPERATING MODEL AND RISKS**

**Risk**

Internal risks are minimised by the regular review of the organisational risk register, comprehensive policies and procedures for all staff to follow along with appropriate training for each role. Financial risks are managed by the above along with procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the charity.

**Principal identified risks**

- Service delivery – internal and external quality controls minimise risks in this area with internal quality control process reviewed and updated to reflect the regularly changing best practice guidelines provided by authorities within the care sector.
- Recruitment – The challenge of recruiting new staff with the values and attributes required by the Trust to support clients is increasingly difficult, however these standards are vital to the wellbeing of individuals so new methods of advertising and recruiting are continually explored.
- Changes to Local Authority funding and/or commissioning models – Trust staff work closely with partners in local authorities to ensure client packages reflect true costs of care and individual need.
- Regional and National policy changes - Cathy Andrews sits on the ADASS South West Stakeholder Forum and the South West Regional Stakeholder Network for the Disability Unit in Cabinet Office both feed information into and influence change at regional, national and governmental levels. Alongside this Cathy's position on the Skills for Care Workforce Board supports the development of training and conditions for today's and future social care workers.
- Regulatory and Legislative changes - The Trust seeks to remain up to date with all changes through subscription to CQC, Skills for Care, HSE and other email updates along with face to face and social media peer networking. We consider and respond to the continued development of legislation and changes regulations through discussion and regular reviewing of internal procedures.

As mitigation against the above risks, senior staff are active within local authority market shaping workshops and Cathy Andrews sits on the board of the Gloucestershire Care Providers Association. To ensure the Trust is up to date with current and future changes to the financial landscape Kelly Ryder sits as a Trustee for the Charity Finance Group and both she and Tony Lafford are members of the Association for Real Change (ARC).

**Reserve Policy**

The majority of the Trust's income is received through local authority contracts for the specific care of an individual. Any surplus is used to ensure the Trust's ongoing sustainability and to improve the care environment.

All charities are required to consider the level of reserves they need to hold to cover both development opportunities and as resilience against unforeseen events. Additional cash reserves are considered by the Trustees to be essential to protect the activities of the Trust. In line with the general guidance provided by the Charity Commissioners and an understanding of the organisational risks, the Trustees calculate the unrestricted reserves held to be a minimum of six months expenditure with the aim to increase this to the 12-month figure. These amounts follow consideration of future Local Authority funding challenges and the cost of upcoming changes to employment laws.

Currently, the maintained unrestricted reserves not committed or invested in tangible fixed assets (Residential Development Fund) is at £680,280. Any reserves over that sum could be allocated for future development, pending a suitable opportunity. The net asset value of the Trust is sufficient to release substantial funds in the event of a catastrophe.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**GOVERNANCE AND DECISION MAKING**

**Orchard Trust**

The Trustees in office in the year are detailed on page 1 of this report along with the names and addresses of relevant organisations providing banking services or professional advice to the Charity and its subsidiary.

The company does not have share capital, being limited by a guarantee of £1 from each of the Trustees. The Trustees act as Directors for company purposes.

The company is governed by its Memorandum and Articles of Association.

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement.

At the year end the Board of Trustees comprised eight Trustees, who are also Directors of The Orchard Trust for the purposes of company law. Operational responsibility lies with the Trust's Senior Management team of Cathy Andrews, CEO; Tony Lafford, Head of Support; Kelly Ryder, Finance Manager; Will Murray, HR Manager; and Liz Watkins, Training and Operations Manager.

The Trust holds six full board meetings per year, plus Finance & Investment Committee meetings and Remuneration Committee meetings. Trustees also have representation on the Health and Safety Committee and services have a Trustee buddy who regularly visits to learn more about that service's specific challenges and thus bring greater knowledge to the board room.

**Trustee Appointment and Training**

Trustees are appointed by election to the Board. On induction, new Trustees are given a tour of the Trust's sites, meet key employees and are introduced to the other Trustees. Trustees are briefed on their legal obligations under charity and company law, as well as the aims and activities of the Trust and its recent financial performance. Trustees are encouraged to attend external training events where these facilitate the undertaking of their role.

**Review of the accounts**

The accounts follow a similar format to those of the preceding year in compliance with the accounting rules under the Charities SORP.

The "Statement of Financial Activities" on page 14-15 shows the movements on all funds of the Trust, with the Balance Sheet on page 15. A Cash Flow Statement has again been included in the accounts on page 18. As in previous years, the report contains a Risk Analysis.

**Borrowings**

The Trust has borrowed no money during this year.

At the balance sheet date, cash reserves decreased from last year at £1,480,666 (2024 - £1,538,053). Total reserves decreased from £6,277,551 to £6,232,183 (2023 – decreased from £6,471,118 to £6,277,551).

**Investment Powers**

Under the Memorandum and Articles of Association, the company has the power to make any investment which the Trustees see fit.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**Financial Review**

The full accounts of the Trust are included on pages 14 - 29. Cash balances at the year-end £1,480,666 (2024 - £1,538,053) reflected careful management of the Trust's resources during financially challenging times.

**Acquisitions and Disposals**

There have been no substantial acquisitions or disposals during the period.

**Statement of Trustees' Responsibilities**

The Trustees (who are also directors of The Orchard Trust Limited for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Acknowledgements**

We acknowledge HR support and guidance from HELP HR, PIB Insurance Brokers for dealing accordingly with our HR and insurance needs and RWKGoodman for assisting with our legal queries.

**Statement of Disclosure to Auditor**

In accordance with company law, as the Company's Directors, the Trustees have taken the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of, and which they know the auditors are unaware of.

**Fixed Assets**

The Company re-valued its properties in March 2015. This revaluation, which has been reflected in these financial statements, is based on the open market valuation for existing use of £4,630,000, which is the basis required by UK Financial Reporting Standards. The valuation of the properties at the same date, on the assumption that they were fully operational and equipped having regard to trading potential, was £4,630,000. This value was frozen on transition to FRS102.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**Third Party Indemnity Insurance**

The company incurred an annual premium of £2,088 to AXA Insurance UK PLC in relation to Trustee Indemnity Insurance.

**Auditors**

Hazlewoods LLP were reappointed as auditors in the year and have expressed their willingness to continue in office.

Signed by order of the Board of Trustees

*Christopher Lloyd*

**Mr Chris Lloyd**

**Treasurer - The Orchard Trust**

**Date:**

*2/12/2025*

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion**

We have audited the financial statements of The Orchard Trust for the year ended 31 March 2025, which comprise the Charity Statement of Financial Activities, the Charity Balance Sheet, the Charity Statement of Changes in Equity, 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).

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 annual 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.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustee's responsibilities statement set out on page 7, the trustees 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 directors 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 directors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Extent to which the auditor was considered capable of detecting irregularities, including fraud**

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company financial statements or that had a fundamental effect on the charitable company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and Charities Act 2011.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how management considered and addressed the potential for override of controls. Detailed analysis of journals posted through the accounting system during the year to 31 March 2024 has been undertaken;
- Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud and they appeared to be working effectively.
- Challenging assumptions and judgements made by management in its significant accounting estimates.

**Use of our report**

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

*Martin Howard*

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

3/12/2025  
Date:.....

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted fund 2025 £	Restricted fund 2025 £	Total funds 2025 £	Total funds 2024 £
<b>INCOME AND ENDOWMENTS</b>					
<b>Income and endowments from:</b>					
<b>Donations and legacies</b>					
Donations and gifts		145,048	67,770	212,818	164,510
<b>Investments</b>					
Bank interest receivable		61,751	-	61,751	27,242
<b>Charitable activities</b>					
Local Authority contracts		5,096,043	-	5,096,043	4,845,136
<b>Other</b>					
Training income		15,129	-	15,129	59,254
Rental income		46,656	-	46,656	36,961
Other income		162	-	162	168
		<u>5,364,789</u>	<u>67,770</u>	<u>5,432,559</u>	<u>5,133,271</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	2	(5,436,134)	(41,793)	(5,477,927)	(5,326,838)
		<u>(5,436,134)</u>	<u>(41,793)</u>	<u>(5,477,927)</u>	<u>(5,326,838)</u>
<b>Total expenditure</b>		<u>(5,436,134)</u>	<u>(41,793)</u>	<u>(5,477,927)</u>	<u>(5,326,838)</u>
<b>Net loss for the year</b>	14	<u>(71,345)</u>	<u>25,977</u>	<u>(45,368)</u>	<u>(193,567)</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted fund 2025 £	Restricted fund 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Reconciliation of funds</b>					
Funds brought forward at 1 April		6,268,015	9,536	6,227,551	6,471,118
Transfer between reserves		(1,737)	1,737	-	-
Net movement in funds		(71,345)	25,977	(45,368)	(193,567)
Funds carried forward at 31 March	14	6,194,933	37,250	6,232,183	6,277,551

The notes on pages 17 to 27 form part of these financial statements.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

**Note of Historical Cost Income and Expenditure**

	2025 £	2024 £
<b>Reported net movement in funds</b>	(45,368)	(193,567)
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount	18,252	16,946
<b>Historical cost net movement in funds</b>	(27,116)	(176,621)

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2025**

**Company Number: 2348350**

	<b>Note</b>	<b>£</b>	<b>2025</b> <b>£</b>	<b>£</b>	<b>2024</b> <b>£</b>
<b>Fixed assets</b>					
Tangible assets	6		4,614,653		4,683,653
Investments	7		930		930
			<u>4,615,583</u>		<u>4,684,583</u>
<b>Current assets</b>					
Stock	8	1,440		1,440	
Debtors	9	411,629		337,264	
Cash at bank and in hand		1,480,666		1,538,053	
			<u>1,893,735</u>	<u>1,876,757</u>	
<b>Creditors: Amounts falling due within one year</b>	10	(277,135)		(283,789)	
			<u>1,616,600</u>	<u>1,592,968</u>	
<b>Net current assets</b>			<u>1,616,600</u>	<u>1,592,968</u>	
<b>Total assets less current liabilities</b>			<u><b>6,232,183</b></u>	<u><b>6,277,551</b></u>	
<b>Funds</b>					
Restricted income funds	12,13,14		37,250		9,536
Unrestricted income funds:	13,14				
Operational general fund			4,383,032		4,437,862
Property revaluation reserve			911,901		930,153
Designated funds			900,000		900,000
			<u>6,232,183</u>		<u>6,277,551</u>

The financial statements were approved by the Board of Trustees on 2/12/2025 and signed on its behalf by:

*Christopher Lloyd*  
**Mr Chris Lloyd**  
**Treasurer**  
**The Orchard Trust**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2024	4,437,862	930,153	900,000	9,536	6,277,551
Net (deficit) / surplus before transfers	(71,345)	-	-	25,977	(45,368)
Depreciation on revalued Amounts	18,252	(18,252)	-	-	-
Transfer between reserves	(1,737)	-	-	1,737	-
Funds carried forward at 31 March 2025	<u>4,383,032</u>	<u>911,901</u>	<u>900,000</u>	<u>37,250</u>	<u>6,232,183</u>
	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2023	4,582,797	947,099	900,000	41,222	6,471,118
Net (deficit) / surplus before transfers	(157,581)	-	-	(35,986)	(193,567)
Depreciation on revalued Amounts	16,946	(16,946)	-	-	-
Transfer between reserves	(4,300)	-	-	4,300	-
Funds carried forward at 31 March 2024	<u>4,437,862</u>	<u>930,153</u>	<u>900,000</u>	<u>9,536</u>	<u>6,277,551</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	£	2025 £	£	2024 £
<b>Cash generated from in operating activities</b>	15		(432)		46,591
<b>Cash flows from investing activities</b>					
Interest income		61,751		27,242	
Purchase of tangible fixed assets		(118,706)		(99,207)	
Proceeds from sale of tangible assets		<u>-</u>		<u>-</u>	
<b>Cash used in investing activities</b>			<u>(56,955)</u>		<u>(71,965)</u>
Decrease in cash and cash equivalents in the year			<u>(57,387)</u>		<u>(25,374)</u>
Cash and cash equivalents at the beginning of the year			<u>1,538,053</u>		<u>1,563,427</u>
<b>Total cash and cash equivalents at the end of the year</b>			<u><b>1,480,666</b></u>		<u><b>1,538,053</b></u>

The charitable company does not have any debt and therefore an analysis of the debt has not been included in these financial statements.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**1 ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, adopting the following principal accounting policies all of which are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements are presented in Pounds Sterling.

**Company status**

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The company is incorporated and domiciled in England and Wales.

The address of its registered office is:

Valley Springs  
Central Lydbrook  
Lydbrook  
Gloucestershire  
GL17 9PP

**Judgements and estimation uncertainty**

The trustees consider that there are no key areas of judgement or estimation uncertainty to be disclosed in these financial statements.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated in the accounts at cost or revalued amount less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The annual rates applied in this period were:

Freehold buildings (homes)	2% on written down value
Farm	2% on written down value
Plant and equipment	15% on written down value
Office equipment and furniture	40% on written down value
Motor vehicles	25% on written down value

No depreciation is provided on freehold land.

**Stocks**

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

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**1 ACCOUNTING POLICIES (continued)**

**Trade receivables**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

**Trade payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Trust does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Financial instruments**

The trust 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.

**Income and endowments**

Income and endowments are allocated between:

**Donations and legacies (analysed between donations/gifts and grants receivable)**

Donations/gifts and grants are accounted for on a receivable basis. Funds collected, to which the charity is entitled, but not received before the end of the financial year, are included in income and endowments and in debtors.

Capital grants are recognised through the Statement of Financial Activities as income to restricted funds. A transfer is then made to the General Fund so as to write back the fund over the expected useful life of the relevant asset.

**Income from charitable activities (fees from local authority contracts)**

Income derives from the provision of education and residential care and is recognised in the Statement of Financial Activities on a receivable basis. Such income is exempt from Value Added Tax.

**Income from Investments**

Interest receivable is accrued on a daily basis.

**Other income**

Income arising from the provision of training is recognised on a receivable basis, and included within 'Other income'.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**1 ACCOUNTING POLICIES (continued)**

**Expenditure on Charitable activities**

Expenditure on Charitable activities is included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax, which cannot be recovered. Where expenditure is directly attributable to more than one activity, it is apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

**Funds**

Funds held by the charity are either:

- Unrestricted general funds, which can be used in accordance with the charitable objects at the discretion of the Trustees; or
- Unrestricted designated funds, which can be used in accordance with the Charitable objects, in respect of specific projects ear-marked by the Trustees; or
- Restricted funds, which can only be used for particular restricted purposes within the objects of the charity. Restrictions are specified by the donor or when funds are raised for particular restricted purposes. All funds received to date have been applied against capital projects.

**Taxation**

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

**Pensions**

The company operates a defined contribution scheme for certain employees. The contributions are charged to revenue in the period in which they are incurred.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**2 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Note</b>	<b>2025</b> <b>£</b>	<b>2024</b> <b>£</b>
<b>Provision of care:</b>			
Staff costs	4	3,968,540	3,763,859
Residents' expenses		162,227	228,747
Transport costs		45,650	57,308
Property costs		281,582	228,048
Equipment maintenance		71,119	87,477
Other costs		59,602	133,863
Depreciation		187,710	208,205
Insurance		100,034	76,569
		<hr/>	<hr/>
		4,876,464	4,784,076
		<hr/>	<hr/>
<b>Support costs:</b>			
Staff costs	4	462,751	363,156
Property costs		14,817	12,003
Equipment maintenance		3,743	4,604
Insurance		5,265	4,030
Office costs		28,473	32,729
Sundry		-	2,170
Legal and professional fees		71,247	110,090
Bank charges		3,967	3,980
Auditors remuneration		11,200	10,000
Profit on disposal of tangible fixed assets		-	-
		<hr/>	<hr/>
		601,463	542,762
		<hr/>	<hr/>
Total expenditure on charitable activities		<u>5,477,927</u>	<u>5,326,838</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**3 NET INCOME FOR THE YEAR**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	187,710	208,205
Auditors' remuneration	11,200	10,000
	<u>          </u>	<u>          </u>

Third Party Indemnity insurance costs of £2,088 (2024 - £1,777) were incurred in the year in relation to Trustee Indemnity Insurance. The maximum indemnity under the policy was £2,000,000 (2024 - £2,000,000).

**4 STAFF COSTS AND NUMBERS**

	<b>Note</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
<b>Staff costs:</b>			
Wages and salaries		3,920,202	3,643,532
Social security costs		288,070	259,164
Other pension costs		85,988	79,344
Training costs and agency staff		137,031	144,975
		<u>          </u>	<u>          </u>
		4,431,291	4,127,015
		<u>          </u>	<u>          </u>
<b>Analysed:</b>			
Staff costs included in provision of care	2	3,968,540	3,763,859
Staff costs included in support costs	2	462,751	363,156
		<u>          </u>	<u>          </u>
		4,431,291	4,127,015
		<u>          </u>	<u>          </u>
Emoluments to Chief Executive Officer		<u>          </u>	<u>          </u>
		84,048	78,891
		<u>          </u>	<u>          </u>

The above represents the emoluments of the highest paid officer. One other employee earned more than £60,000 but below £69,999. The trustees did not receive any remuneration.

There were no redundancy or termination payments during the year.

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
Management and administration	12	12
Nursing and care staff	205	212
	<u>          </u>	<u>          </u>
	217	224
	<u>          </u>	<u>          </u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**5 TAXATION**

As The Orchard Trust is an exempt charity, it is exempt from taxation in respect of income or capital gains received.

**6 TANGIBLE FIXED ASSETS**

	<b>Residential freehold property £</b>	<b>Farm £</b>	<b>Plant &amp; equipment £</b>	<b>Office equipment &amp; furniture £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2024	5,341,481	192,780	23,183	558,753	164,323	6,280,520
Additions	44,584	-	-	74,123	-	118,706
Disposals	-	-	-	-	-	-
At 31 March 2025	<u>5,386,065</u>	<u>192,780</u>	<u>23,183</u>	<u>632,876</u>	<u>164,323</u>	<u>6,399,226</u>
<b>Depreciation</b>						
At 1 April 2024	1,024,348	72,235	16,764	367,300	116,220	1,596,867
Charge for the year	80,576	2,412	963	91,141	12,615	187,710
Eliminated on disposal	-	-	-	-	-	-
At 31 March 2025	<u>1,104,924</u>	<u>74,647</u>	<u>17,727</u>	<u>458,441</u>	<u>128,835</u>	<u>1,784,577</u>
<b>Net book value</b>						
At 31 March 2025	<u>4,281,141</u>	<u>118,133</u>	<u>5,456</u>	<u>174,435</u>	<u>35,488</u>	<u>4,614,653</u>
At 31 March 2024	<u>4,317,133</u>	<u>120,545</u>	<u>6,419</u>	<u>191,453</u>	<u>48,103</u>	<u>4,683,653</u>

Freehold property includes £278,720 (2024 - £278,720) in respect of land which has not been depreciated.

Comparable historical cost of the freehold property is £4,635,000 (2024 - £4,635,000). The accumulated depreciation on the historical cost is £1,392,880 (2024 - £1,455,204).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**7 INVESTMENTS**

	<b>Subsidiary undertakings £</b>	<b>Listed investments £</b>	<b>Total 2025 £</b>
<b>Cost and net book value</b>			
At 1 April 2024 and at 31 March 2025	-	930	930
	<u>          </u>	<u>          </u>	<u>          </u>

**8 STOCK**

	<b>2025 £</b>	<b>2024 £</b>
Livestock and materials	1,440	1,440
	<u>          </u>	<u>          </u>

**9 DEBTORS**

	<b>2025 £</b>	<b>2024 £</b>
Trade debtors	110,417	203,352
Other debtors and accrued income	260,214	74,808
Prepayments	40,998	59,104
	<u>          </u>	<u>          </u>
	<u>411,629</u>	<u>337,264</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**10 CREDITORS: Amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trade creditors	97,034	78,552
Taxation and social security	59,727	53,268
Accruals and deferred income	84,607	108,681
Other creditors	35,767	43,288
	<u>277,135</u>	<u>283,789</u>

**11 COMMITMENTS**

At 31 March, the total of future minimum lease payments is as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Less than one year	17,773	1,427
Between two and five years	44,918	388
	<u>62,691</u>	<u>1,815</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,427 (2024 - £1,427).

At 31 March 2025 the Trust had no capital commitments contracted for but not provided in these financial statements.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**12 RESTRICTED FUNDS**

	<b>1 April 2024</b>	<b>Incoming Resources</b>	<b>Normal Expenditure</b>	<b>Resources Transfer</b>	<b>31 March 2025</b>
	£	£	£	£	£
Offas Dyke Sensory room	1,235	-	(68)	-	1,167
Sevenoaks Tomcat	643	-	-	-	643
Science week project	438	-	-	-	438
Changing places	3,004	-	-	-	3,004
Morelands bed/paintbrushes/gazebo	550	-	-	-	550
Pool pilot and client session subsidy	666	-	-	-	666
Community garden project	3,000	-	-	-	3,000
Energy audit	-	3,600	-	-	3,600
Offas Dyke soft furnishing	-	2,739	(2,876)	137	-
Offas Dyle accessible bench	-	1,872	-	-	1,872
Offas Dyke flooring	-	13,378	(13,378)	-	-
Offas Dyke Bedroom aircon	-	1,176	-	-	1,176
Day service flooring	-	18,369	(18,369)	-	-
Offas Dyke music therapy	-	3,333	(510)	-	2,823
Sevenoaks music therapy	-	3,333	(312)	-	3,021
Orchards music therapy	-	3,333	(450)	-	2,883
Day service games room	-	7,757	-	-	7,757
Day service music sessions	-	300	(300)	-	-
Stowfield composter	-	4,000	-	-	4,000
Orchards wetroom	-	3,200	(4,800)	1,600	-
Stowfield outdoor learning	-	500	-	-	500
Morelands bowling	-	150	-	-	150
Kimberley drive holiday	-	730	(730)	-	-
<b>Total restricted funds</b>	<b>9,536</b>	<b>67,770</b>	<b>(41,793)</b>	<b>1,737</b>	<b>37,250</b>

**13 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Restricted funds</b>	<b>Total</b>
	£	£	£
Fixed assets	4,615,583	-	4,615,583
Current assets	1,856,484	37,251	1,893,735
Current liabilities	(277,135)	-	(277,135)
<b>Balance carried forward at 31 March 2025</b>	<b>6,194,932</b>	<b>37,251</b>	<b>6,232,183</b>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**14 MOVEMENTS ON RESERVES**

Whilst the Statement of Financial Activities shows the movement on all funds, the position is also illustrated in this note for clarity:

	Operational general fund £	Property revaluation reserve £	Designated fund £	Restricted fund £	Total funds £
Funds brought forward at 1 April 2024	4,437,862	930,153	900,000	9,536	6,277,551
Net incoming resources before transfers	(71,345)	-	-	25,977	(45,368)
Depreciation on revalued Amounts	18,252	(18,252)	-	-	-
Transfer between reserves	(1,737)	-	-	1,737	-
Funds carried forward At 31 March 2025	<u>4,383,032</u>	<u>911,901</u>	<u>900,000</u>	<u>37,250</u>	<u>6,232,183</u>

The designated funds of the charitable company relates to a "Residential Care Development Fund" whereby it is the intention of the Trustees to further develop the provision of care and to provide for unforeseen major expenditure to the properties.

The Trustees are looking for suitable opportunities.

**15 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £	2024 £
Net income before other recognised gains and losses	(45,363)	(193,567)
Interest receivable	(61,751)	(27,242)
Depreciation	187,709	208,205
(Increase) / decrease in debtors	(74,370)	118,228
Decrease in creditors	(6,657)	(59,033)
<b>Net cash generated from operating activities</b>	<u>(432)</u>	<u>46,591</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**16 RELATED PARTY TRANSACTIONS**

During the year, rent and rates was paid of £17,300 (2024 - £17,600) to Mr R Morgan (a trustee), who owns a freehold property from which the company trades. No amounts remain unpaid as at 31 March 2025.

During the year, £96,162 (2024 - £222,997) of fees were received from local authorities for 2 children of trustees, who are supported by the charity.

Additionally, during the current and prior financial year, Elizabeth Bell (a trustee) has volunteered time and services to the business smallholding.

**THE ORCHARD TRUST**

England & Wales - Charity number 801122

---

# Accounts

---

**Company Number: 2348350**  
**Charity Number: 801122**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2024**

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**C O N T E N T S**

	<b>Page</b>
OFFICERS AND ADVISORS	1
CHAIRMAN'S REPORT	2
REPORT OF THE TRUSTEES	3 - 8
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	9 - 11
STATEMENT OF FINANCIAL ACTIVITIES	12 - 13
BALANCE SHEET	14
STATEMENT OF CHANGES IN EQUITY	15
STATEMENT OF CASH FLOWS	16
NOTES TO THE FINANCIAL STATEMENTS	17 - 27

**THE ORCHARD TRUST  
(Limited by Guarantee)  
OFFICERS AND ADVISORS  
FOR THE YEAR ENDED 31 MARCH 2024**

---

<b>Trustees</b>	Mr N Budd Mr B Kaye Mrs J Morris Kaye Mrs S Henschley (Resigned 10 November 2023) Mr R Morgan Mrs C Smart Mrs E Hewison (Resigned 24 January 2024) Mr C Lloyd Mrs E C Bell Mr P E Wakeley (Appointed 15 March 2024)
<b>Chief Executive Officer</b>	Mrs C Andrews
<b>Registered and Administrative Office</b>	The Orchards Lydbrook Valley Springs Central Lydbrook Gloucestershire GL17 9PP
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT
<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
<b>Bankers</b>	Lloyds TSB 19 Eastgate Street Gloucester GL1 1NU
<b>Company Number</b>	2348350 (England and Wales)
<b>Charity Number</b>	801122

**THE ORCHARD TRUST  
(Limited by Guarantee)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2024**

---

The year commenced fully clear of all Covid restrictions, allowing us to continue our catch-up back towards normality, including the review of policies and updating training, etc. It also saw us contending with the cost of living crisis, the increase in the National Living Wage (not matched by the Local Authorities) and the reluctance of the Government to acknowledge the contribution of the care sector and give genuine recognition to the hard-working, professional staff who provide care and quality of life to society's most vulnerable people.

Our relationship with all the Local Authorities with whom we have dealings remain positive, recognising the pressures they too are under and acknowledging that they continue to support us as best they are able.

An ageing resident population, with all the increased risks and challenges that provides, inevitably results in individuals reaching their natural demise. This year we said farewell to Lorraine Morrison and Jamie Kay. However, we also had the joy of welcoming Jordan Dykes and James Wakerley to the Orchard Trust family.

After a number of years of dedicated service, Elaine Hewison left the Board of Trustees and we welcomed on Peter Wakerley, father of James. I am pleased to say that two staff members reached their 30-year service with the Trust. We owe so much to our dedicated staff, so thank you.

On a financial basis, although we ended the year with a modest deficit, however this disguised a greater underlying loss for the Trust. The loss was mitigated by a £120k donation from the Chris Wiltshire estate, which as of March 24 has given a total of £320k to the Trust, for which we are very grateful.

The next few years are likely to be extremely challenging for all care providers, ourselves included. We are fortunate to have significant funds to help us overcome these hurdles and continue to develop our infrastructure and services of the Trust for the benefits of residents, service users, staff and the wider community.

*Nick Budd*

**Nick Budd  
Chairman of Trustees  
The Orchard Trust**

**Date:** 18/11/2024

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

---

The Trustees present their report together with the audited financial statements (“accounts”) of the company for the year ended 31 March 2024.

**PURPOSE AND IMPACT**

The Orchard Trust (referred to as the Trust from now on) was established in 1989 by a group of parents looking to improve care options for their children and others with learning disabilities. Having grown over the past 35 years the Trust provides residential care, supported living homes, along with rebound therapy, a hydrotherapy and day services all based on a working smallholding at Stowfield which is open to all who may wish to benefit from the services.

To see more about our homes and facilities please visit our website: [www.orchard-trust.org.uk](http://www.orchard-trust.org.uk)

**Philosophy of the Orchard Trust**

Orchard Trust believes people with disabilities have the same rights as any other individual and support each to enjoy the services and opportunities available to any other member of the community.

**Values**

**Kindness** - We treat others and ourselves with gentleness, warmth and care, focusing on the little things that really matter.

**Respect** - We look after ourselves, each other, our places and the environment.

**Individuality** - We recognise one another for the people we are, understanding and accepting preferences and beliefs to ensure personalised care and support.

**Working together** - We believe the best results are gained through working as a team, valuing suggestions and encouraging new ideas as we strive to continuously improve the care we provide.

The Trust’s values reflect the intrinsic behaviours of staff within the organisation and daily decisions are enhanced by the ongoing focus provided by the values.

**Objectives (Mission)**

We are a consistent and long-term place for life for people with disabilities, with a warm and friendly environment where each individual is supported to realise their ambitions.

**Activities**

Our mission is achieved by working towards the following aims:

1. Consistently look for innovation and fresh ideas to improve the care we provide
2. Ensuring each staff member has the skills and attributes of our values through effective recruitment, ongoing support, development and shared vision.
3. Building financial resilience through diversification of income, internal efficiencies and the provision of added value through alternative funding
4. Developing our homes to ensure we continue to meet the need of our clients
5. Expanding the reach of our day services site to benefit the wider community

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**Achievements and Performance**

The key achievements of the Trust against its activities and thus its objectives during the 2022/23 financial year are as follows:

- Release of care homes from all covid restrictions and return to full activities from 1st April 2023
- Development of services provided including a new sensory system for the hydro pool, generously funded by Goldman Sachs Gives
- The addition of ReciteMe accessibility software into the website, funded by Barnwood
- Development of new and existing staff through the use of funded apprenticeship schemes
- As an acknowledgement of the success of the Trust's Training and Development department through being shortlisted for the Circle to Success (C2S) South West Business Awards
- The celebration of the Trust's 35 year anniversary in February 2024, and more planned for 2024/25
- Progression by the Trust in its desire to minimise the negative impacts of operations through an energy audit and waste management review both with associated actions, a review of staff pensions to ensure funds are invested in the most suitable and ecologically sustainable product, and an external lean to at Hilltop has been constructed allowing the majority of clothes to be dried outside
- A wildlife pond at Stowfield has been created, funded by those who generously donated to the Big Give Christmas Challenge 2022, to improve biodiversity and allow opportunities for environmental education
- Development of homes continues with planning permission granted for a significant extension at Sevenoaks
- Opening of the Changing Place installed at Stowfield and now used by clients, volunteers and visitors
- Furthering the Trust's desire to benefit the wider community through a partnership agreement with Forest Community Shed who use the Stowfield site regularly
- Day service's Friday arts group worked with Artspace to create artwork for an exhibition at Westonbirt Arboretum
- Wyldwood Art delivered performing arts activities to our clients
- Canopy worked with clients and staff on various projects, walks and arts and showcased these at festivals
- Volunteers at Stowfield redeveloped the goat gym, provide weekend animal care and undertake various gardening projects
- Donations throughout 2023/24 totalled over £58,000, including £3,900 in gift aid, much of which is being used to further developed areas within the Trust
- The Trust also wishes to thank Gloucestershire Care Providers Association (GCPA), Gloucestershire County Council, along with the various other Local Authorities and NHS Trusts we work with, for their ongoing support.

**VALUES AND WAYS OF WORKING**

The Trust is deeply committed to providing high quality and positive-risk based care. To support sharing of learning and best practice the Trust has many internal committees to provide effective two-way feedback between all services and management. These include:

- Client Group (Trust our Voice)
- Parent Support Group (Carers & Sharers)
- Staff Communication Group (Comms)
- Health & Safety Staff Reps - with Trustee representation
- Action Based Management (ABM)
- Trustee buddy scheme across all services in the Trust
- Trustee Sub-Committees - Finance, Investment, Remuneration, Safeguarding
- Environmental Champions
- Wellbeing Champions
- Menopause Champions

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**Ensuring our work delivers our mission**

The Trust ensures all actions contribute to achieving its mission through regular monitoring of performance by CQC and local authorities, external expert by experience quality visits, family and staff questionnaires, Trustee buddy visits, senior manager audits, peer visits along with an internal 'mum' test. The board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when determining how current and future activities meet the Trust's objectives.

**Staff Pay Award**

Fee uplifts, effective from mid April 2023 and received from Local Authorities and NHS Trust's, did not cover the full impact of the increase in National Living Wage (NLW). The Trust chose to invest in its staff teams by providing all staff a pay increase above the NLW along with increasing the differential between care worker and team leader - reflecting the increased responsibilities required of the leader role. A pay progression route allows opportunity for salary increases through qualifications and length of service, and supports the Trust's aim to ensure each staff member has the skills and attributes of our values through effective recruitment, ongoing support, and training and shared vision. The Trust is delighted to continue to pay all staff above the National Living Wage reflecting the importance of the tasks they are doing and the gratitude the Trust has for their commitment and continuous hard work.

**OPERATING MODEL AND RISKS**

**Risk**

Internal risks are minimised by the regular review of the organisational risk register, comprehensive policies and procedures for all staff to follow along with appropriate training for each role. Financial risks are managed by the above along with procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the charity.

**Principal identified risks**

- Service delivery – internal and external quality controls minimise risks in this area with internal quality control process reviewed and updated to reflect the regularly changing best practice guidelines provided by authorities within the care sector.
- Recruitment – The challenge of recruiting new staff with the values and attributes required by the Trust to support clients is increasingly difficult, however these standards are vital to the wellbeing of individuals so new methods of advertising and recruiting are continually explored.
- Changes to Local Authority funding and/or commissioning models – Trust staff work closely with partners in local authorities to ensure client packages reflect true costs of care and individual need. Senior staff are active within local authority market shaping workshops and Cathy Andrews sits on the board of the Gloucestershire Care Providers Association.
- Regional and National policy changes - Cathy Andrews sits on the ADASS South West Stakeholder Forum and the South West Regional Stakeholder Network for the Disability Unit in Cabinet Office both feed information into and influence change at regional, national and governmental levels. Alongside this Cathy's position on the Skills for Care Workforce Board supports the development of training and conditions for today's and future social care workers.
- To ensure the Trust is up to date with current and future changes to the financial landscape Kelly Ryder sits as a Trustee for the Charity Finance Group and she and Tony Lafford, Orchards Registered Manager, are members of the Association for RealChange (ARC)
- Regulatory and Legislative changes - The Trust seeks to remain up to date with all changes through subscription to CQC, Skills for Care, HSE and other email updates along with face to face and social media peer networking. We consider and respond to the continued development of legislation and changes regulations through discussion and regular reviewing of internal procedures.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**Reserve Policy**

The majority of the Trust's income is received through local authority contracts for the specific care of an individual. Any surplus is used to ensure the Trust's on-going sustainability and to improve the care environment.

All charities are required to consider the level of reserves they need to hold to cover both development opportunities and as resilience against unforeseen events. Additional cash reserves are considered by the Trustees to be essential to protect the activities of the Trust. In line with the general guidance provided by the Charity Commissioners and an understanding of the organisational risks, the Trustees calculate the unrestricted reserves held to be a minimum of six months expenditure with the aim to increase this to the 12-month figure. These amounts have increased from previous years following consideration of future Local Authority funding challenges and further uncertainties during the ongoing pandemic and increasing costs.

Currently, the maintained unrestricted reserves not committed or invested in tangible fixed assets (Residential Development Fund) is at £900,000. Any reserves over that sum could be allocated for future development, pending a suitable opportunity. The net asset value of the Trust is sufficient to release substantial funds in the event of a catastrophe.

**GOVERNANCE AND DECISION MAKING**

**Orchard Trust**

The Trustees in office in the year are detailed on page 1 of this report along with the names and addresses of relevant organisations providing banking services or professional advice to the Charity and its subsidiary.

The company does not have share capital, being limited by a guarantee of £1 from each of the Trustees. The Trustees act as Directors for company purposes.

The company is governed by its Memorandum and Articles of Association.

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement.

At the year end the Board of Trustees comprised 8 Trustees, who are also Directors of The Orchard Trust for the purposes of company law. Operational responsibility lies with the Trust's Senior Management team of Cathy Andrews, C.E.O.; Anthony Jeffers, Head of Support & Operations; and Kelly Ryder, Finance Manager.

The Trust holds six full board meetings per year, plus a minimum of three finance committee meetings, two investment committee meetings and three safeguarding committee meetings. Trustees also have representation on the health and safety committee and each service has a Trustee buddy who regularly visits the service to learn more about that service's specific challenges and thus bring greater knowledge to the board room.

**Trustee Appointment and Training**

Trustees are appointed by election to the Board. On induction, new Trustees are given a tour of the Trust's sites, meet key employees and are introduced to the other Trustees. Trustees are briefed on their legal obligations under charity and company law, as well as the aims and activities of the Trust and its recent financial performance. Trustees are encouraged to attend external training events where these facilitate the undertaking of their role.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**Review of the accounts**

The accounts follow a similar format to those of the preceding year in compliance with the accounting rules under the Charities SORP.

The "Statement of Financial Activities" on page 12-13 shows the movements on all funds of the Trust, with the Balance Sheet on page 14. A Cash Flow Statement has again been included in the accounts on page 16. As in previous years, the report contains a Risk Analysis.

**Borrowings**

The Trust has borrowed no money during this year.

At the balance sheet date, cash reserves decreased from last year at £1,538,053 (2023 - £1,563,427). Total reserves decreased from £6,471,118 to £6,277,551 (2023 – increased from £6,391,667 to £6,471,118).

**Investment Powers**

Under the Memorandum and Articles of Association, the company has the power to make any investment which the Trustees see fit.

**Financial Review**

The full accounts of the Trust are included on pages 12 - 27. Cash balances at the year-end £1,538,053 (2023 - £1,563,427) reflected careful management of the Trust's resources during financially challenging times.

**Acquisitions and Disposals**

There have been no substantial acquisitions or disposals during the period.

**Statement of Trustees' Responsibilities**

The Trustees (who are also directors of The Orchard Trust Limited for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Acknowledgements**

We acknowledge HR support and guidance from HELP HR, PIB Insurance Brokers for dealing accordingly with our HR and insurance needs and RWKGoodman for assisting with our legal queries.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**Statement of Disclosure to Auditor**

In accordance with company law, as the Company's Directors, the Trustees have taken the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of, and which they know the auditors are unaware of.

**Fixed Assets**

The Company re-valued its properties in March 2015. This revaluation, which has been reflected in these financial statements, is based on the open market valuation for existing use of £4,630,000, which is the basis required by UK Financial Reporting Standards. The valuation of the properties at the same date, on the assumption that they were fully operational and equipped having regard to trading potential, was £4,630,000. This value was frozen on transition to FRS102.

**Third Party Indemnity Insurance**

The company incurred an annual premium of £1,777 to AXA Insurance UK PLC in relation to Trustee Indemnity Insurance.

**Auditors**

Hazlewoods LLP were reappointed as auditors in the year and have expressed their willingness to continue in office.

Signed by order of the Board of Trustees



**Mr Chris Lloyd**  
**Treasurer - The Orchard Trust**

**Date:** 15/11/2024

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion**

We have audited the financial statements of The Orchard Trust for the year ended 31 March 2024, which comprise the Charity Statement of Financial Activities, the Charity Balance Sheet, the Charity Statement of Changes in Equity, 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).

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 annual 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.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustee's responsibilities statement set out on page 7, the trustees 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 directors 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 directors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Extent to which the auditor was considered capable of detecting irregularities, including fraud**

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planning and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company financial statements or that had a fundamental effect on the charitable company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and Charities Act 2011.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how management considered and addressed the potential for override of controls. Detailed analysis of journals posted through the accounting system during the year to 31 March 2024 has been undertaken;
- Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud and they appeared to be working effectively.
- Challenging assumptions and judgements made by management in its significant accounting estimates.

**Use of our report**

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

*Martin Howard*

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

18/11/2024

Date:.....

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted fund 2024 £	Restricted fund 2024 £	Total funds 2024 £	Total funds 2023 £
<b>INCOME AND ENDOWMENTS</b>					
<b>Income and endowments from:</b>					
<b>Donations and legacies</b>					
Donations and gifts		154,510	10,000	164,510	368,764
<b>Investments</b>					
Bank interest receivable		27,242	-	27,242	6,132
<b>Charitable activities</b>					
Local Authority contracts		4,845,304	-	4,845,304	4,369,875
<b>Other</b>					
Training income		59,254	-	59,254	49,777
Rental income		36,961	-	36,961	33,150
Other income		-	-	-	168
Government grants		-	-	-	6,747
		-----	-----	-----	-----
<b>Total income and endowments</b>		5,123,271	10,000	5,133,271	4,834,613
		-----	-----	-----	-----
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	2	(5,280,852)	(45,986)	(5,326,838)	(4,755,162)
		-----	-----	-----	-----
<b>Total expenditure</b>		(5,280,852)	(45,986)	(5,326,838)	(4,755,162)
		-----	-----	-----	-----
<b>Net loss for the year</b>	14	(157,581)	(35,986)	(193,567)	79,451
		=====	=====	=====	=====

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted fund 2024 £	Restricted fund 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Reconciliation of funds</b>					
Funds brought forward at 1 April		6,429,896	41,222	6,471,118	6,391,667
Transfer between reserves		(4,300)	4,300	-	-
Net movement in funds		(157,581)	(35,986)	(193,567)	79,451
Funds carried forward at 31 March	14	6,268,015	9,536	6,277,551	6,471,118

The notes on pages 17 to 27 form part of these financial statements.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

**Note of Historical Cost Income and Expenditure**

	2024 £	2023 £
<b>Reported net movement in funds</b>	(193,567)	79,451
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount	16,946	17,174
<b>Historical cost net movement in funds</b>	(176,621)	96,625

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2024**

**Company Number: 2348350**

	<b>Note</b>	<b>£</b>	<b>2024</b> <b>£</b>	<b>£</b>	<b>2023</b> <b>£</b>
<b>Fixed assets</b>					
Tangible assets	6		4,683,653		4,792,651
Investments	7		930		930
			<u>4,684,583</u>		<u>4,793,581</u>
<b>Current assets</b>					
Stock	8	1,440		1,440	
Debtors	9	337,264		455,492	
Cash at bank and in hand		1,538,053		1,563,427	
			<u>1,876,757</u>	<u>2,020,359</u>	
<b>Creditors: Amounts falling due within one year</b>	10	(283,789)		(342,822)	
			<u>1,592,968</u>	<u>1,677,537</u>	
<b>Total assets less current liabilities</b>			<u><b>6,277,551</b></u>		<u><b>6,471,118</b></u>
<b>Funds</b>					
Restricted income funds	12,13,14		9,536		41,222
Unrestricted income funds:	13,14				
Operational general fund			4,437,862		4,582,797
Property revaluation reserve			930,153		947,099
Designated funds			900,000		900,000
			<u>6,277,551</u>		<u>6,471,118</u>

15/11/2024

The financial statements were approved by the Board of Trustees on \_\_\_\_\_ and signed on its behalf by:

  
**Mr Chris Lloyd**  
**Treasurer**  
**The Orchard Trust**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2023	4,582,797	947,099	900,000	41,222	6,471,118
Net (deficit) / surplus before transfers	(157,581)	-	-	(35,986)	(193,567)
Depreciation on revalued Amounts	16,946	(16,946)	-	-	-
Transfer between reserves	(4,300)	-	-	4,300	-
Funds carried forward at 31 March 2024	<u>4,437,862</u>	<u>930,153</u>	<u>900,000</u>	<u>9,536</u>	<u>6,277,551</u>
	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2022	4,516,376	964,273	900,000	11,018	6,391,667
Net (deficit) / surplus before transfers	(15,580)	-	-	95,031	79,451
Depreciation on revalued Amounts	17,174	(17,174)	-	-	-
Transfer between reserves	64,827	-	-	(64,827)	-
Funds carried forward at 31 March 2023	<u>4,582,797</u>	<u>947,099</u>	<u>900,000</u>	<u>41,222</u>	<u>6,471,118</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	£	2024 £	£	2023 £
<b>Cash generated from in operating activities</b>	15		46,591		112,881
<b>Cash flows from investing activities</b>					
Interest income		27,242		6,132	
Purchase of tangible fixed assets		(99,207)		(238,610)	
Proceeds from sale of tangible assets		-		1,200	
<b>Cash used in investing activities</b>			(71,965)		(231,278)
Decrease in cash and cash equivalents in the year			(25,374)		(118,397)
Cash and cash equivalents at the beginning of the year			1,563,427		1,681,824
<b>Total cash and cash equivalents at the end of the year</b>			<b>1,538,053</b>		<b>1,563,427</b>

The charitable company does not have any debt and therefore an analysis of the debt has not been included in these financial statements.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**1 ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, adopting the following principal accounting policies all of which are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements are presented in Pounds Sterling.

**Company status**

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The company is incorporated and domiciled in England and Wales.

The address of its registered office is:

Lydbrook Valley Springs  
 Central Lydbrook  
 Lydbrook  
 Gloucestershire  
 GL17 9PP

**Judgements and estimation uncertainty**

The trustees consider that there are no key areas of judgement or estimation uncertainty to be disclosed in these financial statements.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated in the accounts at cost or revalued amount less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The annual rates applied in this period were:

Freehold buildings (homes)	2% on written down value
Farm	2% on written down value
Plant and equipment	15% on written down value
Office equipment and furniture	40% on written down value
Motor vehicles	25% on written down value

No depreciation is provided on freehold land.

**Stocks**

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

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**1 ACCOUNTING POLICIES (continued)**

**Trade receivables**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

**Trade payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Trust does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Financial instruments**

The trust 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.

**Income and endowments**

Income and endowments are allocated between:

**Donations and legacies (analysed between donations/gifts and grants receivable)**

Donations/gifts and grants are accounted for on a receivable basis. Funds collected, to which the charity is entitled, but not received before the end of the financial year, are included in income and endowments and in debtors.

Capital grants are recognised through the Statement of Financial Activities as income to restricted funds. A transfer is then made to the General Fund so as to write back the fund over the expected useful life of the relevant asset.

**Income from charitable activities (fees from local authority contracts)**

Income derives from the provision of education and residential care and is recognised in the Statement of Financial Activities on a receivable basis. Such income is exempt from Value Added Tax.

**Income from Investments**

Interest receivable is accrued on a daily basis.

**Other income**

Income arising from the provision of training is recognised on a receivable basis, and included within 'Other income'.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**1 ACCOUNTING POLICIES (continued)**

**Expenditure on Charitable activities**

Expenditure on Charitable activities is included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax, which cannot be recovered. Where expenditure is directly attributable to more than one activity, it is apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

**Funds**

Funds held by the charity are either:

- Unrestricted general funds, which can be used in accordance with the charitable objects at the discretion of the Trustees; or
- Unrestricted designated funds, which can be used in accordance with the Charitable objects, in respect of specific projects ear-marked by the Trustees; or
- Restricted funds, which can only be used for particular restricted purposes within the objects of the charity. Restrictions are specified by the donor or when funds are raised for particular restricted purposes. All funds received to date have been applied against capital projects.

**Taxation**

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

**Pensions**

The company operates a defined contribution scheme for certain employees. The contributions are charged to revenue in the period in which they are incurred.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**2 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Note</b>	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
<b>Provision of care:</b>			
Staff costs	4	3,763,859	3,396,365
Residents' expenses		228,747	199,070
Transport costs		57,308	50,121
Property costs		228,048	278,461
Equipment maintenance		87,477	84,860
Other costs		133,863	39,960
Depreciation		208,205	173,810
Insurance		76,569	59,649
COVID costs (ICG)		-	4,260
		<hr/>	<hr/>
		4,784,076	4,286,556
		<hr/>	<hr/>
<b>Support costs:</b>			
Staff costs	4	363,156	337,886
Property costs		12,003	14,656
Equipment maintenance		4,604	4,466
Insurance		4,030	3,139
Office costs		32,729	37,661
Sundry		2,170	4,296
Legal and professional fees		120,090	60,786
Bank charges		3,980	2,914
Bad debt expense		-	3,930
Profit on disposal of tangible fixed assets		-	(1,128)
		<hr/>	<hr/>
		542,762	468,606
		<hr/>	<hr/>
Total expenditure on charitable activities		<u>5,326,838</u>	<u>4,755,162</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**3 NET INCOME FOR THE YEAR**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	208,205	173,810
Auditors' remuneration	10,000	9,875
	<u>          </u>	<u>          </u>

Third Party Indemnity insurance costs of £1,777 (2023 - £1,589) were incurred in the year in relation to Trustee Indemnity Insurance. The maximum indemnity under the policy was £2,000,000 (2023 - £2,000,000).

**4 STAFF COSTS AND NUMBERS**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
<b>Staff costs:</b>			
Wages and salaries		3,788,507	3,428,936
Social security costs		259,164	235,945
Other pension costs		79,344	69,370
		<u>          </u>	<u>          </u>
		4,127,015	3,734,251
		<u>          </u>	<u>          </u>
<b>Analysed:</b>			
Staff costs included in provision of care and education	2	3,763,859	3,396,365
Staff costs included in support costs	2	363,156	337,886
		<u>          </u>	<u>          </u>
		4,127,015	3,734,251
		<u>          </u>	<u>          </u>
Emoluments to Chief Executive Officer		<u>          </u>	<u>          </u>
		78,891	72,913
		<u>          </u>	<u>          </u>

The above represents the emoluments of the highest paid officer. One other employee earned more than £60,000. The trustees did not receive any remuneration.

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Management and administration	12	12
Nursing and care staff	193	191
	<u>          </u>	<u>          </u>
	205	203
	<u>          </u>	<u>          </u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**5 TAXATION**

As The Orchard Trust is an exempt charity, it is exempt from taxation in respect of income or capital gains received.

**6 TANGIBLE FIXED ASSETS**

	<b>Residential freehold property £</b>	<b>Farm £</b>	<b>Plant &amp; equipment £</b>	<b>Office equipment &amp; furniture £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2023	5,317,699	192,780	23,183	483,328	164,323	6,181,313
Additions	23,782	-	-	75,425	-	99,207
Disposals	-	-	-	-	-	-
At 31 March 2024	<u>5,341,481</u>	<u>192,780</u>	<u>23,183</u>	<u>558,753</u>	<u>164,323</u>	<u>6,280,520</u>
<b>Depreciation</b>						
At 1 April 2023	942,508	69,774	15,631	261,352	99,397	1,388,662
Charge for the year	81,840	2,461	1,133	105,948	16,823	208,205
Eliminated on disposal	-	-	-	-	-	-
At 31 March 2024	<u>1,024,348</u>	<u>72,235</u>	<u>16,764</u>	<u>367,300</u>	<u>116,220</u>	<u>1,596,867</u>
<b>Net book value</b>						
At 31 March 2024	<u>4,317,133</u>	<u>120,545</u>	<u>6,419</u>	<u>191,453</u>	<u>48,103</u>	<u>4,683,653</u>
At 31 March 2023	<u>4,375,191</u>	<u>123,006</u>	<u>7,552</u>	<u>221,976</u>	<u>64,926</u>	<u>4,792,651</u>

Freehold property includes £278,720 (2023 - £278,720) in respect of land which has not been depreciated.

Comparable historical cost of the freehold property is £4,635,000 (2023 - £4,635,000). The accumulated depreciation on the historical cost is £1,455,204 (2023 - £1,390,310).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**7 INVESTMENTS**

	<b>Subsidiary undertakings £</b>	<b>Listed investments £</b>	<b>Total 2024 £</b>
<b>Cost</b>			
At 1 April 2023	10,908	930	11,838
Investment written off	(10,908)	-	(10,908)
	<u>          </u>	<u>          </u>	<u>          </u>
As at 31 March 2024	<u>          </u> -	<u>          </u> 930	<u>          </u> 930
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Amortisation</b>			
Impairment brought forward at 1 April 2023	10,908	-	10,908
Investment written off	(10,908)	-	(10,908)
	<u>          </u>	<u>          </u>	<u>          </u>
As at 31 March 2024	<u>          </u> -	<u>          </u> -	<u>          </u> -
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>			
31 March 2024	<u>          </u> -	<u>          </u> 930	<u>          </u> 930
	<u>          </u>	<u>          </u>	<u>          </u>
31 March 2023	<u>          </u> -	<u>          </u> 930	<u>          </u> 930
	<u>          </u>	<u>          </u>	<u>          </u>

**8 STOCK**

	<b>2024 £</b>	<b>2023 £</b>
Livestock and materials	1,440	1,440
	<u>          </u>	<u>          </u>

**9 DEBTORS**

	<b>2024 £</b>	<b>2023 £</b>
Trade debtors	203,352	356,787
Other debtors and accrued income	74,808	47,104
Prepayments	59,104	51,601
	<u>          </u>	<u>          </u>
	<u>          </u> 337,264	<u>          </u> 455,492
	<u>          </u>	<u>          </u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**10 CREDITORS: Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	£	£
Trade creditors	78,552	162,336
Taxation and social security	53,268	44,323
Accruals and deferred income	108,681	96,014
Other creditors	43,288	40,149
	<u>283,789</u>	<u>342,822</u>

**11 COMMITMENTS**

At 31 March, the total of future minimum lease payments is as follows:

	<b>2024</b>	<b>2023</b>
	£	£
Expiry date:		
Less than one year	1,427	1,786
Between two and five years	388	1,416
	<u>1,815</u>	<u>3,202</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,427 (2023 - £1,786).

At 31 March 2024 the Trust had no capital commitments contracted for but not provided in these financial statements.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**12 RESTRICTED FUNDS**

	1 April 2023 £	Incoming Resources £	Normal Expenditure £	Resources Transfer £	31 March 2024 £
Offas Dyke Sensory room	1,236	-	-	-	1,236
Offas Dyke Car	-	-	(3,910)	3,910	-
Cookery project	3,717	-	(3,717)	-	-
Sevenoaks Tomcat	643	-	-	-	643
Science week project	438	-	-	-	438
Orchards Television	-	100	-	(100)	-
Sharp Big Pads	-	9,900	(9,900)	-	-
Alpaca project	2,000	-	(2,490)	490	-
Changing places	5,251	-	(2,247)	-	3,004
Morelands bed/paintbrushes/gazebo	550	-	-	-	550
Pool pilot and client session subsidy	24,387	-	(23,722)	-	666
Community garden project	3,000	-	-	-	3,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	41,222	10,000	(45,986)	4,300	9,536

Resources transfer includes capital expenditure of £Nil (2023 - £67,228).

**13 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	4,684,583	-	4,684,583
Current assets	1,867,221	9,536	1,876,757
Current liabilities	(283,789)	-	(283,789)
	<hr/>	<hr/>	<hr/>
Balance carried forward at 31 March 2024	6,268,015	9,536	6,277,551
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**14 MOVEMENTS ON RESERVES**

Whilst the Statement of Financial Activities shows the movement on all funds, the position is also illustrated in this note for clarity:

	Operational general fund £	Property revaluation reserve £	Designated fund £	Restricted fund £	Total funds £
Funds brought forward at 1 April 2023	4,582,797	947,099	900,000	41,222	6,471,118
Net incoming resources before transfers	(157,581)	-	-	(35,986)	(193,567)
Depreciation on revalued Amounts	16,946	(16,946)	-	-	-
Transfer between reserves	(4,300)	-	-	4,300	-
Funds carried forward At 31 March 2024	<u>4,437,862</u>	<u>930,153</u>	<u>900,000</u>	<u>9,536</u>	<u>6,277,551</u>

The designated funds of the charitable company relates to a "Residential Care Development Fund" whereby it is the intention of the Trustees to further develop the provision of care and to provide for unforeseen major expenditure to the properties.

The Trustees are looking for suitable opportunities.

**15 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024 £	2023 £
Net income before other recognised gains and losses	(193,567)	79,451
Interest receivable	(27,242)	(6,132)
Depreciation	208,205	173,810
Profit on disposal of assets	-	(1,128)
(Increase) / decrease in debtors	118,228	(228,192)
Increase / (decrease) in creditors	(59,033)	95,072
<b>Net cash generated from operating activities</b>	<u>46,591</u>	<u>112,881</u>

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**16 RELATED PARTY TRANSACTIONS**

During the year, rent and rates was paid of £17,600 (2023 - £17,600) to Mr R Morgan (a trustee), who owns a freehold property from which the company trades. No amounts remain unpaid as at 31 March 2024.

During the year, £222,997 of fees were received from local authorities for 3 children of trustees, who are supported by the charity.

Additionally, during the current financial year, Elizabeth Bell (a trustee) has volunteered time and services to the business smallholding.

**THE ORCHARD TRUST**

England & Wales - Charity number 801122

---

# Accounts

---

**Company Number: 2348350**  
**Charity Number: 801122**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2023**

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**C O N T E N T S**

	<b>Page</b>
OFFICERS AND ADVISORS	1
CHAIRMAN'S REPORT	2
REPORT OF THE TRUSTEES	3 - 8
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	9 - 11
STATEMENT OF FINANCIAL ACTIVITIES	12 - 13
BALANCE SHEET	14
STATEMENT OF CHANGES IN EQUITY	15
STATEMENT OF CASH FLOWS	16
NOTES TO THE FINANCIAL STATEMENTS	17 - 26

**THE ORCHARD TRUST  
(Limited by Guarantee)  
OFFICERS AND ADVISORS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

<b>Trustees</b>	Mr N Budd Mr B Kaye Mrs J Morris Kaye Mrs S Henschley Mr R Morgan Mrs R Dodsworth (Resigned 25 November 2022) Mrs C Smart Mrs E Hewison Mr C Lloyd Mrs E C Bell
<b>Chief Executive Officer</b>	Mrs C Andrews
<b>Registered and Administrative Office</b>	The Orchards Lydbrook Valley Springs Central Lydbrook Lydbrook Gloucestershire GL17 9PP
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT
<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
<b>Bankers</b>	Lloyds TSB 19 Eastgate Street Gloucester GL1 1NU
<b>Company Number</b>	2348350 (England and Wales)
<b>Charity Number</b>	801122

**THE ORCHARD TRUST  
(Limited by Guarantee)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

---

This year thankfully, Covid had fewer direct effects on the Orchard Trust, but indirect effects have been more noticeable. Recruiting staff in all the Care industry has been incredibly hard, and does not appear to be improving. The Trust is examining its recruiting techniques in order to strengthen them, and retention becomes even more of a priority. Staff wellbeing is still important to the Trustees and the organisation, while risk of burnout remains high as staff continue their battle working with low staff numbers, and the recovery from Covid.

We continue to have good relations with the Local Authorities who refer clients to us. We feel that we offer so much more than just a place to live, and this makes us special. We offer the Stowfield site, with the smallholding and Day Services, including the Hydropool and Rebound facilities. We train our staff on site, which makes it more efficient to keep their learning up to date. We consider it important for all our staff to contribute to the decisions regarding the ethos and values of the Trust and feel that this helps them in their relationships with the people we look after.

The Trust is improving relations with the local community, with more people coming to visit the Smallholding at Stowfield. We are grateful to the companies which have enabled their staff to come and give us their valuable, voluntary time, often resulting in longer friendships and collaboration. We are also building relations with Heart of the Forest Community Special School, as a number of their leavers come to use our Day Centre and sometimes to live.

The Training department has again needed to change the way it keeps our staff learning up to date, as shortages mean that staff cannot be released from their work for longer than absolutely necessary. Some methods of providing training during lockdown have been very successful, and their implementation has continued.

The Summer Fair in 2022 was held at Stowfield, much to everyone's relief, and the fantastic sum of £4134 was raised. Our enormous thanks go to the team who organised it. It is a great Team Building exercise, as everyone does their bit. We were pleased to see so many members of the public coming to join in, and see what we do.


Fundraising was more difficult following the shutdowns required by Covid restrictions, but our thanks must go to the family of Chris Wiltshire for their very generous donation of £200,000. We also again thank our great fundraising team for all the work they do.

After 25 years with Orchard Trust, Rhiannon Hughes, Deputy Manager at Orchards and Offa's Dyke retired. Rhiannon has seen significant changes and growth over her years and the board wishes to thank her for her contribution to the charity over this time.

I sadly have to report the reluctant closure of the Friends of The Orchard Trust, but our grateful thanks go to the members who contributed so much to it.

Two more sad events were the deaths of Jeremy Norman and Steven Walker. They had been with us for a long time, and we miss them greatly.

This is my final year as Chairman. I have enjoyed my time in the chair, even though it started slowly, with Covid and shutdown taking everyone's time and energy. Since then we have been able to introduce some innovations to the way the Board makes its decisions. These include occasional informal meetings, which allow wide ranging discussions and I believe, help Board cohesion. I am very grateful to Nick Budd for agreeing to take over the Chairmanship for a second time, and thank all members of the Board for their time and support during my Chairmanship.

  
**Sue Henschley**  
**Chairman of Trustees**  
**The Orchard Trust**

**Date:** 7/11/2023

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

The Trustees present their report together with the audited financial statements (“accounts”) of the company for the year ended 31 March 2023.

**PURPOSE AND IMPACT**

The Orchard Trust (referred to as the Trust from now on) was established in 1989 by a group of parents who were looking to improve care options for their children and others with learning disabilities. Having grown over the past 30 years the Trust provides residential care, supported living homes, short break (respite) beds, rebound therapy, hydrotherapy and day services based on a working smallholding which is open to all who may wish to benefit from the services.

To see more about our homes and facilities please visit our website: [www.orchard-trust.org.uk](http://www.orchard-trust.org.uk)

**Philosophy of the Orchard Trust**

Orchard Trust believes people with disabilities have the same rights as any other individual and support each to enjoy the services and opportunities available to any other member of the community.

**Values**

**Kindness** - We treat others and ourselves with gentleness, warmth and care, focusing on the little things that really matter.

**Respect** - We look after ourselves, each other, our places and the environment.

**Individuality** - We recognise one another for the people we are, understanding and accepting preferences and beliefs to ensure personalised care and support.

**Working together** - We believe the best results are gained through working as a team, valuing suggestions and encouraging new ideas as we strive to continuously improve the care we provide.

The Trust’s values reflect the intrinsic behaviours of staff within the organisation and daily decisions are enhanced by the ongoing focus provided by the values.

**Objectives (Mission)**

We are a consistent and long-term place for life for people with disabilities, with a warm and friendly environment where each individual is supported to realise their ambitions.

**Activities**

Our mission is achieved by working towards the following aims:

1. Consistently look for innovation and fresh ideas to improve the care we provide
2. Ensuring each staff member has the skills and attributes of our values through effective recruitment, ongoing support, development and shared vision.
3. Building financial resilience through diversification of income, internal efficiencies and the provision of added value through alternative funding
4. Expanding the reach of our day services site to benefit the wider community

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**Achievements and Performance**

The key achievements of the Trust against its activities and thus its objectives during the 2022/23 financial year are as follows:

- Staff and management worked incredibly hard and very long hours to ensure clients and each other were well supported through the ongoing pandemic and staff shortages.
- The creation of wellbeing and menopause champions within each service has further supported staff, and additional Mental Health First Aid training has been undertaken by managers and deputies.
- Implementation of Care Control, a paperless care planning system and medical administration record (eMAR), across the majority of services, saving staff and management significant time and improving auditing processes. However the restrictions of rural internet access have created some challenges around this.
- Gigaclear has installed the fibre network to the junction boxes outside Sevenoaks, Orchards and Offa's Dyke and we keenly await a 'switch on' date.
- Plans have been drawn up to create an extension to Sevenoaks, eliminating the need for clients to use a staircase and enabling the home to support clients who use wheelchairs.
- Grants and fundraising have continued to support the development of the Trust through the purchase of 2 additional table ipads for clients to use, a wildlife pond and the changing place wetroom available to users and visitors to the site.
- The Trust was granted funding for a trial extending the opening hours of the hydro pool into the evenings and weekends which ran from January to March 2023. Following this the opening hours were permanently extended to 6pm on weekdays providing a further 5 hours therapy per week.
- The decision was made to close the night respite facility running at Hilltop and convert the bed into a full time residential bed as the numbers of respite clients receiving funding for these stays had significantly diminished following the pandemic.
- The Trust has started to examine how its activities might have a negative impact on the environment by appointing Environment Champions from each service. Through working together we aim to assess impact and, where possible, make changes that will protect the environment we occupy.
- The Trust also wishes to thank Gloucestershire County Council for their ongoing support.

**VALUES AND WAYS OF WORKING**

The Trust is deeply committed to providing high quality and positive-risk based care. To support sharing of learning and best practice the Trust has many internal committees to provide effective two-way feedback between all services and management. These include:

- Client Group (Trust our Voice)
- Parent Support Group (Carers & Sharers)
- Staff Communication Group (Comms)
- Health & Safety Staff Reps - with Trustee representation
- Action Based Management (ABM)
- Trustee buddy scheme across all services in the Trust
- Trustee Sub-Committees - Finance, Investment, Remuneration, Safeguarding
- Environmental Champions
- Wellbeing Champions
- Menopause Champions

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**Ensuring our work delivers our mission**

The Trust ensures all actions contribute to achieving its mission through regular monitoring of performance by CQC and local authority monitoring visits, external expert by experience quality visits, family and staff questionnaires, Trustee buddy visits, senior manager audits and peer visits along with an internal 'mum' test. The board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when determining how our current and future activities meet the Trust's objectives.

**Staff Pay Award**

Fee uplifts, effective from mid April 2022, received from Local Authorities and Clinical Commissioning Groups did not cover the full impact of the increase in National Living Wage the Trust chose to invest in its staff teams by providing all staff a pay increase along with increasing the differential between care worker and team leader, reflecting the increased responsibilities required of the leader role. A pay progression route allows opportunity for salary increases through qualifications and length of service and support the Trusts aim to ensure each staff member has the skills and attributes of our values through effective recruitment, ongoing support, and training and shared vision. The Trust is delighted to continue to pay all staff above the National Living Wage reflecting the importance of the tasks they are doing and the gratitude the Trust has for their commitment and continuous hard work.

**OPERATING MODEL AND RISKS**

**Risk**

Internal risks are minimised by the regular review of the organisational risk register, comprehensive policies and procedures for all staff to follow along with appropriate training for each role. Financial risks are managed by the above along with procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the charity.

**Principal identified risks**

- Service delivery – internal and external quality controls minimise risks in this area with internal quality control process reviewed and updated to reflect the regularly changing best practice guidelines provided by authorities within the care sector.
- Recruitment – The challenge of recruiting new staff with the values and attributes required by the Trust to support clients is increasingly difficult, however these standards are vital to the wellbeing of individuals so new methods of advertising and recruiting are continually explored.
- Changes to Local Authority funding and/or commissioning models – Trust staff work closely with partners in local authorities to ensure client packages reflect true costs of care and individual need. Senior staff are active within local authority market shaping workshops and Cathy Andrews sits on the board of the Gloucestershire Care Providers Association.
- Regional and National policy changes - Cathy Andrews sits on the ADASS South West Stakeholder Forum and the South West Regional Stakeholder Network for the Disability Unit in Cabinet Office both feed information into and influence change at regional, national and governmental levels. Alongside this Cathy's position on the Skills for Care Workforce Board supports the development of training and conditions for today's and future social care workers.
- To ensure the Trust is up to date with current and future changes to the financial landscape Kelly Ryder sits as a Trustee for the Charity Finance Group and she and Tony Lafford, Orchards Registered Manager, are members of the Association for RealChange (ARC)
- Regulatory and Legislative changes - The Trust seeks to remain up to date with all changes through subscription to CQC, Skills for Care, HSE and other email updates along with face to face and social media peer networking. We consider and respond to the continued development of legislation and changes regulations through discussion and regular reviewing of internal procedures.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**Reserve Policy**

The majority of the Trust's income is received through local authority contracts for the specific care of an individual. Any surplus is used to ensure the Trust's on-going sustainability and to improve the care environment.

All charities are required to consider the level of reserves they need to hold to cover both development opportunities and as resilience against unforeseen events. Additional cash reserves are considered by the Trustees to be essential to protect the activities of the Trust. In line with the general guidance provided by the Charity Commissioners and an understanding of the organisational risks, the Trustees calculate the unrestricted reserves held to be a minimum of six months expenditure with the aim to increase this to the 12-month figure. These amounts have increased from previous years following consideration of future Local Authority funding challenges and further uncertainties during the ongoing pandemic and increasing costs.

Currently, the maintained unrestricted reserves not committed or invested in tangible fixed assets (Residential Development Fund) is at £900,000. Any reserves over that sum could be allocated for future development, pending a suitable opportunity. The net asset value of the Trust is sufficient to release substantial funds in the event of a catastrophe.

**GOVERNANCE AND DECISION MAKING**

**Orchard Trust**

The Trustees in office in the year are detailed on page 1 of this report along with the names and addresses of relevant organisations providing banking services or professional advice to the Charity and its subsidiary.

The company does not have share capital, being limited by a guarantee of £1 from each of the Trustees. The Trustees act as Directors for company purposes.

The company is governed by its Memorandum and Articles of Association.

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement.

At the year end the Board of Trustees comprised 9 Trustees, who are also Directors of The Orchard Trust for the purposes of company law. Operational responsibility lies with the Trust's Senior Management team of Cathy Andrews, C.E.O.; Anthony Jeffers, Head of Support & Operations; and Kelly Ryder, Finance Manager.

The Trust holds six full board meetings per year, plus a minimum of three finance committee meetings, two investment committee meetings and three safeguarding committee meetings. Trustees also have representation on the health and safety committee and each service has a Trustee buddy who regularly visits the service to learn more about that service's specific challenges and thus bring greater knowledge to the board room.

**Trustee Appointment and Training**

Trustees are appointed by election to the Board. On induction, new Trustees are given a tour of the Trust's sites, meet key employees and are introduced to the other Trustees. Trustees are briefed on their legal obligations under charity and company law, as well as the aims and activities of the Trust and its recent financial performance. Trustees are encouraged to attend external training events where these facilitate the undertaking of their role.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**Review of the accounts**

The accounts follow a similar format to those of the preceding year in compliance with the accounting rules under SORP 2015.

The "Statement of Financial Activities" on page 12-13 shows the movements on all funds of the Trust, with the Balance Sheet on page 14. A Cash Flow Statement has again been included in the accounts on page 16. As in previous years, the report contains a Risk Analysis.

**Borrowings**

The Trust has borrowed no money during this period.

At the balance sheet date, cash reserves were higher than last year at £1,563,427 (2022 - £1,681,824). Total reserves increased from £6,391,667 to £6,471,118 (2022 - £6,054,574 to £6,391,667).

**Investment Powers**

Under the Memorandum and Articles of Association, the company has the power to make any investment which the Trustees see fit.

**Financial Review**

The full accounts of the Trust are included on pages 12-26. Cash balances at the year-end of £1,563,427 (2022 - £1,681,824) reflected careful management of the Trusts resources during financially challenging times.

**Acquisitions and Disposals**

There have been no substantial acquisitions or disposals during the period.

**Statement of Trustees' Responsibilities**

The Trustees (who are also directors of The Orchard Trust Limited for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Acknowledgements**

We acknowledge HR support and guidance from HELP HR, PIB Insurance Brokers for dealing accordingly with our HR and insurance needs and RWKGoodman for assisting with our legal queries.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES (continued)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**Statement of Disclosure to Auditor**

In accordance with company law, as the Company's Directors, the Trustees have taken the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of, and which they know the auditors are unaware of.

**Fixed Assets**

The Company re-valued its properties in March 2015. This revaluation, which has been reflected in these financial statements, is based on the open market valuation for existing use of £4,630,000, which is the basis required by UK Financial Reporting Standards. The valuation of the properties at the same date, on the assumption that they were fully operational and equipped having regard to trading potential, was £4,630,000.

**Third Party Indemnity Insurance**

The company incurred an annual premium of £1,589 to DE Ford Limited in relation to Trustee Indemnity Insurance.

**Auditors**

Hazlewoods LLP were reappointed as auditors in the year and have expressed their willingness to continue in office.

Signed by order of the Board of Trustees



**Mr Chris Lloyd  
Treasurer - The Orchard Trust**

**Date:** 7/11/2023

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion**

We have audited the financial statements of The Orchard Trust for the year ended 31 March 2023, which comprise the Charity Statement of Financial Activities, the Charity Balance Sheet, the Charity Statement of Changes in Equity, 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).

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 annual 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.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion on other matter 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustee's responsibilities statement set out on page 7, the trustees 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 directors 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 directors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Extent to which the auditor was considered capable of detecting irregularities, including fraud**

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planning and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company financial statements or that had a fundamental effect on the charitable company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and Charities Act 2011.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how management considered and addressed the potential for override of controls. Detailed analysis of journals posted through the accounting system during the year to 31 March 2023 has been undertaken;
  - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud and they appeared to be working effectively.
  - Challenging assumptions and judgements made by management in its significant accounting estimates.

*Martin Howard*

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

8/11/2023

Date:.....

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted fund 2023 £	Restricted fund 2023 £	Total funds 2023 £	Total funds 2022 £
<b>INCOME AND ENDOWMENTS</b>					
<b>Income and endowments from:</b>					
<b>Donations and legacies</b>					
Donations and gifts		254,620	114,144	368,764	92,542
<b>Investments</b>					
Bank interest receivable		6,132	-	6,132	319
<b>Charitable activities</b>					
Local Authority contracts		4,369,875	-	4,369,875	4,118,192
<b>Other</b>					
Training income		49,777	-	49,777	36,925
Rental income		33,150	-	33,150	37,150
Other income		168	-	168	-
Government grants		-	6,747	6,747	234,211
<b>Total income and endowments</b>		<b>4,713,722</b>	<b>120,891</b>	<b>4,834,613</b>	<b>4,519,339</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	2	<b>(4,729,302)</b>	<b>(25,860)</b>	<b>(4,755,162)</b>	<b>(4,182,246)</b>
<b>Total expenditure</b>		<b>(4,729,302)</b>	<b>(25,860)</b>	<b>(4,755,162)</b>	<b>(4,182,246)</b>
<b>Net income/(loss) for the year</b>	14	<b>(15,580)</b>	<b>95,031</b>	<b>79,451</b>	<b>337,093</b>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted fund 2023 £	Restricted fund 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Reconciliation of funds</b>					
Funds brought forward at 1 April		6,380,649	11,018	6,391,667	6,054,574
Transfer between reserves		64,827	(64,827)	-	-
Net movement in funds		(15,580)	95,031	79,451	337,093
Funds carried forward at 31 March	14	6,429,896	41,222	6,471,118	6,391,667

The notes on pages 17 to 27 form part of these financial statements.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

**Note of Historical Cost Income and Expenditure**

	2023 £	2022 £
<b>Reported net movement in funds</b>	87,861	337,093
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount	17,174	14,628
<b>Historical cost net movement in funds</b>	105,035	351,721

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

**Company Number: 2348350**

	<b>Note</b>	<b>£</b>	<b>2023</b> <b>£</b>	<b>£</b>	<b>2022</b> <b>£</b>
<b>Fixed assets</b>					
Tangible assets	6		4,792,651		4,727,923
Investments	7		930		930
			<u>4,793,581</u>		<u>4,728,853</u>
<b>Current assets</b>					
Stock	8	1,440		1,440	
Debtors	9	455,492		227,300	
Cash at bank and in hand		1,563,427		1,681,824	
			<u>2,020,359</u>	<u>1,910,564</u>	
<b>Creditors: Amounts falling due within one year</b>	10	(342,822)		(247,750)	
			<u>1,677,537</u>	<u>1,662,814</u>	
<b>Net current assets</b>			<u>1,677,537</u>	<u>1,662,814</u>	
<b>Total assets less current liabilities</b>			<u><u>6,471,118</u></u>	<u><u>6,391,667</u></u>	
<b>Funds</b>					
Restricted income funds	12,13,14		41,222		11,018
Unrestricted income funds:	13,14				
Operational general fund			4,582,797		4,516,376
Property revaluation reserve			947,099		964,273
Designated funds			900,000		900,000
			<u>6,471,118</u>		<u>6,391,667</u>

7/11/2023

The financial statements were approved by the Board of Trustees on \_\_\_\_\_ and signed on its behalf by:



**Mr Chris Lloyd**  
**Treasurer**  
**The Orchard Trust**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2022	4,516,376	964,273	900,000	11,018	6,391,667
Net incoming resources before transfers	(15,580)	-	-	95,031	79,451
Depreciation on revalued Amounts	17,174	(17,174)	-	-	-
Transfer between reserves	64,827	-	-	(64,827)	-
Funds carried forward at 31 March 2023	<u>4,582,797</u>	<u>947,099</u>	<u>900,000</u>	<u>41,222</u>	<u>6,471,118</u>
	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Restated Total funds £</b>
Funds brought forward at 1 April 2021	4,142,028	978,901	900,000	33,645	6,054,574
Net incoming resources before transfers	266,930	-	-	70,163	337,093
Depreciation on revalued Amounts	14,628	(14,628)	-	-	-
Transfer between reserves	92,790	-	-	(92,790)	-
Funds carried forward at 31 March 2022	<u>4,516,376</u>	<u>964,273</u>	<u>900,000</u>	<u>11,018</u>	<u>6,391,667</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	£	2023 £	£	2022 £
<b>Cash generated from in operating activities</b>	15		112,881		598,068
<b>Cash flows from investing activities</b>					
Interest income		6,132		319	
Purchase of tangible fixed assets		(238,610)		(203,883)	
Proceeds from sale of tangible assets		<u>1,200</u>		<u>1,500</u>	
<b>Cash provided by (used in) investing activities</b>			(231,278)		(202,064)
Increase in cash and cash equivalents in the year			<u>(118,397)</u>		<u>396,004</u>
Cash and cash equivalents at the beginning of the year			1,681,824		1,285,820
<b>Total cash and cash equivalents at the end of the year</b>			<u><b>1,563,427</b></u>		<u><b>1,681,824</b></u>

The charitable company does not have any debt and therefore an analysis of the debt has not been included in these financial statements.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**1 ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, adopting the following principal accounting policies all of which are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements are presented in Pounds Sterling.

**Company status**

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The company is incorporated and domiciled in England and Wales.

The address of its registered office is:

The Orchards  
 Lydbrook Valley Springs  
 Central Lydbrook  
 Lydbrook  
 Gloucestershire  
 GL17 9PP

**Judgements and estimation uncertainty**

The trustees consider that there are no key areas of judgement or estimation uncertainty to be disclosed in these financial statements.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated in the accounts at cost or revalued amount less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The annual rates applied in this period were:

Freehold buildings (homes)	2% on written down value
Farm	2% on written down value
Plant and equipment	15% on written down value
Office equipment and furniture	40% on written down value
Motor vehicles	25% on written down value

No depreciation is provided on freehold land.

**Stocks**

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

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**1 ACCOUNTING POLICIES (continued)**

**Trade receivables**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

**Trade payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Trust does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Financial instruments**

The trust 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.

**Income and endowments**

Income and endowments are allocated between:

**Donations and legacies (analysed between donations/gifts and grants receivable)**

Donations/gifts and grants are accounted for on a receivable basis. Funds collected, to which the charity is entitled, but not received before the end of the financial year, are included in income and endowments and in debtors.

Capital grants are recognised through the Statement of Financial Activities as income to restricted funds. A transfer is then made to the General Fund so as to write back the fund over the expected useful life of the relevant asset.

**Income from charitable activities (fees from local authority contracts)**

Income derives from the provision of education and residential care and is recognised in the Statement of Financial Activities on a receivable basis. Such income is exempt from Value Added Tax.

**Income from Investments**

Interest receivable is accrued on a daily basis.

**Other income**

Income arising from the provision of training is recognised on a receivable basis, and included within 'Other income'.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**1 ACCOUNTING POLICIES (continued)**

**Expenditure on Charitable activities**

Expenditure on Charitable activities is included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax, which cannot be recovered. Where expenditure is directly attributable to more than one activity, it is apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

**Funds**

Funds held by the charity are either:

- Unrestricted general funds, which can be used in accordance with the charitable objects at the discretion of the Trustees; or
- Unrestricted designated funds, which can be used in accordance with the Charitable objects, in respect of specific projects ear-marked by the Trustees; or
- Restricted funds, which can only be used for particular restricted purposes within the objects of the charity. Restrictions are specified by the donor or when funds are raised for particular restricted purposes. All funds received to date have been applied against capital projects.

**Taxation**

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses of tax credits. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Pensions**

The company operates a defined contribution scheme for certain employees. The contributions are charged to revenue in the period in which they are incurred.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**2 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Note</b>	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Provision of care and education:</b>			
Staff costs	4	3,396,365	3,102,229
Residents' expenses		199,070	180,002
Transport costs		50,121	46,571
Property costs		278,461	120,283
Equipment maintenance		84,860	71,507
Other costs		39,960	35,572
Depreciation		173,810	145,346
Insurance		59,649	47,078
COVID costs (ICG)		4,260	-
		<hr/>	<hr/>
		4,286,556	3,748,588
		<hr/>	<hr/>
<b>Support costs:</b>			
Staff costs	4	337,886	318,765
Property costs		14,656	6,331
Equipment maintenance		4,466	3,764
Insurance		3,139	2,478
Office costs		37,661	42,860
Sundry		4,296	138
Legal and professional fees		60,786	52,866
Bank charges		2,914	1,804
Bad debt expense		3,930	6,034
(Profit)/Loss on disposal of tangible fixed assets		(1,128)	(1,382)
		<hr/>	<hr/>
		468,606	433,658
		<hr/>	<hr/>
Total expenditure on charitable activities		<hr/> <hr/>	<hr/> <hr/>
		4,755,162	4,182,246

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**3 NET INCOME FOR THE YEAR**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	173,810	145,346
Auditors' remuneration	9,875	9,300
	<u>          </u>	<u>          </u>

Third Party Indemnity insurance costs of £1,589 (2022 - £1,382) were incurred in the year in relation to Trustee Indemnity Insurance. The maximum indemnity under the policy was £2,000,000 (2022 - £2,000,000).

**4 STAFF COSTS AND NUMBERS**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Staff costs:</b>			
Wages and salaries		3,428,936	3,153,633
Social security costs		235,945	204,919
Other pension costs		69,370	62,442
		<u>          </u>	<u>          </u>
		3,734,251	3,420,994
		<u>          </u>	<u>          </u>
<b>Analysed:</b>			
Staff costs included in provision of care and education	2	3,396,365	3,102,229
Staff costs included in support costs	2	337,886	318,765
		<u>          </u>	<u>          </u>
		3,734,251	3,420,994
		<u>          </u>	<u>          </u>
Emoluments to Executive officer		<u>72,913</u>	<u>70,238</u>

The above represents the emoluments of the highest paid officer. No other employee earned more than £60,000. The trustees did not receive any remuneration.

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Management and administration	12	11
Nursing and care staff	191	182
	<u>          </u>	<u>          </u>
	203	193
	<u>          </u>	<u>          </u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**5 TAXATION**

As The Orchard Trust is an exempt charity, it is exempt from taxation in respect of income or capital gains received.

**6 TANGIBLE FIXED ASSETS**

	<b>Residential freehold property £</b>	<b>Farm £</b>	<b>Plant &amp; equipment £</b>	<b>Office equipment &amp; furniture £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2022	5,292,699	192,780	18,873	293,723	156,078	5,954,153
Additions	25,000	-	4,310	189,605	19,695	238,610
Disposals	-	-	-	-	(11,450)	(11,450)
At 31 March 2023	5,317,699	192,780	23,183	483,328	164,323	6,181,313
<b>Depreciation</b>						
At 1 April 2022	859,116	67,263	14,421	193,014	92,416	1,226,230
Charge for the year	83,392	2,511	1,210	68,338	18,359	173,810
Eliminated on disposal	-	-	-	-	(11,378)	(11,378)
At 31 March 2023	942,508	69,774	15,631	261,352	99,397	1,388,662
<b>Net book value</b>						
At 31 March 2023	4,375,191	123,006	7,552	221,976	64,926	4,792,651
At 31 March 2022	4,433,583	125,517	4,452	100,709	63,662	4,727,923

Freehold property includes £278,720 (2022 - £278,720) in respect of land which has not been depreciated.

Comparable historical cost of the freehold property is £4,635,000 (2022 - £4,635,000). The accumulated depreciation on the historical cost is £1,390,310 (2022 - £1,324,092).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**7 INVESTMENTS**

	Subsidiary undertakings £	Listed investments £	Total 2023 £
<b>Cost</b>			
At 1 April 2022 and 31 March 2023	10,908	930	11,838
<b>Amortisation</b>			
Impairment brought forward and at 31 March 2023	10,908	-	10,908
<b>Net book value</b>			
31 March 2023	-	930	930
31 March 2022	-	930	930

**8 STOCK**

	2023 £	2022 £
Livestock and materials	1,440	1,440

**9 DEBTORS**

	2023 £	2022 £
Trade debtors	356,787	140,230
Other debtors and accrued income	47,104	36,112
Prepayments	51,601	50,958
	455,492	227,300

**10 CREDITORS: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	162,336	55,874
Taxation and social security	44,323	60,858
Accruals and deferred income	96,014	86,210
Other creditors	40,149	44,808
	342,822	247,750

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**11 COMMITMENTS**

At 31 March, the total of future minimum lease payments is as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Less than one year	1,786	1,786
Between two and five years	1,416	2,637
	<u>3,202</u>	<u>4,423</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,786 (2022 - £2,371).

At 31 March 2023 the Trust had no capital commitments contracted for but not provided in these financial statements. At 31 March 2022 the Trust had capital commitments contracted for but not provided in these financial statements amounting to £25,000.

**12 RESTRICTED FUNDS**

	<b>1 April</b>	<b>Incoming</b>	<b>Normal</b>	<b>Resources</b>	<b>31 March</b>
	<b>2022</b>	<b>Resources</b>	<b>Expenditure</b>	<b>Transfer</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Offas Dyke Car	-	863	-	(863)	-
Offas Dyke Sensory room	1,236	-	-	-	1,236
Cookery project	4,598	-	-	(881)	3,717
Sevenoaks Tomcat	643	-	-	-	643
Sevenoaks Paths	4,105	-	-	(4,105)	-
Pool upgrade	-	981	-	(981)	-
Government grants	-	6,747	(6,747)	-	-
Community liaison	-	10,000	(10,000)	-	-
Science week project	436	-	-	2	438
Stowfield Allotment Project	-	3,250	-	(3,250)	-
Alpaca project	-	2,000	-	-	2,000
Changing places	-	60,000	-	(54,749)	5,251
Morelands bed/paintbrushes/gazebo	-	550	-	-	550
Pool pilot and client session subsidy	-	33,500	(9,113)	-	24,387
Community garden project	-	3,000	-	-	3,000
	<u>11,018</u>	<u>120,891</u>	<u>(25,860)</u>	<u>(64,827)</u>	<u>41,222</u>

Resources transfer includes capital expenditure of £67,228 (2022 – £120,339).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**13 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	4,793,581	-	4,793,581
Current assets	1,979,137	41,222	2,020,359
Current liabilities	(342,822)	-	(342,822)
	<hr/>	<hr/>	<hr/>
Balance carried forward at 31 March 2023	6,429,896	41,222	6,471,118
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**14 MOVEMENTS ON RESERVES**

Whilst the Statement of Financial Activities shows the movement on all funds, the position is also illustrated in this note for clarity:

	Operational general fund £	Property revaluation reserve £	Designated fund £	Restricted fund £	Total funds £
Funds brought forward at 1 April 2022	4,516,376	964,273	900,000	11,018	6,391,667
Net incoming resources before transfers	(15,580)	-	-	95,031	79,451
Depreciation on revalued Amounts	17,174	(17,174)	-	-	-
Transfer between reserves	64,827	-	-	(64,827)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds carried forward At 31 March 2023	4,582,797	947,099	900,000	41,222	6,471,118
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The designated funds of the charitable company relates to a "Residential Care Development Fund" whereby it is the intention of the Trustees to further develop the provision of care and to provide for unforeseen major expenditure to the properties.

The Trustees are looking for suitable opportunities.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**15 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income before other recognised gains and losses	79,451	337,093
Interest receivable	(6,132)	(319)
Depreciation	173,810	145,346
(Profit) or loss on disposal of assets	(1,128)	(1,382)
(Increase) / decrease in debtors	(228,192)	57,480
Increase / (decrease) in creditors	95,072	59,850
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>112,881</b>	<b>598,068</b>
	<hr/> <hr/>	<hr/> <hr/>

**16 RELATED PARTY TRANSACTIONS**

During the year, rent and rates was paid of £17,600 (2022 - £16,669) to Mr R Morgan (a trustee), who owns a freehold property from which the company trades. No amounts remain unpaid as at 31 March 2023.

**THE ORCHARD TRUST**

England & Wales - Charity number 801122

---

# Accounts

---

**Company Number: 2348350**  
**Charity Number: 801122**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2022**

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**C O N T E N T S**

	<b>Page</b>
OFFICERS AND ADVISORS	1
CHAIRMAN'S REPORT	2
REPORT OF THE TRUSTEES	3 - 8
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	9 - 11
STATEMENT OF FINANCIAL ACTIVITIES	12 - 13
BALANCE SHEET	14
STATEMENT OF CHANGES IN EQUITY	15
STATEMENT OF CASH FLOWS	16
NOTES TO THE FINANCIAL STATEMENTS	17 - 27

**THE ORCHARD TRUST  
(Limited by Guarantee)  
OFFICERS AND ADVISORS  
FOR THE YEAR ENDED 31 MARCH 2022**

---

<b>Trustees</b>	Mr N Budd Mr B Kaye Mrs J Morris Kaye Mrs S Henschley Mr R Morgan Mrs R Dodsworth Mrs C Smart Mrs E Hewison Mr C Lloyd Mrs E C Bell
<b>Chief Executive Officer</b>	Mrs C Andrews
<b>Registered and Administrative Office</b>	The Orchards Lydbrook Valley Springs Central Lydbrook Lydbrook Gloucestershire GL17 9PP
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT
<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
<b>Bankers</b>	Lloyds TSB 19 Eastgate Street Gloucester GL1 1NU
<b>Company Number</b>	2348350 (England and Wales)
<b>Charity Number</b>	801122

**THE ORCHARD TRUST  
(Limited by Guarantee)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

---

Once again we report a year of opportunities dashed as covid made face to face activities challenging, and the role of the staff in the Homes particularly difficult. One by one the Homes were forced to go into lockdown as covid took its toll, and available staff numbers went down. The dedication of staff has been wonderful, and the Trustees thank them profusely for doing extra hours and making sure that our people were safe during such difficult times.

The fundraising team has again been very successful in applying for grants and donations. The opening of the new pool was the highlight, enabled by grants of thousands of pounds. A further grant has enabled us to appoint a Community Liaison Officer, who is doing sterling work promoting the Trust and the Stowfield site in particular, and liaising with organisations throughout Gloucestershire. In all, the Fundraising team have raised over £81,000 this year. A splendid result!

Sadly, it was again decided that the Summer Fair would be virtual, in order to keep our people safe. However, a good sum of £1,600 was raised. This was used for "extras" for the people we support, including a favourite of mine, iPads to aid communication.

We were delighted when, in November, Liz Bell applied to become a trustee. She is proving to be a very valuable addition to the board, full of knowledge and spontaneous in offering her practical help.

We continue to have good, positive relationships with the local authorities who are involved with our clients. We are confident that we provide excellent care, and opportunities for our clients to develop at our Day Centre, smallholding and in the pool and rebound rooms. We look forward to providing more excellent care and facilities for them for the foreseeable future.

*Sue Henchley*

**Sue Henchley  
Chairman of Trustees  
The Orchard Trust**

**Date:** 22/11/2022

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

---

The Trustees present their report together with the audited financial statements (“accounts”) of the company for the year ended 31 March 2022.

**PURPOSE AND IMPACT**

The Orchard Trust (referred to as the Trust from now on) was established in 1989 by a group of parents who were looking to improve care options for their children and others with learning disabilities. Having grown over the past 30 years the Trust provides residential care, supported living homes, short break (respite) beds, rebound therapy, hydrotherapy and day services based on a working smallholding which is open to all who may wish to benefit from the services.

To see more about our homes and facilities please visit our website: [www.orchard-trust.org.uk](http://www.orchard-trust.org.uk)

**Philosophy of the Orchard Trust**

Orchard Trust believes people with disabilities have the same rights as any other individual and support each to enjoy the services and opportunities available to any other member of the community.

**Values**

**Kindness** - We treat others and ourselves with gentleness, warmth and care, focusing on the little things that really matter.

**Respect** - We look after ourselves, each other, our places and the environment.

**Individuality** - We recognise one another for the people we are, understanding and accepting preferences and beliefs to ensure personalised care and support.

**Working together** - We believe the best results are gained through working as a team, valuing suggestions and encouraging new ideas as we strive to continuously improve the care we provide.

The Trust’s values reflect the intrinsic behaviours of staff within the organisation and daily decisions are enhanced by the ongoing focus provided by the values.

**Objectives (Mission)**

We are a consistent and long-term place for life for people with disabilities, with a warm and friendly environment where each individual is supported to realise their ambitions.

**Activities**

Our mission is achieved by working towards the following aims:

1. Consistently look for innovation and fresh ideas to improve the care we provide
2. Ensuring each staff member has the skills and attributes of our values through effective recruitment, ongoing support, development and shared vision.
3. Building financial resilience through diversification of income, internal efficiencies and the provision of added value through alternative funding
4. Expanding the reach of our day services site to benefit the wider community

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**Achievements and Performance**

The key achievements of the Trust against its activities and thus its objectives during the 2021/22 financial year are as follows:

- Staff and management worked incredibly hard and very long hours to ensure clients and each other were kept safe through the ongoing pandemic and staff shortages.
- Through the year covid led to outbreaks within all services leading to low staffing levels with managers and CEO working shifts to support clients.
- One tenant moved out of Kimberley Drive having chosen to return to live with their family, and in July we welcomed a new tenant to the home who settled in happily. There are no current vacancies in the homes or supported living.
- Temporary closure of the respite bed in Hilltop for much of the year, as required by covid guidance, led to a shortfall in income of approximately £60,000. The families who use respite were offered support by Hilltop's management and discussions regarding covid infection control procedures were had to ensure a bed would be available to any family if the need arose.
- Reopening of Day Services has led to a significant increase in the number of users and visitors.
- Refurbishment of the hydro pool and significant changes to the internal layout of the building has been a great success with the pool reopening in February 2022.
- Quality assurance was maintained throughout the pandemic and home lockdowns through a mix of virtual and in person visits by the head of Support and operations. Although there were challenges in the early days these 'visits' proved valuable to evidence quality and to support those working in the homes.
- Providing and maintaining training to staff also proved challenging and was successfully overcome through the development of virtual training hubs within the homes and investment in hybrid IT equipment. This allowed minimum training levels to be maintained throughout the pandemic.
- Development continued at the Trust, a ground floor wet room extension was added to Orchards 2 and the kitchen was refurbished making the space more accessible to all.
- Funding was received for a Changing Place bathroom facility at the Stowfield site, if planning is granted this will be installed in winter 2022.
- Implementation of care Control, a paperless care planning system and medical administration record (eMAR), across the majority of services, saving staff and management significant time and improves auditing processes.
- The Trust gratefully received unrestricted grants to support its activities and cover expenses following income loss throughout the pandemic, other restricted grants were released by the funder to allow us to support our objectives and maintain service levels.
- The Trust also wishes to thank Gloucestershire County Council and the central government for their financial support through the pandemic so far.

**VALUES AND WAYS OF WORKING**

The Trust is deeply committed to providing high quality and positive-risk based care. To support sharing of learning and best practice the Trust has many internal committees to provide effective two-way feedback between all services and management. These include:

- Client Group (Trust our Voice)
- Parent Support Group (Carers & Sharers)
- Staff Communication Group (Comms)
- Health & Safety Staff Reps - with Trustee representation
- Action Based Management (ABM)
- Friends of Orchard Trust
- Trustee buddy scheme across all services in the Trust
- Trustee Sub-Committees - Finance, Investment, Remuneration, Safeguarding

Due to covid restrictions many of these groups have met virtually and more frequently to ensure easy sharing of updates to guidance and risk assessments. Sadly, Trust our Voice has not adapted well to virtual meetings and this group has not met for many months. Once it is safe to do so the group will restart face to face. Carers and sharers have also adapted the way they interact and a circle of support was set up between families to maintain contact through the covid period.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**Ensuring our work delivers our mission**

The Trust ensures all actions contribute to achieving its mission through regular monitoring of performance by CQC and local authority monitoring visits, external expert by experience quality visits, family and staff questionnaires, Trustee buddy visits, senior manager and peer visits along with an internal 'mum' test. The board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when determining how our current and future activities meet the Trust's objectives.

**Staff Pay Award**

Although fee uplifts effective from April 2020 received from Local Authorities and Clinical Commissioning Groups did not cover the full impact of the increase in national Living Wage the Trust chose to invest in its staff teams by providing all staff a pay increase along with increasing the differential between care worker and team leader, reflecting the increased responsibilities required of the leader role. A pay progression route allows opportunity for salary increases through qualifications and length of service and support the Trusts aim to ensure each staff member has the skills and attributes of our values through effective recruitment, ongoing support, and training and shared vision. The Trust is delighted to continue to pay all staff above the National Living Wage reflecting the importance of the tasks they are doing and the gratitude the Trust has for their commitment and continuous hard work.

**OPERATING MODEL AND RISKS**

**Risk**

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the charity.

**Principal identified risks**

- Service delivery – internal and external quality controls minimise risks in this area with internal quality control process reviewed and updated to reflect the regularly changing best practice guidelines provided by authorities within the care sector.
- Recruitment – The challenge of recruiting new staff with the values and attributes required by the Trust to support clients is increasingly difficult, however these standards are vital to the wellbeing of individuals so new methods of advertising and recruiting are continually explored.
- Changes to Local Authority funding and/or commissioning models – Trust staff work closely with partners in local authorities to ensure client packages reflect true costs of care and individual need. Senior staff are active within local authority market shaping workshops and Anthony Jeffers continues to maintain board position within the Gloucestershire Care Providers Association.
- Regional and National policy changes - Cathy Andrews sits on the ADASS South West Stakeholder Forum and the South West Regional Stakeholder Network for the Disability Unit in Cabinet Office both feed information into and influence change at regional, national and governmental levels. Alongside this Cathy's position on the Skills for Care Workforce Board supports the development of training and conditions for today's and future social care workers.
- Regulatory and Legislative changes - The Trust seeks to remain up to date with all changes through subscription to CQC, Skills for Care, HSE and other email updates along with face to face and social media peer networking. We consider and respond to the continued development of legislation and changes regulations through discussion and regular reviewing of internal procedures.

It was decided during the year to liquidate Independent Training and Development Ltd due to the financial impact of covid lockdowns and the shift towards virtual training within the Social Care sector. The business was liquidated on 22nd July 2021.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**Reserve Policy**

The majority of the Trust's income is received through local authority contracts for the specific care of an individual. Any surplus is used to ensure the Trust's on-going sustainability and to improve the care environment.

All charities are required to consider the level of reserves they need to hold to cover both development opportunities and as resilience against unforeseen events. Additional cash reserves are considered by the Trustees to be essential to protect the activities of the Trust. In line with the general guidance provided by the Charity Commissioners and an understanding of the organisational risks, the Trustees calculate the unrestricted reserves held to be a minimum of six months expenditure with the aim to increase this to the 12-month figure. These amounts have increased from previous years following consideration of future Local Authority funding challenges and further uncertainties during the ongoing pandemic and increasing costs.

Currently, the maintained unrestricted reserves not committed or invested in tangible fixed assets (Residential Development Fund) is at £900,000. Any reserves over that sum could be allocated for future development, pending a suitable opportunity. The net asset value of the Trust is sufficient to release substantial funds in the event of a catastrophe.

**GOVERNANCE AND DECISION MAKING**

**Orchard Trust**

The Trustees in office in the year are detailed on page 1 of this report along with the names and addresses of relevant organisations providing banking services or professional advice to the Charity and its subsidiary.

The company does not have share capital, being limited by a guarantee of £1 from each of the Trustees. The Trustees act as Directors for company purposes.

The company is governed by its Memorandum and Articles of Association.

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement.

At the year end the Board of Trustees comprised 10 Trustees, who are also Directors of The Orchard Trust for the purposes of company law. Operational responsibility lies with the Trust's Senior Management team of Cathy Andrews, C.E.O.; Anthony Jeffers, Head of Support & Operations; and Kelly Ryder, Finance Manager.

The Trust holds six full board meetings per year, plus a minimum of three finance committee meetings, two investment committee meetings and three safeguarding committee meetings. Trustees also have representation on the health and safety committee and each service has a Trustee buddy who regularly visits the service to learn more about that service's specific challenges and thus bring greater knowledge to the board room.

**Trustee Appointment and Training**

Trustees are appointed by election to the Board. On induction, new Trustees are given a tour of the Trust's sites, meet key employees and are introduced to the other Trustees. Trustees are briefed on their legal obligations under charity and company law, as well as the aims and activities of the Trust and its recent financial performance. Trustees are encouraged to attend external training events where these facilitate the undertaking of their role.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**Review of the accounts**

The accounts follow a similar format to those of the preceding year in compliance with the accounting rules under SORP 2015.

The "Statement of Financial Activities" on page 12-13 shows the movements on all funds of the Trust, with the Balance Sheet on page 14. A Cash Flow Statement has again been included in the accounts on page 16. As in previous years, the report contains a Risk Analysis.

**Borrowings**

The Trust has borrowed no money during this period.

At the balance sheet date, cash reserves were higher than last year at £1,681,824. Total reserves increased from £6,054,574 to £6,391,667.

**Investment Powers**

Under the Memorandum and Articles of Association, the company has the power to make any investment which the Trustees see fit.

**Financial Review**

The full accounts of the Trust are included on pages 12-27. Cash balances at the year-end of £1,681,824 reflected careful management of the Trusts resources during financially challenging times.

**Acquisitions and Disposals**

There have been no substantial acquisitions or disposals during the period.

**Statement of Trustees' Responsibilities**

The Trustees (who are also directors of The Orchard Trust Limited for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Acknowledgements**

We acknowledge HR support and guidance from WorkNest and PIB Insurance Brokers for dealing accordingly with our HR and insurance needs.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES (continued)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**Statement of Disclosure to Auditor**

In accordance with company law, as the Company's Directors, the Trustees have taken the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of, and which they know the auditors are unaware of.

**Fixed Assets**

The Company re-valued its properties in March 2015. This revaluation, which has been reflected in these financial statements, is based on the open market valuation for existing use of £4,630,000, which is the basis required by UK Financial Reporting Standards. The valuation of the properties at the same date, on the assumption that they were fully operational and equipped having regard to trading potential, was £4,630,000.

**Third Party Indemnity Insurance**

The company incurred an annual premium of £1,382 to DE Ford Limited in relation to Trustee Indemnity Insurance.

**Auditors**

Hazlewoods LLP were reappointed as auditors in the year and have expressed their willingness to continue in office.

Signed by order of the Board of Trustees

*Sue Henschley*

**Sue Henschley  
Chairman of Trustees  
The Orchard Trust**

**Date:** 22/11/2022

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion**

We have audited the financial statements of The Orchard Trust for the year ended 31 March 2022, which comprise the Charity Statement of Financial Activities, the Charity Balance Sheet, the Charity Statement of Changes in Equity, 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).

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 annual 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.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion on other matter 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustee's responsibilities statement set out on page 7, the trustees 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 directors 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 directors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Extent to which the auditor was considered capable of detecting irregularities, including fraud**

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planning and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company financial statements or that had a fundamental effect on the charitable company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and Charities Act 2011.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how management considered and addressed the potential for override of controls. Detailed analysis of journals posted through the accounting system during the year to 31 March 2022 has been undertaken;
  - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud and they appeared to be working effectively.
  - Challenging assumptions and judgements made by management in its significant accounting estimates.

*Martin Howard*

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

22/11/2022  
Date:.....

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted fund 2022 £	Restricted fund 2022 £	Total funds 2022 £	Total funds 2021 £
<b>INCOME AND ENDOWMENTS</b>					
<b>Income and endowments from:</b>					
<b>Donations and legacies</b>					
Donations and gifts		20,180	72,362	92,542	131,952
<b>Investments</b>					
Bank interest receivable		319	-	319	2,933
<b>Charitable activities</b>					
Local Authority contracts		4,118,192	-	4,118,192	3,747,831
<b>Other</b>					
Training income		36,925	-	36,925	5,496
Rental income		37,150	-	37,150	39,000
Other income		-	-	-	2,376
Government grants		3,864	230,347	234,211	335,346
<b>Total income and endowments</b>		<u>4,216,630</u>	<u>302,709</u>	<u>4,519,339</u>	<u>4,264,934</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	2	(3,949,700)	(232,546)	(4,182,246)	(4,066,317)
<b>Total expenditure</b>		<u>(3,949,700)</u>	<u>(232,546)</u>	<u>(4,182,246)</u>	<u>(4,066,317)</u>
<b>Net income for the year</b>	14	<u><u>266,930</u></u>	<u><u>70,163</u></u>	<u><u>337,093</u></u>	<u><u>198,617</u></u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted fund 2022 £	Restricted fund 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Reconciliation of funds</b>					
Funds brought forward at 1 April		6,020,929	33,645	6,054,574	5,855,957
Transfer between reserves		92,790	(92,790)	-	-
Net movement in funds		266,930	70,163	337,093	198,617
Funds carried forward at 31 March	14	6,380,649	11,018	6,391,667	6,054,574

The notes on pages 17 to 26 form part of these financial statements.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

**Note of Historical Cost Income and Expenditure**

	2022 £	2021 £
<b>Reported net movement in funds</b>	337,093	198,617
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount	14,628	13,499
<b>Historical cost net movement in funds</b>	351,721	212,116

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

**Company Number: 2348350**

	<b>Note</b>	<b>£</b>	<b>2022</b> <b>£</b>	<b>£</b>	<b>2021</b> <b>£</b>
<b>Fixed assets</b>					
Tangible assets	6		4,727,923		4,669,504
Investments	7		930		931
			<u>4,728,853</u>		<u>4,670,435</u>
<b>Current assets</b>					
Stock	8	1,440		1,440	
Debtors	9	227,300		284,779	
Cash at bank and in hand		1,681,824		1,285,820	
			<u>1,910,564</u>	<u>1,572,039</u>	
<b>Creditors: Amounts falling due within one year</b>	10	(247,750)		(187,900)	
			<u>1,662,814</u>	<u>1,384,139</u>	
<b>Net current assets</b>			<u>1,662,814</u>	<u>1,384,139</u>	
<b>Total assets less current liabilities</b>			<u><b>6,391,667</b></u>	<u><b>6,054,574</b></u>	
<b>Funds</b>					
Restricted income funds	12,13,14		11,018		33,645
Unrestricted income funds:	13,14				
Operational general fund			4,516,376		4,142,028
Property revaluation reserve			964,273		978,901
Designated funds			900,000		900,000
			<u>6,391,667</u>		<u>6,054,574</u>

22/11/2022

The financial statements were approved by the Board of Trustees on \_\_\_\_\_ and signed on its behalf by:

*Sue Henchley*  
**Sue Henchley**  
**Chairman of Trustees**  
**The Orchard Trust**  
**dodsw**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2021	4,142,028	978,901	900,000	33,645	6,054,574
Net incoming resources before transfers	266,930	-	-	70,163	337,093
Depreciation on revalued Amounts	14,628	(14,628)	-	-	-
Transfer between reserves	92,790	-	-	(92,790)	-
Funds carried forward at 31 March 2022	<u>4,516,376</u>	<u>964,273</u>	<u>900,000</u>	<u>11,018</u>	<u>6,391,667</u>
	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Restated Total funds £</b>
Funds brought forward at 1 April 2020	3,937,802	992,400	900,000	25,755	5,855,957
Net incoming resources before transfers	145,784	-	-	52,833	198,617
Depreciation on revalued Amounts	13,499	(13,499)	-	-	-
Transfer between reserves	44,943	-	-	(44,943)	-
Funds carried forward at 31 March 2021	<u>4,142,028</u>	<u>978,901</u>	<u>900,000</u>	<u>33,645</u>	<u>6,054,574</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	£	2022 £	£	2021 £
<b>Cash generated from in operating activities</b>	15		598,068		333,481
<b>Cash flows from investing activities</b>					
Interest income		319		2,933	
Purchase of tangible fixed assets		(203,883)		(82,060)	
Proceeds from sale of tangible assets		<u>1,500</u>		<u>-</u>	
<b>Cash provided by (used in) investing activities</b>			<u>(202,064)</u>		<u>(82,060)</u>
Increase in cash and cash equivalents in the year			396,004		254,354
Cash and cash equivalents at the beginning of the year			<u>1,285,820</u>		<u>1,031,466</u>
<b>Total cash and cash equivalents at the end of the year</b>			<u><b>1,681,824</b></u>		<u><b>1,285,820</b></u>

The charitable company does not have any debt and therefore an analysis of the debt has not been included in these financial statements.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**1 ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, adopting the following principal accounting policies all of which are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements are presented in Pounds Sterling.

**Company status**

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The company is incorporated and domiciled in England and Wales.

The address of its registered office is:

The Orchards  
 Lydbrook Valley Springs  
 Central Lydbrook  
 Lydbrook  
 Gloucestershire  
 GL17 9PP

**Judgements and estimation uncertainty**

The trustees consider that there are no key areas of judgement or estimation uncertainty to be disclosed in these financial statements.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated in the accounts at cost or revalued amount less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The annual rates applied in this period were:

Freehold buildings (homes)	2% on written down value
Farm	2% on written down value
Plant and equipment	15% on written down value
Office equipment and furniture	40% on written down value
Motor vehicles	25% on written down value

No depreciation is provided on freehold land.

**Stocks**

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

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**1 ACCOUNTING POLICIES (continued)**

**Trade receivables**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

**Trade payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Trust does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Financial instruments**

The trust 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.

**Income and endowments**

Income and endowments are allocated between:

**Donations and legacies (analysed between donations/gifts and grants receivable)**

Donations/gifts and grants are accounted for on a receivable basis. Funds collected, to which the charity is entitled, but not received before the end of the financial year, are included in income and endowments and in debtors.

Capital grants are recognised through the Statement of Financial Activities as income to restricted funds. A transfer is then made to the General Fund so as to write back the fund over the expected useful life of the relevant asset.

**Income from charitable activities (fees from local authority contracts)**

Income derives from the provision of education and residential care and is recognised in the Statement of Financial Activities on a receivable basis. Such income is exempt from Value Added Tax.

**Income from Investments**

Interest receivable is accrued on a daily basis.

**Other income**

Income arising from the provision of training is recognised on a receivable basis, and included within 'Other income'.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**1 ACCOUNTING POLICIES (continued)**

**Expenditure on Charitable activities**

Expenditure on Charitable activities is included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax, which cannot be recovered. Where expenditure is directly attributable to more than one activity, it is apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

**Funds**

Funds held by the charity are either:

- Unrestricted general funds, which can be used in accordance with the charitable objects at the discretion of the Trustees; or
- Unrestricted designated funds, which can be used in accordance with the Charitable objects, in respect of specific projects ear-marked by the Trustees; or
- Restricted funds, which can only be used for particular restricted purposes within the objects of the charity. Restrictions are specified by the donor or when funds are raised for particular restricted purposes. All funds received to date have been applied against capital projects.

**Taxation**

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses of tax credits. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Pensions**

The company operates a defined contribution scheme for certain employees. The contributions are charged to revenue in the period in which they are incurred.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2 EXPENDITURE ON CHARITABLE ACTIVITIES**

	Note	2022 £	2021 £
<b>Provision of care and education:</b>			
Staff costs	4	3,102,229	2,944,318
Residents' expenses		180,002	207,277
Transport costs		46,571	33,978
Property costs		120,283	123,130
Equipment maintenance		71,507	68,100
Other costs		35,572	31,279
Depreciation		145,346	148,469
Insurance		47,078	39,216
		<u>3,748,588</u>	<u>3,595,767</u>
<b>Support costs:</b>			
Staff costs	4	318,765	314,048
Property costs		6,331	6,480
Equipment maintenance		3,764	3,584
Insurance		2,478	2,064
Office costs		42,860	39,266
Sundry		138	150
Legal and professional fees		52,866	50,745
Bank charges		1,804	1,553
Bad debt expense		6,034	42,129
(Profit)/Loss on disposal of tangible fixed assets		(1,382)	10,531
		<u>433,658</u>	<u>470,550</u>
Total expenditure on charitable activities		<u><u>4,182,246</u></u>	<u><u>4,066,317</u></u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**3 NET INCOME FOR THE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	145,346	148,469
Auditors' remuneration	9,300	9,250
	<u>          </u>	<u>          </u>

Third Party Indemnity insurance costs of £1,382 (2021 - £1,106) were incurred in the year in relation to Trustee Indemnity Insurance. The maximum indemnity under the policy was £2,000,000 (2021 - £2,000,000).

**4 STAFF COSTS AND NUMBERS**

	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Staff costs:</b>			
Wages and salaries		3,153,633	3,009,312
Social security costs		204,919	188,801
Other pension costs		62,442	60,253
		<u>          </u>	<u>          </u>
		3,420,994	3,258,366
		<u>          </u>	<u>          </u>
<b>Analysed:</b>			
Staff costs included in provision of care and education	2	3,102,229	2,944,318
Staff costs included in support costs	2	318,765	314,048
		<u>          </u>	<u>          </u>
		3,420,994	3,258,366
		<u>          </u>	<u>          </u>
Emoluments to Executive officer		<u>          </u>	<u>          </u>
		70,238	70,940
		<u>          </u>	<u>          </u>

The above represents the emoluments of the highest paid officer. No other employee earned more than £60,000. The trustees did not receive any remuneration.

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Management and administration	11	11
Nursing and care staff	182	177
	<u>          </u>	<u>          </u>
	193	188
	<u>          </u>	<u>          </u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**5 TAXATION**

As The Orchard Trust is an exempt charity, it is exempt from taxation in respect of income or capital gains received.

**6 TANGIBLE FIXED ASSETS**

	<b>Residential freehold property £</b>	<b>Farm £</b>	<b>Plant &amp; equipment £</b>	<b>Office equipment &amp; furniture £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2021	5,173,855	192,780	18,873	241,058	131,498	5,758,064
Additions	118,844	-	-	52,665	32,374	203,883
Disposals	-	-	-	-	(7,794)	(7,794)
At 31 March 2022	5,292,699	192,780	18,873	293,723	156,078	5,954,153
<b>Depreciation</b>						
At 1 April 2021	776,918	64,700	13,635	148,190	85,117	1,088,560
Charge for the year	82,198	2,563	786	44,824	14,975	145,346
Eliminated on disposal	-	-	-	-	(7,676)	(7,676)
At 31 March 2022	859,116	67,263	14,421	193,014	92,416	1,226,230
<b>Net book value</b>						
At 31 March 2022	4,433,583	125,517	4,452	100,709	63,662	4,727,923
At 31 March 2021	4,396,937	128,080	5,238	92,868	46,381	4,669,504

Freehold property includes £278,720 (2021 - £278,720) in respect of land which has not been depreciated.

Comparable historical cost of the freehold property is £4,635,000 (2021 - £4,635,000). The accumulated depreciation on the historical cost is £1,324,092 (2021 - £1,256,522).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**7 INVESTMENTS**

	<b>Subsidiary undertakings £</b>	<b>Listed investments £</b>	<b>Total 2022 £</b>
<b>Cost</b>			
At 1 April 2021	10,909	930	11,839
Disposals	(1)	-	(1)
	<u>10,908</u>	<u>930</u>	<u>11,838</u>
<b>31 March 2022</b>	<u>10,908</u>	<u>930</u>	<u>11,838</u>
<b>Amortisation</b>			
Impairment brought forward and at 31 March 2022	10,908	-	10,908
	<u>10,908</u>	<u>-</u>	<u>10,908</u>
<b>Net book value</b>			
31 March 2022	-	930	930
	<u>-</u>	<u>930</u>	<u>930</u>
31 March 2021	1	930	931
	<u>1</u>	<u>930</u>	<u>931</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**8 STOCK**

	<b>2022</b>	<b>2021</b>
	£	£
Livestock and materials	1,440	1,440
	<u>1,440</u>	<u>1,440</u>

**9 DEBTORS**

	<b>2022</b>	<b>2021</b>
	£	£
Trade debtors	140,230	186,600
Other debtors and accrued income	36,112	52,892
Prepayments	50,958	41,736
Amount owed by related parties	-	3,551
	<u>227,300</u>	<u>284,779</u>
	<u>227,300</u>	<u>284,779</u>

**10 CREDITORS: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	55,874	43,508
Taxation and social security	60,858	39,742
Accruals and deferred income	86,210	61,554
Other creditors	44,808	43,096
	<u>247,750</u>	<u>187,900</u>
	<u>247,750</u>	<u>187,900</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**11 COMMITMENTS**

At 31 March, the total of future minimum lease payments is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Less than one year	1,786	2,240
Between two and five years	2,637	3,543
	<u>4,423</u>	<u>5,783</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £2,371 (2021 - £12,942).

At 31 March 2022 the Trust had capital commitments contracted for but not provided in these financial statements of £25,000 (2021 - £nil).

**12 RESTRICTED FUNDS**

	<b>1 April</b>	<b>Incoming</b>	<b>Normal</b>	<b>Resources</b>	<b>31 March</b>
	<b>2021</b>	<b>Resources</b>	<b>Expenditure</b>	<b>Transfer</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Café	7,822	780	-	(8,602)	-
Offas Dyke Car	2,081	-	(1,039)	(1,042)	-
Offas Dyke Sensory room	1,236	-	-	-	1,236
Cookery project	4,598	-	-	-	4,598
Sevenoaks Tomcat	643	-	-	-	643
Sevenoaks Paths	4,100	4,000	-	(3,995)	4,105
Pool upgrade	10,000	55,162	-	(65,162)	-
Virtual day service	2,069	-	-	(2,069)	-
Government grants	1,096	230,347	(231,443)	-	-
Community liaison	-	10,000	-	(10,000)	-
Beanbags	-	400	-	(400)	-
Science week project	-	500	(64)	-	436
Morelands Gardens	-	1,520	-	(1,520)	-
	<u>33,645</u>	<u>302,709</u>	<u>(232,546)</u>	<u>(92,790)</u>	<u>11,018</u>

Resources transfer includes capital expenditure of £120,339 (2021 – £43,188).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**13 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Fixed assets	4,728,853	-	4,728,853
Current assets	1,899,546	11,018	1,910,564
Current liabilities	(247,750)	-	(247,750)
	<hr/>	<hr/>	<hr/>
Balance carried forward at 31 March 2022	6,380,649	11,018	6,391,667
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**14 MOVEMENTS ON RESERVES**

Whilst the Statement of Financial Activities shows the movement on all funds, the position is also illustrated in this note for clarity:

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2021	4,142,028	978,901	900,000	33,645	6,054,574
Net incoming resources before transfers	266,930	-	-	70,163	337,093
Depreciation on revalued Amounts	14,628	(14,628)	-	-	-
Transfer between reserves	92,790	-	-	(92,790)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds carried forward At 31 March 2022	4,516,376	964,273	900,000	11,018	6,391,667
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The designated funds of the charitable company relates to a "Residential Care Development Fund" whereby it is the intention of the Trustees to further develop the provision of care and to provide for unforeseen major expenditure to the properties.

The Trustees are looking for suitable opportunities.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**15 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income before other recognised gains and losses	337,093	198,617
Interest receivable	(319)	(2,933)
Depreciation	145,346	148,469
(Profit) or loss on disposal of assets	(1,382)	10,531
(Increase) / decrease in debtors	57,480	(57,743)
Increase / (decrease) in creditors	59,850	36,540
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>598,068</b>	<b>333,481</b>
	<hr/> <hr/>	<hr/> <hr/>

**16 RELATED PARTY TRANSACTIONS**

During the year, rent and rates was paid of £16,669 (2021 - £14,009) to Mr R Morgan (a trustee), who owns a freehold property from which the company trades. No amounts remain unpaid as at 31 March 2022.

**THE ORCHARD TRUST**

England & Wales - Charity number 801122

---

# Accounts

---

**Company Number: 2348350**  
**Charity Number: 801122**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2021**

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**C O N T E N T S**

	<b>Page</b>
OFFICERS AND ADVISORS	1
CHAIRMAN'S REPORT	2
REPORT OF THE TRUSTEES	3
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	9
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	12
COMPANY ONLY STATEMENT OF FINANCIAL ACTIVITIES	14
CONSOLIDATED BALANCE SHEET	16
COMPANY ONLY BALANCE SHEET	17
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	18
COMPANY ONLY STATEMENT OF CHANGES IN EQUITY	19
CONSOLIDATED CASH FLOW STATEMENT	20
NOTES TO THE FINANCIAL STATEMENTS	21

**THE ORCHARD TRUST  
(Limited by Guarantee)  
OFFICERS AND ADVISORS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

<b>Trustees</b>	Mr N Budd Mr B Kaye Mrs J Morris Kaye Mrs S Henschley Mr R Morgan Mrs R Dodsworth Mrs C Smart Mrs E Hewison Mr C Lloyd
<b>Chief Executive Officer</b>	Mrs C Andrews
<b>Registered and Administrative Office</b>	The Orchards Lydbrook Valley Springs Central Lydbrook Lydbrook Gloucestershire GL17 9PP
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT
<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD
<b>Bankers</b>	Lloyds TSB 19 Eastgate Street Gloucester GL1 1NU
<b>Company Number</b>	2348350 (England and Wales)
<b>Charity Number</b>	801122

**THE ORCHARD TRUST  
(Limited by Guarantee)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2021**

---

I want to start by thanking everyone: staff, volunteers, senior managers, support staff, admin, and learning and development staff for their dedication and resilience during the last year. In spite of being overwhelmed by the Covid pandemic, this dedication to care has enabled us to keep each other safe. Our families as well have been wonderfully understanding in their forbearance as they were not able to touch their loved ones for many months, or even visit during the early months of shutdown.

The Trust has had to think outside of the box to change its routines and practices in order to comply with Government guidelines, and protect those who are in our care. Safe meeting places have been conjured up for families to meet their loved ones, Learning and Development and the Day Centre are now experienced at providing video and online training, and we have all got used to wearing masks, regular testing and having our temperature taken daily.

Huge thanks must go to our Fundraising team, who have obtained grants to cover our PPE needs and to fund the changes that have been put in place. Indeed, their fundraising has helped to maintain the financial stability of the Trust for this year.

Our usual fund-raising activities could not take place, but a very successful online Summer Fete was organised by a few dedicated staff. Our grateful thanks to them.

We continue to have good, positive relationships with the local authorities who are involved with our clients. We are confident that we can continue to provide excellent care for the foreseeable future.

*Sue Henchley*

**Sue Henchley  
Chairman of Trustees  
The Orchard Trust**

**Date:** 18/11/2021

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

---

The Trustees present their report together with the audited financial statements (“accounts”) of the company for the year ended 31 March 2021.

**PURPOSE AND IMPACT**

The Orchard Trust was established over 30 years ago by a group of parents who were looking to improve care options for their children and others with learning disabilities. The Trust provides residential care, supported living homes, short break (respite) beds, rebound therapy, hydrotherapy and day services based on a working smallholding which is open to all who may wish to benefit from the services.

To see more about our homes and facilities please visit our website: [www.orchard-trust.org.uk](http://www.orchard-trust.org.uk)

**Philosophy of the Orchard Trust**

Orchard Trust believes people with disabilities have the same rights as any other individual and support each to enjoy the services and opportunities available to any other member of the community.

**Values**

**Kindness** - We treat others and ourselves with gentleness, warmth and care, focusing on the little things that really matter.

**Respect** - We look after ourselves, each other, our places and the environment.

**Individuality** - We recognise one another for the people we are, understanding and accepting preferences and beliefs to ensure a personalised care and support.

**Working together** - We believe the best results are gained through working as a team, valuing suggestions and encouraging new ideas as we strive to continuously improve the care we provide.

The Trust’s values reflect the intrinsic behaviours of staff within the organisation and daily decisions are enhanced by the ongoing focus provided by the values.

**Objectives (Mission)**

We are a consistent and long-term place for life for people with disabilities, with a warm and friendly environment where each individual is supported to realise their ambitions.

**Activities**

Our mission is achieved by working towards the following aims:

1. Consistently look for innovation and fresh ideas to improve the care we provide
2. Ensuring each staff member has the skills and attributes of our values through effective recruitment, ongoing support, development and shared vision.
3. Building financial resilience through diversification of income, internal efficiencies and the provision of added value through alternative funding
4. Expanding the reach of our day services site to benefit the wider community

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**Achievements and Performance**

The key achievements of the Trust against its activities and thus its objectives during the 2020/21 financial year are as follows:

- Staff and management worked incredibly hard and very long hours to ensure clients and each other were kept safe through the first and second waves of the pandemic.
- A donation of 60,000 masks and aprons in July 2020 ensured the Trust had sufficient PPE to manage through the most difficult times and shortages of 2020.
- Although the respite facility closed for the financial year Hilltop's management maintained regular contact with the families and offered a respite placement to any who felt they needed the support.
- During the year the decision was taken to change one respite room into a residential bed to support the needs of a previous respite client.
- Three new clients successfully transitioned into the Trust, one at Offa's Dyke, one at Hilltop and one in Supported Living. There are no current vacancies in the homes or supported living.
- The Day Service remained open throughout the year to meet the needs of two clients and their families. From early 2021 the service opened up further with many previous clients returning and new clients becoming regular visitors.
- In April 2021 the decision was made to close and refurbish the hydro pool. The new pool will be longer and shallower to better meet the needs of its users. The new pool is due to reopen Spring 2022.
- Despite benefiting from the government furlough scheme and a BILB loan it became apparent that Independent Training was no longer financially viable and the decision was taken to liquidate the company.
- The Trust gratefully received unrestricted grants to support its activities and cover expenses following income loss throughout the pandemic, other restricted grants were released by the funder to allow us to support our objectives and remove the need to consider redundancies.
- The Trust also wishes to thank Gloucestershire County Council and the central government for their financial support through the pandemic so far.
- To enable virtual visiting for clients and families the Trust invested in tablets within each home and upgraded wifi where possible, many clients have been able to happily engage in a way which was beyond our expectations and is a delight to witness.
- Investment was also made into a paperless care planning system and medical administration record (eMAR) which, once set up, saves staff and management significant time and improves auditing processes.

**VALUES AND WAYS OF WORKING**

The Trust is deeply committed to providing high quality and positive risk-based care. To support sharing of learning and best practice the Trust has many internal committees to provide effective two-way feedback between all services and management. These include:

- Client Group (Trust our Voice)
- Parent Support Group (Carers & Sharers)
- Staff Communication Group (Comms)
- Health & Safety Staff Reps - with Trustee representation
- Action Based Management (ABM)
- Senior Management and Business Development
- Friends of Orchard Trust
- Trustee buddy scheme across all services in the Trust

Due to Covid restrictions many of these groups have met virtually and more frequently to ensure easy sharing of updates to guidance and risk assessments. Sadly, Trust our Voice have not adapted well to virtual meetings and this group has not met for many months. Once it is safe to do so the group will restart face to face. Carers and sharers have also adapted the way they interact and a circle of support was set up between families to maintain contact through the first lockdown.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**Ensuring our work delivers our mission**

The Trust ensures all actions contribute to achieving its mission through regular monitoring of performance by CQC and local authority reports, user, family and staff questionnaires, internal and external service user quality visits, Trustee buddy visits, senior manager and peer visits and an internal 'mum' test. The board have referred to the guidance contained in the Charity Commission's general guidance on public benefit when determining how our current and future activities meet the Trust's objectives.

**Staff Pay Award**

Although fee uplifts effective from April 2020 received from Local Authorities and Clinical Commissioning Groups did not cover the full impact of the increase in national Living Wage the Trust chose to invest in its staff teams by offering all staff a pay increase and also increased the differential between care worker and team leader, reflecting the increased responsibilities required of the leader role. A pay progression route allows opportunity for salary increases through qualifications and length of service and support the Trusts aim to ensure each staff member has the skills and attributes of our values through effective recruitment, ongoing support, and training and shared vision. The Trust is delighted to pay all staff above the National Living Wage for the first time, this reflects the importance of the tasks they are doing and the gratitude the Trust has for their commitment and continuous hard work throughout the pandemic.

**OPERATING MODEL AND RISKS**

**Risk**

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the charity.

**Principal identified risks**

- Service delivery – internal and external quality controls minimise risks in this area with internal quality control process reviewed and updated to reflect the regularly changing best practice guidelines provided by authorities within the care sector.
- Recruitment – The challenge of recruiting new staff with the values and attributes required by the Trust to support clients is increasingly difficult, however these standards are vital to the wellbeing of individuals so new methods of advertising and recruiting are being explored. Retention rates for direct care staff remained stable at 83% in 2020/21 against 82% in 2019/20 and 84% in 2018/19. Retention across the whole Trust was 84%. These figures remain significantly better than the five year sector average detailed in CQC's State of Social Care report 2020 of 39%, and reflects the commitment the Trust has to its staff and the consistent quality of care provided to our clients.
- Changes to Local Authority funding and/or commissioning models – Trust staff work closely with partners in local authorities to ensure client package process reflect true costs of care and individual need. Senior staff are active within local authority market shaping workshops and Anthony Jeffers continuing to maintain board position within the Gloucestershire Care Providers Association.
- Regional and National policy changes - Cathy Andrews sits on the ADASS South West Stakeholder Forum and the South West Regional Stakeholder Network for the Disability Unit in Cabinet Office both feed information into and influence change at regional, national and governmental levels.
- Regulatory and Legislative changes - The Trust seeks to remain up to date with all changes through subscription to CQC, Skills for Care, HSE and other email updates along with face to face and social media peer networking. We consider and respond to the continued development of legislation and changes regulations through discussion and regular reviewing of internal procedures.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**Reserve Policy**

The majority of the Trust's income is received through local authority contracts for the specific care of an individual. Any surplus is used to ensure the Trust's on-going sustainability and to improve the care environment.

All charities are required to consider the level of reserves they need to hold to cover both development opportunities and as resilience against unforeseen events. Additional cash reserves are considered by the Trustees to be essential to protect the activities of the Trust. In line with the general guidance provided by the Charity Commissioners and an understanding of the organisational risks, the Trustees calculate the unrestricted reserves held to be a minimum of six months expenditure with the aim to increase this to the 12-month figure. These amounts have increased from previous years following consideration of future Local Authority funding challenges and further uncertainties during the ongoing pandemic.

Currently, the maintained unrestricted reserves not committed or invested in tangible fixed assets (Residential Development Fund) is at £900,000. Any reserves over that sum could be allocated for future development, pending a suitable opportunity. The net asset value of the Trust is sufficient to release substantial funds in the event of a catastrophe.

**GOVERNANCE AND DECISION MAKING**

**Orchard Trust**

The Trustees in office in the year are detailed on page 1 of this report along with the names and addresses of relevant organisations providing banking services or professional advice to the Charity and its subsidiary.

The company does not have share capital, being limited by a guarantee of £1 from each of the Trustees. The Trustees act as Directors for company purposes.

The company is governed by its Memorandum and Articles of Association.

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement.

At the year end the Board of Trustees comprised 9 Trustees, who are also Directors of The Orchard Trust for the purposes of company law. Operational responsibility lies with the Trust's Senior Management team of Cathy Andrews, C.E.O.; Anthony Jeffers, Head of Support & Operations; and Kelly Ryder, Head of Finance.

The Trust holds six full board meetings per year, plus three finance committee meetings, two investment committee meetings and three safeguarding committee meetings. Trustees also have representation on the health and safety committee and each service has a Trustee buddy who regularly visits the service to learn more about that services specific challenges and thus bring greater knowledge to the board room.

**Independent Training & Development Ltd**

This subsidiary training organisation is overseen by a board, who report to the main board, comprising:

Mr N Budd (Trustee of Orchard Trust)

Mr B Kaye (Trustee of Orchard Trust)

Mr Keith Carswell (an unconflicted party as required by the Charities Commission)

Operational decisions made by Cathy Andrews, CEO, and Wendy Bolton, Training Manager.

**Trustee Appointment and Training**

Trustees are appointed by election to the Board. On induction, new Trustees are given a tour of the Trust's sites, meet key employees and are introduced to the other Trustees. Trustees are briefed on their legal obligations under charity and company law, as well as the aims and activities of the Trust and its recent financial performance. Trustees are encouraged to attend external training events where these facilitate the undertaking of their role.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**Review of the accounts**

The accounts follow a similar format to those of the preceding year in compliance with the accounting rules under SORP 2015.

The "Consolidated Statement of Financial Activities" on page 12-13 shows the movements on all funds of the Group, with the Consolidated Balance Sheet on page 16. A Consolidated Cash Flow Statement has again been included in the accounts on page 20. As in previous years, the report contains a Risk Analysis.

**Borrowings**

The Trust has borrowed no money during this period.

At the balance sheet date, cash reserves were higher than last year at £1,305,534. Total reserves increased from £5,847,473 to £6,028,822.

**Investment Powers**

Under the Memorandum and Articles of Association, the company has the power to make any investment which the Trustees see fit.

**Results**

The financial results for the year are presented on pages 12-36.

**Financial Review**

The full accounts of the Trust are included on pages 12-36. Cash balances at the year-end of £1,305,534 reflected careful management of the Trusts resources during financially challenging times.

**Acquisitions and Disposals**

There have been no substantial acquisitions or disposals during the period.

**Statement of Trustees' Responsibilities**

The Trustees (who are also directors of The Orchard Trust Limited for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Acknowledgements**

We acknowledge HR support and guidance from Ellis Whittam and DE Ford Limited for dealing accordingly with our insurance needs.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
REPORT OF THE TRUSTEES (continued)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**Statement of Disclosure to Auditor**

In accordance with company law, as the Company's Directors, the Trustees have taken the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of, and which they know the auditors are unaware of.

**Fixed Assets**

The Company re-valued its properties in March 2015. This revaluation, which has been reflected in these financial statements, is based on the open market valuation for existing use of £4,630,000, which is the basis required by UK Financial Reporting Standards. The valuation of the properties at the same date, on the assumption that they were fully operational and equipped having regard to trading potential, was £4,630,000.

**Third Party Indemnity Insurance**

The company incurred an annual premium of £1,106 to DE Ford Limited in relation to Trustee Indemnity Insurance.

**Auditors**

Hazlewoods LLP were reappointed as auditors in the year and have expressed their willingness to continue in office.

Signed by order of the Board of Trustees

*Rita Dodsworth*

**Mrs R Dodsworth  
Treasurer - The Orchard Trust  
Date: 18/11/2021**

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion**

We have audited the financial statements of The Orchard Trust for the year ended 31 March 2021, which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Changes in Equity, 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).

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2021 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 annual 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.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Opinion on other matter 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 group and the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustee's responsibilities statement set out on page 7, the trustees 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 directors 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 or 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 directors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

**Extent to which the auditor was considered capable of detecting irregularities, including fraud**

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planning and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and company financial statements or that had a fundamental effect on the group and company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and Charities Act 2011.
- We understood how the group and the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the group and company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how management considered and addressed the potential for override of controls. Detailed analysis of journals posted through the accounting system during the year to 31 March 2021 has been undertaken;
  - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud and they appeared to be working effectively.
  - Challenging assumptions and judgements made by management in its significant accounting estimates.

*Martin Howard*

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

18/11/2021  
Date:.....

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

Note	Unrestricted fund 2021 £	Restricted fund 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME AND ENDOWMENTS</b>				
<b>Income and endowments from:</b>				
<b>Donations and legacies</b>				
Donations and gifts	99,448	32,504	131,952	100,571
<b>Investments</b>				
Bank interest receivable	2,933	-	2,933	1,071
<b>Charitable activities</b>				
Local Authority contracts	3,743,475	-	3,743,475	3,620,535
<b>Other</b>				
Training income	29,183	-	29,183	128,238
Rental income	39,000	-	39,000	33,730
Other income	-	-	-	1,073
Government grants	156,141	217,884	374,025	-
	<u>4,070,180</u>	<u>250,388</u>	<u>4,320,568</u>	<u>3,885,218</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>	2	(3,941,664)	(197,555)	(4,139,219)
		<u>(3,941,664)</u>	<u>(197,555)</u>	<u>(4,139,219)</u>
<b>Total expenditure</b>		<u>(3,941,664)</u>	<u>(197,555)</u>	<u>(4,139,219)</u>
<b>Net income / (deficit) before other recognised gains and losses</b>	15	<u>128,516</u>	<u>52,833</u>	<u>181,349</u>
<b>Movement in fair value of investments</b>		<u>-</u>	<u>-</u>	<u>6,434</u>
<b>Net income / (deficit) for the year</b>		<u>128,516</u>	<u>52,833</u>	<u>181,349</u>
		<u>128,516</u>	<u>52,833</u>	<u>181,349</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted fund 2021 £	Restricted fund 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Reconciliation of funds</b>					
Funds brought forward at 1 April		5,821,718	25,755	5,847,473	5,777,427
Transfer between reserves		44,943	(44,943)	-	-
Net movement in funds		128,516	52,833	181,349	70,046
Funds carried forward at 31 March	15	5,995,177	33,645	6,028,822	5,847,473

The notes on pages 21 to 36 form part of these financial statements.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

**Note of Historical Cost Income and Expenditure**

	2021 £	2020 £
<b>Reported net movement in funds</b>	<b>181,349</b>	<b>83,654</b>
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount	13,499	13,055
<b>Historical cost net movement in funds</b>	<b>194,848</b>	<b>96,709</b>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted fund 2021 £	Restricted fund 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME AND ENDOWMENTS</b>					
<b>Income and endowments from:</b>					
<b>Donations and legacies</b>					
Donations and gifts		99,448	32,504	131,952	100,571
<b>Investments</b>					
Bank interest receivable		2,933	-	2,933	1,071
<b>Charitable activities</b>					
Local Authority contracts		3,747,831	-	3,747,831	3,620,982
<b>Other</b>					
Training income		5,496	-	5,496	25,967
Rental income		39,000	-	39,000	33,730
Other income		2,376	-	2,376	-
Government grants		117,462	217,884	335,346	-
<b>Total income and endowments</b>		<b>4,014,546</b>	<b>250,388</b>	<b>4,264,934</b>	<b>3,782,321</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	2	(3,868,762)	(197,555)	(4,066,317)	(3,726,152)
<b>Total expenditure</b>		<b>(3,868,762)</b>	<b>(197,555)</b>	<b>(4,066,317)</b>	<b>(3,726,152)</b>
<b>Net income / (deficit) before other recognised gains and losses</b>	15	<b>145,784</b>	<b>52,833</b>	<b>198,617</b>	56,169
<b>Movement in fair value of investments</b>		-	-	-	6,434
<b>Net income / (deficit) for the year</b>		<b>145,784</b>	<b>52,833</b>	<b>198,617</b>	<b>62,603</b>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted fund 2021 £	Restricted fund 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Reconciliation of funds</b>					
Funds brought forward at 1 April		5,830,202	25,755	5,855,957	5,793,354
Transfer between reserves		44,943	(44,943)	-	-
Net movement in funds		145,784	52,833	198,617	62,603
Funds carried forward at 31 March	15	6,020,929	33,645	6,054,574	5,855,957

The notes on pages 21 to 36 form part of these financial statements.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

**Note of Historical Cost Income and Expenditure**

	2021 £	2020 £
<b>Reported net movement in funds</b>	<b>198,617</b>	<b>97,511</b>
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount	13,499	13,005
<b>Historical cost net movement in funds</b>	<b>212,116</b>	<b>110,516</b>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2021**

**Company Number: 2348350**

	<b>Note</b>	<b>£</b>	<b>2021</b> <b>£</b>	<b>£</b>	<b>2020</b> <b>£</b>
<b>Fixed assets</b>					
Intangible assets	6		-		5,064
Tangible assets	7		4,669,504		4,746,444
Investments	8		930		930
			<u>4,670,434</u>		<u>4,752,438</u>
<b>Current assets</b>					
Stock	9	1,440		1,440	
Debtors	10	284,061		227,957	
Cash at bank and in hand		1,305,534		1,041,297	
			<u>1,591,035</u>	<u>1,270,694</u>	
<b>Creditors: Amounts falling due within one year</b>	11	<b>(232,647)</b>		<b>(175,659)</b>	
			<u>1,358,388</u>	<u>1,095,035</u>	
<b>Net current assets</b>			<u>1,358,388</u>	<u>1,095,035</u>	
<b>Total assets less current liabilities</b>			<u><b>6,028,822</b></u>	<u><b>5,847,473</b></u>	
<b>Funds</b>					
Restricted income funds	13,14,15		33,645		25,755
Unrestricted income funds:	14,15				
Operational general fund			4,116,276		3,929,318
Property revaluation reserve			978,901		992,400
Designated funds			900,000		900,000
			<u>6,028,822</u>		<u>5,847,473</u>

18/11/2021

The financial statements were approved by the Board of Trustees on

and signed on its behalf by:

*Rita Dodsworth*

**Mrs R Dodsworth**  
**Trustee**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

**Company Number: 2348350**

	<b>Note</b>	<b>£</b>	<b>2021</b> <b>£</b>	<b>£</b>	<b>2020</b> <b>£</b>
<b>Fixed assets</b>					
Tangible assets	7		4,669,504		4,746,444
Investments	8		931		931
			<u>4,670,435</u>		<u>4,747,375</u>
<b>Current assets</b>					
Stock	9	1,440		1,440	
Debtors	10	284,779		227,036	
Cash at bank and in hand		1,285,820		1,031,466	
			<u>1,572,039</u>	<u>1,259,942</u>	
<b>Creditors: Amounts falling due within one year</b>	11	(187,900)		(151,360)	
			<u>1,384,139</u>	<u>1,108,582</u>	
<b>Net current assets</b>			<u>1,384,139</u>	<u>1,108,582</u>	
<b>Total assets less current liabilities</b>			<u><b>6,054,574</b></u>	<u><b>5,855,957</b></u>	
<b>Funds</b>					
Restricted income funds	13,14,15		33,645		25,755
Unrestricted income funds:	14,15				
Operational general fund			4,142,028		3,937,802
Property revaluation reserve			978,901		992,400
Designated funds			900,000		900,000
			<u>6,054,574</u>		<u>5,855,957</u>

18/11/2021

The financial statements were approved by the Board of Trustees on \_\_\_\_\_ and signed on its behalf by:

*Rita Dodsworth*

**Mrs R Dodsworth**  
**Trustee**

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2020	3,929,318	992,400	900,000	25,755	5,847,473
Net incoming resources before transfers	128,516	-	-	52,833	181,349
Depreciation on revalued amounts	13,499	(13,499)	-	-	-
Transfer between reserves	44,943	-	-	(44,943)	-
Funds carried forward at 31 March 2021	<u>4,116,276</u>	<u>978,901</u>	<u>900,000</u>	<u>33,645</u>	<u>6,028,822</u>

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2019	3,853,673	1,005,455	900,000	18,299	5,777,427
Net incoming resources before transfers	11,538	-	-	58,508	70,046
Depreciation on revalued amounts	13,055	(13,055)	-	-	-
Transfer between reserves	51,052	-	-	(51,052)	-
Funds carried forward at 31 March 2020	<u>3,929,318</u>	<u>992,400</u>	<u>900,000</u>	<u>25,755</u>	<u>5,847,473</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2020	3,937,802	992,400	900,000	25,755	5,855,957
Net incoming resources before transfers	145,784	-	-	52,833	198,617
Depreciation on revalued Amounts	13,499	(13,499)	-	-	-
Transfer between reserves	44,943	-	-	(44,943)	-
Funds carried forward at 31 March 2021	<u>4,142,028</u>	<u>978,901</u>	<u>900,000</u>	<u>33,645</u>	<u>6,054,574</u>
	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Restated Total funds £</b>
Funds brought forward at 1 April 2019	3,869,600	1,005,455	900,000	18,299	5,793,354
Net incoming resources before transfers	4,095	-	-	58,508	62,603
Depreciation on revalued Amounts	13,055	(13,055)	-	-	-
Transfer between reserves	51,052	-	-	(51,052)	-
Funds carried forward at 31 March 2020	<u>3,937,802</u>	<u>992,400</u>	<u>900,000</u>	<u>25,755</u>	<u>5,855,957</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	£	2021 £	£	2020 £
<b>Cash generated from in operating activities</b>	16		321,364		288,199
<b>Cash flows from investing activities</b>					
Interest income		2,933		1,071	
Purchase of tangible fixed assets		(82,060)		(117,271)	
Proceeds from fixed asset investment disposals		-		200,371	
Purchase of intangible fixed assets		-		(5,064)	
			<u>(79,127)</u>		<u>79,107</u>
<b>Cash provided by (used in) investing activities</b>					
<b>Cash flows from financing activities</b>					
Other loans advanced in the year		22,000		-	
			<u>22,000</u>		<u>-</u>
<b>Cash provided by (used in) financing Activities</b>					
Increase in cash and cash equivalents in the year			<u>264,237</u>		<u>367,306</u>
Cash and cash equivalents at the beginning of the year			1,041,297		673,991
<b>Total cash and cash equivalents at the end of the year</b>			<u><u>1,305,534</u></u>		<u><u>1,041,297</u></u>

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, adopting the following principal accounting policies all of which are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements are presented in Pounds Sterling.

**Company status**

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The company is incorporated and domiciled in England and Wales.

The address of its registered office is:

The Orchards  
Lydbrook Valley Springs  
Central Lydbrook  
Lydbrook  
Gloucestershire  
GL17 9PP

**Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2021.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of combination.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**Judgements and estimation uncertainty**

The trustees consider that there are no key areas of judgement or estimation uncertainty to be disclosed in these financial statements.

**Intangible fixed assets**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill recognised at acquisition is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis over its useful life, which is estimated to be twenty years.

**Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

**Asset class**

Development costs	5% straight line
-------------------	------------------

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated in the accounts at cost or revalued amount less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The annual rates applied in this period were:

Freehold buildings (homes)	2% on written down value
Farm	2% on written down value
Plant and equipment	15% on written down value
Office equipment and furniture	40% on written down value
Motor vehicles	25% on written down value

No depreciation is provided on freehold land.

**Stocks**

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

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**THE ORCHARD TRUST  
(Limited by Guarantee)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 ACCOUNTING POLICIES (continued)**

**Trade receivables**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

**Trade payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Trust does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Financial instruments**

The trust 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.

**Income and endowments**

Income and endowments are allocated between:

**Donations and legacies (analysed between donations/gifts and grants receivable)**

Donations/gifts and grants are accounted for on a receivable basis. Funds collected, to which the charity is entitled, but not received before the end of the financial year, are included in income and endowments and in debtors.

Capital grants are recognised through the Statement of Financial Activities as income to restricted funds. A transfer is then made to the General Fund so as to write back the fund over the expected useful life of the relevant asset.

**Income from charitable activities (fees from local authority contracts)**

Income derives from the provision of education and residential care and is recognised in the Statement of Financial Activities on a receivable basis. Such income is exempt from Value Added Tax.

**Income from Investments**

Interest receivable is accrued on a daily basis.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 ACCOUNTING POLICIES (continued)**

**Other income**

Income arising from the provision of training is recognised on a receivable basis, and included within 'Other income'.

**Expenditure on Charitable activities**

Expenditure on Charitable activities is included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax, which cannot be recovered. Where expenditure is directly attributable to more than one activity, it is apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

**Funds**

Funds held by the charity are either:

- Unrestricted general funds, which can be used in accordance with the charitable objects at the discretion of the Trustees; or
- Unrestricted designated funds, which can be used in accordance with the Charitable objects, in respect of specific projects ear-marked by the Trustees; or
- Restricted funds, which can only be used for particular restricted purposes within the objects of the charity. Restrictions are specified by the donor or when funds are raised for particular restricted purposes. All funds received to date have been applied against capital projects.

**Taxation**

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses of tax credits in the group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Pensions**

The company operates a defined contribution scheme for certain employees. The contributions are charged to revenue in the period in which they are incurred.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2 EXPENDITURE ON CHARITABLE ACTIVITIES**

		<b>Group</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Provision of care and education:</b>			
Staff costs	4	2,941,769	2,690,414
Residents' expenses		207,277	146,780
Transport costs		33,978	42,852
Property costs		123,130	114,742
Equipment maintenance		68,100	57,415
Other costs		31,279	23,165
Depreciation		148,469	158,311
Insurance		39,216	39,635
		<u>3,593,218</u>	<u>3,273,314</u>
<b>Support costs:</b>			
Staff costs	4	373,828	368,208
Property costs		8,756	29,838
Equipment maintenance		7,301	4,155
Insurance		2,582	2,581
Office costs		40,635	49,384
Sundry		959	7,189
Legal and professional fees		44,742	67,548
Bank charges		1,908	2,054
Subscriptions		1,142	2,603
Other direct costs		3,938	3,824
Impairment of goodwill		-	10,908
Impairment of website costs		5,064	-
Bad debt expense		44,615	-
Loss on disposal of tangible fixed assets		10,531	-
		<u>546,001</u>	<u>548,292</u>
<b>Total expenditure on charitable activities</b>		<u><u>4,139,219</u></u>	<u><u>3,821,606</u></u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

		<b>Company</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Provision of care and education:</b>			
Staff costs	4	2,944,318	2,697,360
Residents' expenses		207,277	146,780
Transport costs		33,978	42,852
Property costs		123,130	114,742
Equipment maintenance		68,100	57,415
Other costs		31,279	23,165
Depreciation		148,469	158,311
Insurance		39,216	39,635
		3,595,767	3,280,260
<b>Support costs:</b>			
Staff costs	4	314,048	289,534
Property costs		6,480	6,039
Equipment maintenance		3,584	3,022
Insurance		2,064	2,086
Office costs		39,266	46,307
Sundry		150	-
Legal and professional fees		50,745	62,603
Bank charges		1,553	1,393
Impairment to investment		-	10,908
Provision of intercompany loan		-	24,000
Bad debt expense		42,129	-
Loss on disposal of tangible fixed assets		10,531	-
		470,550	445,892
Total expenditure on charitable activities		4,066,317	3,726,152

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3 NET INCOME FOR THE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	144,829	158,683
Auditors' remuneration	9,250	11,900
	<u>          </u>	<u>          </u>

Third Party Indemnity insurance costs of £1,106 (2020 - £968) were incurred in the year in relation to Trustee Indemnity Insurance. The maximum indemnity under the policy was £2,000,000 (2020 - £2,000,000).

**4 STAFF COSTS AND NUMBERS**

		<b>Group</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Staff costs:</b>			
Wages and salaries		3,063,970	2,837,210
Social security costs		189,116	165,415
Other pension costs		62,511	55,997
		<u>          </u>	<u>          </u>
		3,315,597	3,058,622
		<u>          </u>	<u>          </u>
<b>Analysed:</b>			
Staff costs included in provision of care and education	2	2,941,769	2,690,414
Staff costs included in support costs	2	373,828	368,208
		<u>          </u>	<u>          </u>
		3,315,597	3,058,622
		<u>          </u>	<u>          </u>
Emoluments to Executive officer		<u>          </u>	<u>          </u>
		71,042	64,424
		<u>          </u>	<u>          </u>

The above represents the emoluments of the highest paid officer. No other employee earned more than £60,000. The trustees did not receive any remuneration.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4 STAFF COSTS AND NUMBERS (continued)**

	Note	Company 2021 £	2020 £
<b>Staff costs:</b>			
Wages and salaries		3,009,312	2,770,183
Social security costs		188,801	162,239
Other pension costs		60,253	54,472
		<u>3,258,366</u>	<u>2,986,894</u>
<b>Analysed:</b>			
Staff costs included in provision of care and education	2	2,944,318	2,697,360
Staff costs included in support costs	2	314,048	289,534
		<u>3,258,366</u>	<u>2,986,894</u>
Emoluments to Executive officer		<u>70,940</u>	<u>64,424</u>

The above represents the emoluments of the highest paid officer. No other employee earned more than £60,000. The trustees did not receive any remuneration.

	2021 Number	Group 2020 Number	2021 Number	Company 2020 Number
Management and administration	14	15	11	11
Nursing and care staff	177	181	177	181
	<u>191</u>	<u>196</u>	<u>188</u>	<u>192</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**5 TAXATION**

As The Orchard Trust is an exempt charity, it is exempt from taxation in respect of income or capital gains received.

Independent Training and Development Limited has a deferred tax asset, in respect of losses of £33,764 (2020 - £33,764) for the period, which has not been provided for on the grounds that there is insufficient evidence that the asset will be recoverable.

**6 INTANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Goodwill</b>	<b>Website costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2020	10,908	5,064	15,972
Additions	-	-	-
<b>At 31 March 2021</b>	<b>10,908</b>	<b>5,064</b>	<b>15,972</b>
	=====	=====	=====
<b>Amortisation</b>			
Impairment brought forward	10,908	-	10,908
Impairment charge for the year	-	5,064	5,064
<b>At 31 March 2021</b>	<b>10,908</b>	<b>5,064</b>	<b>15,972</b>
	=====	=====	=====
<b>Net book value</b>			
31 March 2021	-	-	-
	=====	=====	=====
31 March 2020	-	5,064	5,064
	=====	=====	=====

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**7 TANGIBLE FIXED ASSETS**

	<b>Group and Company</b>					
	<b>Residential freehold property £</b>	<b>Farm £</b>	<b>Plant &amp; equipment £</b>	<b>Office equipment &amp; furniture £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2020	5,146,756	192,780	15,597	757,324	142,988	6,255,445
Additions	27,099	-	3,276	51,685	-	82,060
Disposals	-	-	-	(567,951)	(11,490)	(579,441)
At 31 March 2021	5,173,855	192,780	18,873	241,058	131,498	5,758,064
<b>Depreciation</b>						
At 1 April 2020	693,808	62,085	12,799	664,125	76,184	1,509,001
Charge for the year	83,110	2,615	836	45,207	16,701	148,469
Eliminated on disposal	-	-	-	(561,142)	(7,768)	(568,910)
At 31 March 2021	776,918	64,700	13,635	148,190	85,117	1,088,560
<b>Net book value</b>						
At 31 March 2021	4,396,937	128,080	5,238	92,868	46,381	4,669,504
At 31 March 2020	4,452,948	130,695	2,798	93,199	66,804	4,746,444

Freehold property includes £278,720 (2020 - £278,720) in respect of land which has not been depreciated.

Comparable historical cost of the freehold property is £4,635,000 (2020 - £4,635,000). The accumulated depreciation on the historical cost is £1,256,522 (2020 - £1,187,573)

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8 INVESTMENTS**

<b>Group</b>	<b>Listed Investments</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2020	930
Change in market value	-
Disposals	-
	<u>          </u>
<b>At 31 March 2021</b>	<u>          </u> <u>          </u> 930
<b>Net book value</b>	
31 March 2021	<u>          </u> <u>          </u> 930
31 March 2020	<u>          </u> <u>          </u> 930

<b>Company</b>	<b>Subsidiary undertakings</b>	<b>Listed investments</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2020	10,909	930	11,839
Additions	-	-	-
Change in market value	-	-	-
Disposals	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>At 31 March 2021</b>	<u>          </u> <u>          </u> 10,909	<u>          </u> <u>          </u> 930	<u>          </u> <u>          </u> 11,839
<b>Amortisation</b>			
Impairment brought forward and at 31 March 2021	<u>          </u> <u>          </u> 10,908	<u>          </u> <u>          </u> -	<u>          </u> <u>          </u> 10,908
<b>Net book value</b>			
31 March 2021	<u>          </u> <u>          </u> 1	<u>          </u> <u>          </u> 930	<u>          </u> <u>          </u> 931
31 March 2020	<u>          </u> <u>          </u> 1	<u>          </u> <u>          </u> 930	<u>          </u> <u>          </u> 931

**Details of undertakings**

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

<b>Subsidiary undertaking</b>	<b>Registered office</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
			<b>2021</b>	<b>2020</b>
Independent Training & Development Limited	England and Wales	Ordinary	100%	100%

The principal activity of Independent Training and Development Limited is that of an educational support service.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**9 STOCK**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Livestock and materials	1,440	1,440	1,440	1,440
	<u>1,440</u>	<u>1,440</u>	<u>1,440</u>	<u>1,440</u>

**10 DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	186,600	162,661	186,600	156,379
Other debtors and accrued income	52,892	25,286	52,892	25,285
Prepayments	44,569	40,010	41,736	40,011
Amount owed by related parties	-	-	3,551	5,361
	<u>284,061</u>	<u>227,957</u>	<u>284,779</u>	<u>227,036</u>
	<u>284,061</u>	<u>227,957</u>	<u>284,779</u>	<u>227,036</u>

**11 CREDITORS: Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	43,092	38,985	43,508	38,231
Taxation and social security	60,604	59,312	39,742	39,277
Accruals and deferred income	61,554	38,212	61,554	35,512
Other creditors	45,397	39,150	43,096	38,339
Amount owed to related parties	-	-	-	1
Other loans	22,000	-	-	-
	<u>232,647</u>	<u>175,659</u>	<u>187,900</u>	<u>151,360</u>
	<u>232,647</u>	<u>175,659</u>	<u>187,900</u>	<u>151,360</u>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**12 COMMITMENTS**

At 31 March, the total of future minimum lease payments is as follows:

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Expiry date:				
Less than one year	2,675	22,088	2,240	21,654
Between two and five years	3,772	13,441	3,543	12,882

**13 RESTRICTED FUNDS**

Group and Company	1 April 2020 £	Movement Incoming 2020 £	Normal Expenditure £	Resources Transfer £	31 March 2021 £
Parental donation	106	-	-	(106)	-
Widening of pathways	1,058	-	-	(1,058)	-
Kettle Civils Paths (Woodland)	300	-	-	(300)	-
Café	7,514	10,000	-	(9,692)	7,822
Dementia Games	139	-	-	(139)	-
ST Sensory Garden Refurb	150	-	-	(150)	-
OD Car	3,117	-	(1,036)	-	2,081
OD Sensory room	2,170	-	-	(934)	1,236
Cookery project	4,598	-	-	-	4,598
SO Tomcat	4,500	329	-	(4,186)	643
SO Paths	2,100	2,000	-	-	4,100
Nature sign design	3	-	-	(3)	-
HT Sensory room	-	4,500	-	(4,500)	-
Dechokers	-	675	-	(675)	-
Pool upgrade	-	10,000	-	-	10,000
Virtual day service	-	5,000	(2,200)	(731)	2,069
Government grants	-	217,884	(194,319)	(22,469)	1,096
Total restricted funds	25,755	250,388	(197,555)	(44,943)	33,645

Resources transfer includes capital expenditure of £43,188 (2020 – £51,078).

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**14 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Group</b>		<b>Total £</b>
	<b>Unrestricted Funds £</b>	<b>Restricted funds £</b>	
Fixed assets	4,674,156	-	4,674,156
Current assets	1,557,390	33,645	1,591,035
Current liabilities	(231,611)	-	(232,647)
	<hr/>	<hr/>	<hr/>
Balance carried forward at 31 March 2021	5,998,899	33,645	6,032,473
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<b>Company</b>		<b>Total £</b>
	<b>Unrestricted Funds £</b>	<b>Restricted funds £</b>	
Fixed assets	4,684,606	-	4,674,157
Current assets	1,538,394	33,645	1,572,039
Current liabilities	(187,900)	-	(187,900)
	<hr/>	<hr/>	<hr/>
Balance carried forward at 31 March 2021	6,024,651	33,645	6,058,296
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**15 MOVEMENTS ON RESERVES**

Whilst the Statement of Financial Activities shows the movement on all funds, the position is also illustrated in this note for clarity:

**Group**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2020	3,929,318	992,400	900,000	25,755	5,847,473
Net incoming resources before transfers	128,516	-	-	52,833	181,349
Depreciation on revalued Amounts	13,499	(13,499)	-	-	-
Transfer between reserves	44,943	-	-	(44,943)	-
Funds carried forward At 31 March 2021	<u>4,116,276</u>	<u>978,901</u>	<u>900,000</u>	<u>33,645</u>	<u>6,028,822</u>

**Company**

	<b>Operational general fund £</b>	<b>Property revaluation reserve £</b>	<b>Designated fund £</b>	<b>Restricted fund £</b>	<b>Total funds £</b>
Funds brought forward at 1 April 2020	3,937,802	992,400	900,000	25,755	5,855,957
Net incoming resources before transfers	145,784	-	-	52,833	198,617
Depreciation on revalued Amounts	13,499	(13,499)	-	-	-
Transfer between reserves	44,943	-	-	(44,943)	-
Funds carried forward At 31 March 2021	<u>4,142,028</u>	<u>978,901</u>	<u>900,000</u>	<u>33,645</u>	<u>6,054,574</u>

The designated funds of both the group and the company relates to a "Residential Care Development Fund" whereby it is the intention of the Trustees to further develop the provision of care and to provide for unforeseen major expenditure to the properties.

The Trustees are looking for suitable opportunities.

**THE ORCHARD TRUST**  
**(Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**16 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

<b>Group</b>	<b>2021</b> £	<b>2020</b> £
Net income before other recognised gains and losses	181,349	63,612
Interest receivable	(2,933)	(1,071)
Depreciation	148,469	158,683
Impairment of goodwill	-	10,908
Impairment of website costs	5,064	-
Loss on disposal of tangible fixed assets	10,531	-
(Increase)/Decrease in debtors	(56,104)	43,797
Increase / (Decrease) in creditors	34,988	12,270
	<u>          </u>	<u>          </u>
<b>Net cash generated from operating activities</b>	<b>321,364</b>	<b>288,199</b>
	<u>          </u>	<u>          </u>

**17 RELATED PARTY TRANSACTIONS**

**Group**

During the year, rent and rates was paid of £14,099 (2020 - £14,099) to Mr R Morgan (a trustee), who owns a freehold property from which the company trades. No amounts remain unpaid as at 31 March 2021.