

Charity Registration No. 516925

Company Registration No. 01934024 (England and Wales)

ACORN VENTURE ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

ACORN VENTURE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

A D Burke
P L Burrows
R T Muspratt
R V Rishworth
C J Roderick
A P Ware

Secretary

T J Trumble

Charity number

516925

Company number

01934024

Registered office

Acorn Venture Farm
Depot Road
Kirkby
Knowsley
Merseyside
L33 3AR

Independent examiner

Peter Atkinson
Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Bankers

National Westminster Bank Plc
Aintree Black Bull
Corner of Longmoor Lane and Cedar Road
Aintree
Liverpool
L9 0EG

Investment managers

Blankstone Singleton
Walker House
Exchange Flags
Liverpool
L2 3YL

ACORN VENTURE ASSOCIATION

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ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS: 102) (effective 1 January 2019)".

Objectives and activities

Our Aim

To provide a high quality, affordable and inclusive resource for the local community:

We believe that everyone has a valued social role to play within their community and therefore we provide opportunities for individuals with disabilities and young people to fully participate in the day to day running of the farm.

Public Benefit

We review our aims, objectives and activities each year. We have referred to the guidance contained in the Charity Commission's Charities and Public Benefit. All of our charitable activities focus on the provision of skills development and recreational opportunities for persons designated as having special needs and the promotion of other charitable purposes for the benefit of the community.

A recent comment from a visitor which stated *"This is an amazing place, I can't rate it highly enough"* suggests that we are succeeding in providing public benefit.

This annual report sums up what we have achieved and the outcomes of our work in the previous twelve months. It looks at the success of each key activity and the benefits which they have brought to those groups of people which we are set up to help.

Achievements and performance

a) Daytime Support Programme

One of the major ways we fulfil our aims is in the running of our very successful daytime activities programme for people with special needs. We currently provide 100 placements per week to 35 different individuals. This results in us having a maximum of 20 individuals who we support attending the farm each day and ensures that each individual gains maximum benefit from the time that they spend here.

Most individuals now purchase the service through their personal budget. This is either done on their behalf by the local authority via the Internal Service Fund or by the individual themselves via a Direct Payment. However we still have service level agreements for the provision of community support services with several local authorities.

In December we held our first ever long service award ceremony for the people we support. Three individuals who have clocked up more than 75 years between them helping on the farm received a shield and certificate to mark their incredible contribution. Farm staff and volunteers, together with friends and relatives, joined in the celebration and enjoyed a buffet lunch.

ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Our daytime activities programme includes:

Horticulture

Horticultural activities range from the production and selling of bedding plants and hanging baskets to maintaining the sensory garden, lawns and flower beds.

Conservation activities include maintaining the woodland walk, which is widely used by visitors as our overflow car park and is accessed through this area and maintaining the tree shelter belt.

Farm Maintenance

Farm Maintenance tasks around the farm site include building animal shelters, making benches and picnic tables, flagging, fencing, plumbing and painting.

Animal Care

Activities include collecting and grading the eggs and feeding and mucking out the animals. During school holidays additional activities include assisting in the small animal petting sessions and giving horse rides to visitors to the farm. Although we have these three specific daytime support programmes Acorn Farm is a truly inclusive project. Therefore, individuals with disabilities are involved in every aspect of running the farm on a daily basis.

Young People

We continue to enable young people to volunteer at the farm at weekends. Under the supervision of the Weekend Manager they help to run the farm carrying out all the tasks from caring for the animals to helping with horse rides and in the small animal petting area.

We have an average of eight young people who help out each day and a waiting list of those who would like to volunteer. Taking on these responsibilities enables them to develop their self-esteem and sense of pride in their community and consequently encourages them to become responsible citizens.

b) Plant Sales

Although we were not able to open the farm to visitors until July, the plant sales area was open from April. We had another busy plant sales season. The high quality of the plants together with the competitive pricing and outstanding customer service has led to a large number of customers returning year after year. The success of this enterprise is a credit to our Horticultural Unit Manager, Mike Taylor, and his team. Although the vast majority of the plants are sold in the spring and summer, we do have plants, tubs and baskets on sale throughout the year.

c) Livestock

The farm's livestock continue to be a major attraction for everyone involved, including our visitors.

During the year 13 lambs were born to our ewes, which included two sets of triplets and three sets of twins and 1 single.

Pearl the pygmy goat gave birth to twins. They were named Harry and Hermione.

Kathy the Saddleback sow gave birth to a litter of 11 piglets. They were a multitude of colours including ginger, black and white in a range of designs including plain, spots and stripes! Watching them play provided much joy to all who saw them.

Rosie and Lola the horses were delighted to start giving horse rides again every weekend and every day during school holidays once we opened again to visitors in July.

The meerkats continue to be very popular and they keep us busy filling in the holes they have dug.

All the animals on the farm are cared for during the week by the people who we support and at the weekends by our young volunteers.

ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The animal sponsorship scheme, that we operate, continues to be popular and helps us to offset the cost of keeping the animals. Sponsors are rewarded with a certificate, a visitor's pass to the farm, a photograph of their animal, birthday and Christmas cards and a mention on the Roll of Honour on our website. We have continued to extend the scheme to enable sponsors to add the cost of a bale of hay or straw or a bag of animal feed onto their sponsorships.

d) Visitor Facilities and Attractions

Horse Rides

This activity is very popular with visitors. We do horse rides every weekend afternoon throughout the year as well as every afternoon during school holidays. Bookings may also be made by groups during term time. During the period we were open the horses have given rides to 5,419 children.

Small Animal Petting Sessions

This attraction continues to be extremely popular with many repeat visitors. Over 10,000 people attended sessions during the period July-December. Activities include stroking a rabbit, guinea pig and a pet rat, holding a bantam hen and playing with Toby, Teddy and Paddy the pygmy goats. The petting area is open to visitors every weekend and bank holiday and every day during school holidays.

e) Educational Services

Unfortunately these have been suspended since the start of Lockdown but normally include

- School Visits/Guided Tours
- Incubator Hire
- Animobile [Mobile Farm Unit]
- Animal Handling workshops
- Farm themed Activity Days

f) Events

These usually include

- Halloween Fun Day
- Christmas Grotto

Both of which did not take place due to the uncertainty caused by Covid.

g) Visitors

We reopened to visitors on 19 July 2021 having been closed since 23 March 2020. We had our busiest summer holiday period ever welcoming over 21,000 visitors in August alone. From reopening on 19 July until 31 December we received 46,017 visitors.

We also received a visit from Mr Nigel Llancaley, the High Sheriff of Merseyside and Lesley Martin Wright the Chief Executive of Knowsley Chamber/Head of Business Growth and Inward Investment in Knowsley. They were both impressed with the work we do with and for the community.

h) Fundraising

Our supporters continue to fundraise for us and several local companies have made donations. These include a very generous donation by Standard Fuel who have donated 12 months supply of heating oil.

i) Trading Company

Acorn Farm Trading Company has been back in business since the farm reopened in July. The café and the shop who trade through this company have both had a very busy summer. However, during busy periods both the kitchen and café area struggled to cope with the volume of customers due to insufficient seating in the café area and lack of work space in the kitchen. Similarly the shop can get very congested.

j) Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. This has led to the implementation of a number of policies including the Reserves Policy, which states that in order to safeguard the future of the farm we will hold in reserve six months of resources expended.

There are a number of other risks which we have identified and are detailed in our Reserves Policy which can be found in the Appendix of this report. We also have a Business Continuity Procedure.

ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Internal risks are minimised by the implementation of additional policies including Policy and Practice on Payments, Banking and Custody Procedure, Payroll Financial Procedure, Capital Purchases Policy and Asset Control.

Procedures are in place to ensure compliance with health and safety of staff, people we support, volunteers and visitors. These include a comprehensive set of risk assessments. The implementation of safeguarding policies for both Vulnerable Adults and Children ensure that we deal with any safeguarding issues which may arise in a consistent manner. All policies are reviewed on a regular basis by the trustees.

k) Staff Team

Permanent Staff:

Name	Job title	Hours
Fiona Smith	Farm Manager	35
Tracy Thumble	Deputy Manager/Finance Officer	37.5
Mike Taylor	Horticultural Unit Manager	37.5
Brian Carroll	Farm Maintenance Worker	37.5
Vacant	Education Worker	28
Becky Little	Project Administrator	37.5
Jane McKillop	Cafe Manager	37.5
Zaneta Radilova	Weekday Cafe Assistant	15
Lisa Hughes	Shop Worker	26.5
Lisa Gunn	Farm Animal Supervisor	37.5
Catherine Brailsford	Farm Assistant/ Driver	24
Sue Rowan	Gardener/Support Worker	6.5
Lynn Fitzpatrick	Weekend Manager (Job Share)	6
Vai Kelly	Weekend Manager (Job Share)	6
Vacant	Weekend Cafe Team Leader	11
Marta Silva	Weekend Cafe Assistant (Job Share)	9
Rhiaana Murphy	Weekend Cafe Assistant (Job Share)	9
Lyndsey Corrin	Weekend Shop Worker	12
Stephanie Oldham	Weekend Animal Petting Area Supervisor	9.5
Vai Kelly	Sunday/ School holiday Horse Ride Supervisor	2.5
Darci Clarkson	Saturday Horse Ride Supervisor	2.5
Lily Case	Weekend Horse Ride Helper	4
Eve Loftus	Weekend Horse Ride Helper/Farm Assistant	10
Danielle Stepney	Cleaner (weekdays)	10
Lauren Bell	Cleaner (weekends)	4

Acorn Farm continues to succeed largely through the high level of commitment shown by the staff team, who are always willing to turn their hand to whatever needs doing.

All staff are encouraged to undertake training relevant to their role.

ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

1) Site Developments:

Site Reconfiguration

A great deal has been achieved in terms of our planned site reconfiguration. Phase 1A which included the construction of the bridge to link our current site to the new site together with the erection of new animal shelters, water installation, fencing (both security and stock proof fencing) and the laying of pathways was completed in July 2021. This was largely funded by KMBC.

Phase 1B which includes the new Access Road and Visitor Car park began in November 2021 and is due to be completed in February 2022.

Phase 2 is the construction of the new farm hub. In 2022 we hope to undertake a major fundraising campaign to enable us to achieve this ..

Site Improvements:

One of the very few benefits of Lockdown and being closed to visitors was that we were able to press ahead with some major improvements to the farm site. These included taking down the old redundant palisade security fencing in the centre of the farm. This was installed over 30 years ago to provide a secure compound for the animals over night when we had no perimeter security fencing. We retained the steel upright posts and attached stock proof fencing to make a paddock. These metal posts will never need replacing.

We removed an old leaky shipping container which enabled us to make an additional pathway around part of the farm. This has not only opened up that part of the farm to our visitors but has also eliminated 2 dead ends. Should there be a further pandemic and a requirement to socially distance it will enable us to make a one-way route around the farm. The concreting of the pathway was a great team project which everyone worked on together - particularly when the bulk order of ready mix concrete arrived.

Painting of the admissions kiosk, animal housing, pig wall, fencing, benches and picnic tables.

Financial review

Following the reopening of the farm to visitors income for the year increased to £745k (2020: £382k). Expenditure for the year decreased to £340k (2020: £365k), resulting in a net gain before investments of £405k (2020: £17k). Unrealised investment gains of £124k (2020: £26k) were achieved in the year.

ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves Policy

The Acorn Farm Board of Trustees recognises the need to hold reserves to allow for unforeseen circumstances which could result in a substantial drop in income. These could include:

1. A global pandemic.
2. A lack of funding could cause local authorities to terminate the contracts which they have with us for the provision of day services for people with disabilities.
3. A fire, flood or similar incident could result in business interruption whilst repairs are underway.
4. Severe weather could result in damage to the farm buildings making the site unsafe for visitors until repairs are undertaken.
5. Outbreak of animal disease (e.g. Foot and Mouth, e.coli) which could result in the compulsory closure of the farm for a period of time.
6. Outbreak of food poisoning which could result in the closure of the café and/or dairy whilst investigations by the Environmental Health Office are undertaken.

Additionally, the reserves would allow for unforeseen capital works or purchases which may be required to ensure the safety of the farm site (e.g. replacement of unsafe animal housing or to replace faulty tools and equipment).

To cover such eventualities, the trustees believe that Acorn Venture Association needs to hold in reserves 6 months of resources expended and have maintained this position throughout the year.

The actual level of free reserves held is stated in our annual accounts.

Future plans

Our plans for 2022 include:

- Moving the animals on to our new paddocks
- Opening the new entrance and car park for our visitors
- Fundraising for a new purpose-built farm hub
- Working with DK Architects on the construction of the farm hub.

Conclusion

Acorn Farm continues to provide a highly valued and affordable resource for both the local community and visitors from further afield. We are delighted to be back open again for our visitors and the people we support. We are proud that our facilities are enjoyed by all.

In the coming year we will strive to continue to serve the community to the highest standards.

Structure, governance and management

The Association is a charitable company limited by guarantee, incorporated on 26 July 1985 and registered with the Charity Commission on 4 March 1986.

The Association was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The charity is a company limited by guarantee and has no share capital.

ACORN VENTURE ASSOCIATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A D Burke

F L Burrows

K Evans

(Resigned 16 September 2022)

M V Johnson

(Resigned 25 August 2022)

R T Muspratt

R V Risikworth

C J Roderick

A P Ware

We are always keen to welcome new trustees on to the board which meets quarterly. Our aim is to recruit trustees who are able to complement the skills and experience of our existing board.

In line with our Memorandum and Articles of Association the trustees may appoint any interested party as a member of the board either to fill a casual vacancy or by way of an addition to the board. Any member so appointed shall retain their office only until the next AGM, but they shall then be eligible for re-election.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

All trustees have completed a Declaration of Confidentiality and a Declaration of Commitment and Eligibility to be a trustee having regard to Section 72 of the Charities Act.

We have in place a number of policies relevant to the trustees which help to ensure that governance of the charity is performed to the highest standard. These include a Trustee Recruitment Policy, a Conflict of Interest/Loyalty Policy, a Register of Interests and a Trustee Code of Practice.

Small companies provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees report was approved by the Board of Trustees.



C J Roderick

Trustee

Dated: 6 October 2022

ACORN VENTURE ASSOCIATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of Acorn Venture Association for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACORN VENTURE ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACORN VENTURE ASSOCIATION

I report to the trustees on my examination of the financial statements of Acorn Venture Association (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Peter Atkinson F.C.A.

Jackson Steptien LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Dated: 6/10/22

ACORN VENTURE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	3	46,583	259,739	306,322	10,492
Charitable activities	4	258,011	-	258,011	250,174
Other trading activities	5	137,868	-	137,868	30,322
Investments	6	39,200	-	39,200	40,974
Other income	7	3,636	-	3,636	50,103
Total income		485,298	259,739	745,037	382,065
Expenditure on:					
Cost of generating funds	8	12,315	-	12,315	12,059
Charitable activities	9	327,062	1,002	328,064	352,632
Total expenditure		339,377	1,002	340,379	364,691
Net incoming resources before gains/(losses) on investments		145,921	258,737	404,658	17,374
Net gains/(losses) on investments	13	124,225	-	124,225	26,375
Net movement in funds		270,146	258,737	528,883	43,749
Fund balances at 1 January 2021		1,854,347	3,178	1,857,525	1,813,776
Fund balances at 31 December 2021		2,124,493	261,915	2,386,408	1,857,525

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ACORN VENTURE ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets:					
Tangible assets	14		619,759		72,145
Investments	15		1,459,409		1,607,283
			<u>2,079,168</u>		<u>1,679,428</u>
Current assets:					
Debtors	16	25,514		13,127	
Cash at bank and in hand		361,071		185,012	
		<u>386,585</u>		<u>198,139</u>	
Creditors: amounts falling due within one year	17	<u>(79,345)</u>		<u>(20,042)</u>	
Net current assets:			<u>307,240</u>		<u>178,097</u>
Total assets less current liabilities			<u>2,386,408</u>		<u>1,857,525</u>
Funds of the charity:					
Restricted funds	18		261,915		3,178
Unrestricted funds - designated	19	1,750,000		1,550,000	
General unrestricted funds		<u>374,493</u>		<u>304,347</u>	
Total unrestricted funds:			<u>2,124,493</u>		<u>1,854,347</u>
			<u>2,386,408</u>		<u>1,857,525</u>

ACORN VENTURE ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 6 October 2022.



C.J. Rodenick
Trustee

Company Registration No: 01934024

ACORN VENTURE ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities:					
Cash generated from operations:	24		436,810		13,629
Investing activities:					
Purchase of tangible fixed assets:		(560,790)		(19,632)	
Proceeds on disposal of tangible fixed assets		-		4,800	
Proceeds on disposal of investments:		300,000		-	
Investment income received		39		179	
Net cash used in investing activities:			(260,751)		(14,653)
Net cash used in financing activities:			-		-
Net increase/(decrease) in cash and cash equivalents			176,059		(1,024)
Cash and cash equivalents at beginning of year			185,012		186,036
Cash and cash equivalents at end of year			<u>361,071</u>		<u>185,012</u>

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Acorn Venture Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Acorn Venture Farm, Depot Road, Kirkby, Knowsley, Merseyside, L33 3AR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to reflect certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated unrestricted funds relate to funds that the trustees have designated for a particular project within the objectives of the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grant income in the year of £3,636 is in relation to the Coronavirus Job Retention Scheme, all conditions attached to the grant have been met.

Other trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts.

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure, including irrecoverable VAT is recognised on the accrual basis.

In particular, the policy for including items within costs of generating funds is as follows:

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on bases designed to reflect the uses of particular resources. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	Over the term of the lease
Renovations	20% per annum straight line basis
Outbuildings and paddocks	10% per annum straight line basis
Fixtures, fittings and equipment	25% per annum straight line basis
Motor vehicles	25% per annum straight line basis
Play equipment	10% per annum straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Listed investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

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

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

ACORN VENTURE ASSOCIATION

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

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2. Critical accounting estimates and judgements.

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The key accounting estimates made by the trustees in preparing these financial statements is in respect of depreciation as detailed in the accounting policies...

3. Donations and legacies

	Unrestricted funds general £	Restricted funds £	Total 2021 £	Total 2020 £
Donations, legacies and gifts	46,583	259,739	306,322	10,492
For the year ended 31 December 2020	10,492			10,492
Donations and gifts				
Gift aid	36,625	-	36,625	54
Legacies	-	-	-	1,000
Donations	9,958	259,739	269,697	9,438
	46,583	259,739	306,322	10,492

4. Charitable activities

	2021 £	2020 £
Daytime activities programme	210,782	211,485
Product sales	45,634	34,783
Educational income	233	3,075
Other income	1,362	831
	258,011	250,174
Analysis by fund:		
Unrestricted funds - general	258,011	
For the year ended 31 December 2020		
Unrestricted funds - general		250,174

ACORN VENTURE ASSOCIATION

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

5 Other trading activities

	2021	2020
	£	£
Fundraising activities	-	619
Sponsorship	763	679
Admission charges	107,632	21,733
Guided tours	-	1,070
Horse riding charges	13,082	2,104
Petting pavilion charges	15,503	3,410
Room hire	988	707
Other trading activities	137,868	30,322

All income for both years relate to unrestricted general funds.

6 Investments

	2021	2020
	£	£
Income from listed investments	39,181	40,795
Interest receivable	39	179
	<u>39,200</u>	<u>40,974</u>

All costs for both years relate to unrestricted general funds.

7 Other income

	2021	2020
	£	£
Net gain on disposal of tangible fixed assets	-	4,800
Furlough grants received	3,636	45,303
	<u>3,636</u>	<u>50,103</u>

All income for both years relate to unrestricted general funds.

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Cost of generating funds

	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	1,055	916
Investment management administration costs	11,260	11,143
	<u>12,315</u>	<u>12,059</u>

All costs for both years relate to unrestricted general funds.

9 Charitable activities

	2021	2020
	£	£
Staff costs	214,887	248,883
Depreciation and impairment	13,176	17,114
Costs of activities in furtherance of the charity's objectives	43,930	37,790
Indirect employee costs	953	1,374
Premises costs	37,526	30,473
General administrative costs	7,202	6,512
Professional fees in support of charitable activities	1,086	905
Direct employee costs	2,971	2,698
Governance costs	6,323	6,883
	<u>328,064</u>	<u>352,632</u>

Analysis by fund

Unrestricted funds - general	327,062	
Restricted funds	1,002	
	<u>328,064</u>	

For the year ended 31 December 2020

Unrestricted funds - general	351,630
Restricted funds	1,002
	<u>352,632</u>

ACORN VENTURE ASSOCIATION

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

10 Independent examiner remuneration

	2021	2020
	£	£
Fees payable to the independent examiner	2,105	2,065
Independent examiner review of the annual accounts	2,105	2,065
Non-audit services:		
All other non-independent examiner services	3,518	4,818

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits and there were no other transactions with the trustees during the year.

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Charitable activities	18	18

Employment costs

	2021	2020
	£	£
Wages and salaries	199,119	226,323
Social security costs	14,273	12,632
Other pension costs	1,505	9,928
	214,897	248,883

There were no employees whose annual remuneration was £50,000 or more.

13 Net gains/(losses) on investments

	2021	2020
	£	£
Revaluation of investments	124,225	26,375

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14. Tangible fixed assets

	Long leasehold land and buildings	Assets under construction	Outbuildings and paddocks	Fixtures, Motor vehicles, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2021	118,049	19,278	582,328	113,405	848,560
Additions	-	559,036	-	1,754	560,790
At 31 December 2021	118,049	578,314	582,328	115,159	1,409,340
Depreciation and impairment					
At 1 January 2021	91,522	-	569,525	109,871	776,405
Depreciation charged in the year	553	-	6,756	1,995	13,176
At 31 December 2021	92,075	-	576,281	111,866	780,581
Carrying amount					
At 31 December 2021	25,974	578,314	6,047	3,293	619,759
At 31 December 2020	26,527	19,278	12,803	3,534	72,145

ACORN VENTURE ASSOCIATION

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

15 Fixed asset investments

	Listed investments £	Other investments	Total £
Cost or valuation			
At 1 January 2021	1,607,282	1	1,607,283
Valuation changes	124,225	-	124,225
Income	39,161	-	39,161
Management fees	(11,260)	-	(11,260)
Disposals	(300,000)	-	(300,000)
At 31 December 2021	1,459,408	1	1,459,409
Carrying amount			
At 31 December 2021	1,459,408	1	1,459,409
At 31 December 2020	1,607,282	1	1,607,283

Other investments comprise:	Notes	2021 £	2020 £
Investments in subsidiaries	22	1	1

16 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	8,525	2,208
Other debtors	14,993	8,806
Prepayments and accrued income	1,996	2,113
	25,514	13,127

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	196	-
Trade creditors	66,489	6,498
Accruals and deferred income	12,660	13,548
	79,345	20,046

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Expenditure	Transfers	Balance at 1 January 2021	Income	Expenditure	Balance at 31 December 2021
	£	£	£	£	£	£	£
Restricted funds	9,909	(1,002)	(5,729)	3,178	-	(1,002)	2,176
Farm building refurbishment	-	-	-	-	259,739	-	259,739
	<u>9,909</u>	<u>(1,002)</u>	<u>(5,729)</u>	<u>3,178</u>	<u>259,739</u>	<u>(1,002)</u>	<u>261,915</u>

The restricted fund relates to fixed assets that were bought using restricted income with the annual depreciation charge of these assets being allocated against the brought forward balance.

The farm building refurbishment fund relates to fixed assets that were bought using restricted income. This asset is still under construction and once completed, the annual depreciation charge of these assets will be allocated against the balance.

ACORN VENTURE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January, 2020	Transfers	Balance at 1 January, 2021	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£
Farm building refurbishment fund	1,525,000	25,000	1,550,000	(299,297)	499,297	1,750,000
	<u>1,525,000</u>	<u>25,000</u>	<u>1,550,000</u>	<u>(299,297)</u>	<u>499,297</u>	<u>1,750,000</u>

20 Analysis of net assets between funds

	Unrestricted 2021	Restricted 2021	Total 2021	Unrestricted 2020	Restricted 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	357,844	261,915	619,759	68,967	3,178	72,145
Investments	1,459,409	-	1,459,409	1,607,283	-	1,607,283
Current assets/(liabilities)	307,240	-	307,240	178,097	-	178,097
	<u>2,124,493</u>	<u>261,915</u>	<u>2,386,408</u>	<u>1,854,347</u>	<u>3,178</u>	<u>1,857,525</u>

21 Related party transactions

Remuneration of key management personnel

	2021 £	2020 £
Aggregate compensation	<u>83,309</u>	<u>78,831</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Gift Aid 2021 £	2020 £
Entities over which the entity has control, joint control or significant influence	<u>36,625</u>	<u>54</u>
	<u>36,625</u>	<u>54</u>

ACORN VENTURE ASSOCIATION

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

21 Related party transactions:

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties:	
	2021 Balance £	2020 Balance £
Entities over which the entity has control, joint control or significant influence:	14,993	3,951

22 Subsidiaries

These financial statements are separate charity financial statements for Acorn Venture Association. Consolidated financial statements are not prepared as the parent company and its subsidiary is considered a small group.

Details of the charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Acorn Venture Trading Co. Ltd	As per parent company	Cafeteria services and the sale of gifts.	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Acorn Venture Trading Co. Ltd	-	264

23 Control

The charity is controlled by the trustees.

ACORN VENTURE ASSOCIATION

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

24	Cash generated from operations:	2021 £	2020 £
	Surplus for the year	528,883	43,749
	Adjustments for:		
	Investment income recognised in statement of financial activities	(39,200)	(40,974)
	Gain on disposal of tangible fixed assets	-	(4,800)
	Fair value gains and losses on investments	(124,225)	(26,375)
	Depreciation and impairment of tangible fixed assets	13,176	17,114
	Investment management fees deducted from portfolio	11,260	11,143
	Movements in working capital:		
	(Increase)/decrease in debtors	(12,387)	14,822
	Increase/(decrease) in creditors	59,303	(1,060)
	Cash generated from operations:	<u>436,810</u>	<u>13,629</u>
25	Analysis of changes in net funds		

The charity had no debt during the year.