

Registered number: 02769307
Charity number: 01015716

ORMISTON FAMILIES
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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TRUSTEES' REPORT incorporating a directors' report FOR THE YEAR ENDED 31 MARCH 2020

An introduction from our Chair and Chief executive

In 2019-20 we set out on a new strategic path and vision to create safer, healthier, and more resilient families. With over 39,652 individually tailored sessions and interventions we achieved this for 12,792 children, young people, and families.

The new strategy required us to take some tough decisions to enable us to focus our attention on improving and growing the services we had identified as proving most effective in meeting **our** vision. So, we sought out other providers to take over those projects that were just too good to close. We restructured our senior team and we revitalised our brand and identity to give us a sharper, clearer, fresher feel. By January 2020, we had absorbed and embedded these changes and were reflecting our new values and approach in everything we do.

Between 2010 and 2017, in 'The Good Childhood Report 2019', The Children's Society noted a significant downward annual trend in the overall happiness of children aged 10 – 15. Undoubtedly this will correlate with the number of Adverse Childhood Experiences (ACEs) these young people will have had in their early years. It is well established that ACEs are proportionally linked to poorer physical and mental health outcomes in later life. To help address this, earlier this year, we signed up alongside Sir Norman Lamb, Dr Warren Larkin and several other specialist organisations to support a campaign to establish a Resilience Task Force (www.resiliencetaskforce.co.uk) to do more to protect peoples' health and wellbeing and to give them a brighter future.

Our incredible staff and supporters never shy away from the reality that for every brighter day there may be some cloudy ones to confront too. This means equipping families to manage their own wellbeing when we're not there to hold their hand. Never was this so important as when the impact of the Covid-19 pandemic began to hit homes in March 2020. So, within this report, we also summarise how we rapidly adapted our services to provide critical remote support during the onset of the lockdown period.

Over the next few pages, you will see how we tackled the pressures felt by families affected by offending behaviour, the anxieties of growing up, and the stress of losing a child to care.

If your support helped us achieve our objectives over the last year, here is a thank you from just one of those families.

"...I had really good look at myself, finding my qualities, my strength, my role models...The 'Who Am I?' course was so brilliant I did it twice, because I really wanted to put into action everything I learned. What seemed the end was just the beginning, or the end of being doomed." Anna, Transforming Rehabilitation service user.

Robert Parkinson

Robert Parkinson, Chair

19 Feb 2021

Allan Myatt

Allan Myatt, Chief executive

19 Feb 2021

¹ The Good Childhood Report 2019. Source: Understanding Society survey, children aged 10 to 15. University of Essex, Institute for Social and Economic Research, NatCen Social Research, Kantar Public. (2019).

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REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees are pleased to present their report highlighting the key achievements of the charity during the year and to provide insight into our main objectives and strategy.

OBJECTIVES AND ACTIVITIES

Ormiston Families exists today because of one family's tragedy.

A young woman, Fiona Ormiston Murray, died whilst on her honeymoon. Fiona loved children and it was no secret that she was excited about starting her own family. Her family, devastated by their loss, wanted to do something to honour her memory. They created a charitable trust, devoted to helping children and families in need. That trust is now known as Ormiston Families.

Almost 40 years on, Ormiston Families continues to support the broad aims of the charity founded in 1981 by focussing its work on the support of vulnerable children and their families across the East of England to help them see a brighter future and improve the life chances of their children. By building resilience, we support children and families to feel safe and in control of their own wellbeing.

2019 saw the implementation of the first year of our new corporate strategy, which set out to reflect the changing needs of the families we work with by consolidating and expanding our most successful areas of work.

For our families services, sadly but unsurprisingly, the rising prevalence of mental health and wellbeing problems has been striking in recent times. In response to this we have almost doubled our work in supporting families with mental health needs. This includes working collaboratively with others to provide specialist services for children and young people from 0 to 18 years, as well as increasing our support of young mums and mums to be with perinatal mental health anxieties. Whilst there is a growing social awareness of some of the more obvious and immediate effects of poor mental health, we are also working hard to reduce some of the longer-term consequences that are less well known. Young women who have had a bad experience in their childhood are far more likely to be at risk of harm in later life. By building their resilience and self-esteem in their teenage years, we are helping to guide them to lead safer and healthier lifestyles.

Within our justice services, the demand continues for us to reach more people affected by imprisonment and offending behaviour. Whether this is a child suddenly confronted with the challenge of having to adjust to a close family member in prison or a parent on a probation order learning to recognise the impact of their behaviour on their family. Last year we consolidated our work in these areas and invested in a new infrastructure to transform our capacity and capability to deliver consistent justice service across the East of England. This year we aim to grow our reach across all five counties, particularly in our Breaking Barriers work with children and young people who have a parent in prison.

During the year the Board of Trustees, through the Governance committee, reviewed the charity's adherence to the Charity Code of Governance. Against each of the key pillars we measured our procedures and policies and where improvements could be made. We have this as a regular agenda item on our committee meetings and will continue to review our adherence to the Code over the next year.

Ormiston Families Group

In addition to the charity work of Ormiston Families, the group also includes two trading subsidiary companies, Ormiston Families Enterprises Ltd (OFEL) and Blois Meadow Day Nursery Ltd (BMDN). These companies provide nursery childcare under the commercial trading name "Play Out".

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ACHIEVEMENTS AND PERFORMANCE

Review of activities

We are delighted to report that 2019/20 saw a further increase in the reach and impact of our services. This is testament to the resilience, compassion and dedication of our 331 (2018/19 – 301) employees and volunteers, who together delivered 39,995 (2018/19 – 49,571) interventions to 13,074 (2018/19 – 10,150) of the region's most needy children, young people and their families.

We are particularly proud of the fact that we have managed to improve employee engagement during a challenging year when employees have had to make significant adjustments to their working practice due to Covid-19. Our employee survey, independently administered by Birdsong which compares the responses to over 200 Birdsong staff surveys, involving more than 27,000 individuals working in charities. These charities are based around the UK and have between 15 and 3,400 staff. Ormiston Families scored as well or better than benchmark on 82% of questions and 52% of questions showed an increase in engagement scores compared to last year.

As part of our strategic changes last year, we identified two key themes to our work that merit differentiating in our reporting; Families and Justice. Within our accounts you'll see that these areas have been broken down into the following categories:

Families – communities, mental health and wellbeing.

Justice – families affected by offending.

FAMILIES

Our work in communities

Supporting 294 people through 9,019 tailored sessions

The surpassing of performance targets and successful completion of our 2-year YouCanBe pilot project with Public Health, has set the scene for a regional expansion over the coming year, supporting more young women to overcome adverse childhood experiences as they make the transition to independence and establish adult relationships. Our team is now trained and qualified to deliver the accredited Escape the Trap course, which supports young women to avoid abusive relationships and develop positive ones.

Similarly, the demonstrable outcomes and growing reputation of YouCanBe's 'sister' service, Mpower, means we entered the current year having secured funding to further develop the service in new parts of the region, significantly increasing the numbers of women we can support to overcome the trauma of having children taken into care.

“YouCanBe brought me back to life. I now have a better understanding about sexual health and the importance of being safe, both sexually and physically. I was encouraged to use the contraceptive implant, which I agreed to. My self-esteem has increased and I feel much more assertive and in control of my life. I am more responsible with sexual relationships, money and my own self-care, am slowly paying off my debts and have started college.

***YouCanBe really has inspired me to be the best I can be.”** YouCanBe service user*

With the expanded remit of our Child & Family centres to work with parents and their children up to age nineteen, we were able to promote integrated support to more families from our growing network of community services across the region.

Whilst our Engage service has continued successfully to support young people on the margins of education, the onset of the Covid-19 crisis has meant we are currently in discussions with local authorities and other funders to develop our 'offer' as part of the wider post-lockdown recovery plan to support children back into school.

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Janet's Story

An Mpower success story

When terrible childhood experiences continue to undermine your life, it's overwhelming. It becomes impossible to know which way to turn. Ormiston Families supported Janet through such a time...

Situation

Janet was one of seven siblings who grew up with a mum with a personality disorder and whose dad died when she was young. Sexually abused by her brother, she was taken into care in her early teens. When she went on to have a son, he was removed from her care and she became homeless. Sadly, Janet never managed to get her son back and has been unable to maintain consistent contact with him.

Support

When our Mpower team first met Janet, her life was chaotic. She was a victim of domestic abuse, used drugs, had a mental health diagnosis and lived in poor conditions. We provided her with much needed support to look at her past and learn how to move forward from it.

Success

Since working with us, Janet has found the strength to leave the abusive relationship and has been discharged from mental health services. After months of hard work showing commitment to her son, meetings were put in place for regular supervised contact. Janet has attended every meeting and unsupervised contact is now being discussed as the contact has been overwhelmingly positive. Thanks to a referral made by us, Janet now has a volunteer placement working with vulnerable young people for two days a week too.

Our work supporting mental health Supporting 3,637 people through 13,978 expert support sessions

Point 1, our Child and Adolescent Mental Health Service (CAMHS) in Norfolk & Waveney, has expanded significantly over the last year, with the addition of two teams of school-based Mental Health Support workers, a student practitioners' programme and the development of a Link service to train and advise professionals to support children's mental health.

We have also been collaborating with other providers as part of a wider CAMHS transformation initiative in Norfolk to define and develop a new and exciting 'Alliance' model of working to provide services which will take effect when our current CAMHS contract ends in March 2021.

Our Small Steps Together perinatal mental health service has also gone from strength to strength, enjoying increasing recognition of their skills and expertise from partner agencies across the Health sector. This has included training staff in Video Interaction Guidance, a video feedback intervention through which our staff can help service users improve communication within their relationships. Embracing video interventions in this way also meant our Small Steps Team became enthusiastic 'early adopters' of remote working technology at the onset of the Covid-19 crisis.

Adam's Story

A Point 1 Case Study

Identifying and addressing the cause of any health issue early maximises the chances of recovery. Unfortunately, it is often the case that too little is done too late when it comes to mental health, especially in children. Luckily for ten-year-old Adam, a referral from his doctor to our Point 1 service came just in time ...

Situation

Ten-year-old Adam was struggling with generalised anxiety and sleep difficulties. His parents asked his GP for help. Aware of the benefits of addressing such issues early, and the success rate of talking therapy, Adam's doctor referred him to Point 1.

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Support

At Point 1 our expert practitioners use a talking-based psychosocial approach to understand the root causes of the issues young people face.

A senior practitioner from our Point 1 service supported Adam and his parents with weekly talking-based support sessions over a six-week period.

The first session was a telephone call with Adam's parents providing advice on how they could create a supportive environment to encourage Adam to think and behave differently. The second session was face-to-face with Adam and his parents where significant events that had triggered his anxiety were identified. They focussed on learning strategies to help him better manage his worries and improve his sleep.

The aim of subsequent sessions was to help him feel safe and supported to be in control of his own wellbeing to improve his emotional resilience. Adam and his parents were taught about therapeutic models including the Brain Model which describes how worry leads to the emotional brain flipping its lid and disconnecting from the thinking brain. Understanding this meant that Adam and his parents could better respond to his feelings and behaviours when he was experiencing anxiety. Adam built his own 'Worry Toolkit' so he could identify, recognise and challenge 'Thinking Traps' that were causing him anxiety.

Success

Working with Point 1 helped Adam to feel in control of his own wellbeing. He and his parents enjoyed the collaborative activities and reported significant improvements in Adam's sleep and his ability to manage anxiety.

Adam, determined to manage his worries, committed to learning and practising practical strategies. As a result, his emotional wellbeing and ability to manage his anxiety improved significantly.

"I have liked that I can do activities to help myself with powerful worries."

Adam

"Adam has found ways to help himself through stressful situations and with his everyday woes. Your practitioner was fantastic. She made Adam feel relaxed and open to this process."

Adam's mum

JUSTICE

Our work with the families of offenders

Supporting 8,861 children, young people and their families through 16,655 personalised sessions

In addition to our work in ten of the region's prisons, supporting visiting families to retain positive relationships when a parent or close relative is imprisoned, our Breaking Barriers service provides one-to-one support in the community for children and young people who are struggling with the emotional trauma and enforced separation of familial imprisonment.

Successful funding bids, supported by systematic evidence and feedback about the impact of our services, have enabled us to secure regional and local funding for a doubling up of delivery capacity in 4 of the 5 counties where we currently deliver Breaking Barriers.

Through our Transforming Rehabilitation (TR) Service we have continued to support those on community orders or recently released from prison, to build positive relationships with their children and families through our *Who Am I?* course. We are delighted that our team have continued to receive accolades and recognition from Probation professionals and course participants alike for the quality and impact of their work, culminating last year in a High Sheriff's award for one of our TR Team Leaders.

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Simon's Story

A Transforming Rehabilitation success story

Our 'Who Am I?' project run through our Transforming Rehabilitation service has changed the way Simon thinks about his past and inspired him to use his own experiences to help others. This is what Simon had to say about the support he received from the Transforming Rehabilitation service:

"I am interested in psychology and the way people think – that's one of the reasons why I liked the 'Who Am I?' course.

I would say I enjoyed this course the most out of all the others I went to. It wasn't like the others. We had a real mix of people, all walks of life, and all ages. No one disclosed their offence, we were all there for different reasons and to just get on.

For me, the course helped me look at where it all went wrong. Writing my thoughts and actions down like a map helped me see what caused me to act a certain way. It was like flipping a switch. Fay made us feel comfortable, she didn't act like she was above us.

I'm not really an emotional person – I don't get upset about things other people would. I've realised I can't always understand people's emotions, but I can relate to them and I know now that not everything is black and white.

I asked to come back and co-facilitate one of Fay's courses which I really enjoyed doing. It was a different crowd and people were pretty open – I could see people changing from when they first started. I spoke with them all and told them that they'll get out what they put in. One person didn't want to know; he didn't want to participate in the beginning. By the end of the course he delivered his team's presentation all by himself. Four people asked to co-facilitate the next course Fay was running, which I think says a lot.

I really enjoyed helping other people. Co-facilitating this course has made me want to volunteer more, I hope I can come back."

COMMERCIAL

Play Out Childcare

High quality childcare remains at the core of the Play Out Childcare's practices. During the last year the group has fully embedded the aspiration of the brand to enable learning through outdoor experiences and building children's resilience through managed risk, putting children at the centre of all it does. All our nurseries provide childcare for babies through to preschool and our holiday club, preschool through to teenager.

Our nursery settings all received 'Good' Ofsted ratings in their inspections during this period. Our nursery group consists of Play Out Ipswich, Play Out Hadleigh, Play Out Steeple, and Play Out Campus holiday club, and the decision was made to close the Hinchbrook setting.

Specifically in the 2019/20 period our Play Out Ipswich setting introduced a holiday club for older children during school holidays, and Play Out Hadleigh had a complete garden refurbishment which provides a huge outdoor learning experience. At the end of the year, our nurseries remained open and provided a vital service for key worker families during the beginning of the Covid-19 crisis.

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FINANCIAL REVIEW

2019/20 was a stable year focussing upon resilience and long-term service sustainability with total income of £7,146k compared with £7,187k in 2018/19. There was increased income from charitable activities and voluntary income to £5,889k compared with £5,546k in 2018/19, with restricted income from trust grant support increasing by 48% and income from Government by 13%. Income from our nursery trading subsidiaries reduced to £1,120k from £1,457k in 2018/19, with continued planned growth in occupancy at our core Playout nurseries partially offsetting the reduction in income from the cessation of our managed setting during the year.

Fundraising and trading generated a net surplus of £243k down from £659k in 2018/19, which included a one off additional unrestricted grant of £400k.

The total surplus was £7k (2018/19 - £15k), the underlying movement in trust funding to restricted from unrestricted is demonstrated in the unrestricted deficit of £151k (2018/19 - £59k surplus) and restricted surplus of £158k (2018/19 £44k deficit).

The Board of Trustees are pleased with the continuing profit contribution from our nursery trading subsidiaries of £57k in the year (2018/19 - £92k) before management charges, rent and tax, after which the final profit was £3k (2018/19 - £39k). The charity continued to hold an investment of £110k in the equity shares of these trading subsidiaries during the year. At the year end, the subsidiaries held assets of £214k (2018/19 - £379k). Acquired Goodwill represented £46k (2018/19 - £65k). The charity was owed £12k (2018/19 - £7k) by the trading subsidiaries in relation to short term working capital funding which has been repaid after the year end.

Restricted funds totalled £838k at the year end, increasing from £680k in 2018/19, reflecting new funding received in the last quarter of the year.

In light of the impact of Covid-19 on our business, the Board of Trustees revised our planned breakeven budget for 2020/21 recognising the need for us to step up during the crisis. This was done in the knowledge of our balance sheet strength and continued trust funding, to allow additional spend to support continued delivery of our services in these challenging times. This will entail a controlled unrestricted deficit in 2020 and again in 2021. Additional funding is being sought to minimise the risk to our reserves in 2021 enabling the charity to continue prioritising support for our beneficiaries. The charity has taken advantage of available Government Covid-19 support funding, specifically £650k in loans, £88k in VAT payment deferral and £270k in grants from the Job Retention Scheme. Our nurseries have also continued trading, remaining open throughout the pandemic, supporting keyworkers during lockdown and swiftly responding to the easing of lockdown.

Reserves policy

The Board of Trustees undertake reviews of the reserves compared to the reserves policy to ensure that the level of reserves held is appropriate to ensure the continuation of the Ormiston Families' activities. With Covid-19 and changes expected to the funding climate over the coming years, the trustees have a risk-based approach assessing the short and medium to long term risks to the organisation ensuring sustainable delivery of services to our beneficiaries. This acknowledges the current external environment and risks arising from cuts in statutory contract funding and the spread of funding received across a range of services and geographical areas.

The Board of Trustees agreed a long-term policy, based upon expected growth and risk profiles for statutory and non-statutory funded activities, for unrestricted free reserves of no less than £500k and no more than £1,000k. However the Board of Trustees have agreed a planned temporary utilisation of unrestricted free reserves below long term policy levels based upon the strength of our balance sheet and to prioritise the expenditure of our funds on our charitable beneficiaries, whilst maintaining long-term financial stability. In furtherance of this long term stability the Board of Trustees remain committed to the planned restoration of unrestricted free reserves to mid-policy levels within a reasonable timeframe as the UK economy recovers from the Covid-19 pandemic, while maintaining sufficient short term working capital.

At 31st March 2020 the charitable group balance sheet remained strong and debt free, holding funds of £2,583k (2019 - £2,576k) of which £1,361k (2019 - £1,492k) is represented by fixed assets and investments. Unrestricted funds are £1,745k (2019 - £1,896k) with £1,361k (2019 - £1,492k) funding fixed assets, leaving unrestricted free reserves as at 31 March 2020 of £384k (2019 - £404k).

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Restricted funds are regularly reviewed by the trustees to ensure funds continue to be spent as intended within a reasonable time period. The financial review contains details relating to the value of restricted funds held.

Investments policy

Our investment policy is based on the best use of cash investment assets and aims to get the best return whilst keeping these surpluses safe and liquid. The Board of Trustees, having regard to the liquidity requirements of the charity, keep funds in interest bearing deposits as far as is practicable in a low interest environment and does not expose them to excessive risk.

As well as bank balances, Ormiston Families has properties which are used for the direct charitable purposes of the charity.

Our investment policy is kept under review to prudently support changing needs for fixed asset investment and investment in income generation.

Going concern

The Group has undertaken a detailed exercise to forecast the ongoing financial impact of coronavirus (Covid-19) on its future liquidity out to December 2021. This has included modelling several 'downside' scenarios, such as the continuing absence of face to face interventions, further potential risks of nursery closures and the effect of the poor economic climate on fundraising income and tendering opportunities. In parallel the Charity has reassessed its operations and business plans and undertaken a cost reduction exercise as well as taking advantage of government support, such as the Coronavirus Job Retention Scheme.

Having reviewed the key risks facing Ormiston Families, as well as the cash flow forecast model and the expected level of reserves, the trustees consider there are sufficient reserves held at 31 March 2020 to manage those risks and achieve the revised business plan. The trustees believe that Ormiston Families and the Group have adequate resources to fund their activities for the foreseeable future. Accordingly, the trustees are of the view that Ormiston Families and the Group are a going concern.

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PLANS AND OBJECTIVES FOR 2020/21

Against the backdrop of the Covid-19 pandemic, and the many uncertainties this presents in the coming year, our first priority will be to focus on mitigating the immediate and long term operational and financial risks to Ormiston Families, whilst maintaining as many services as possible to meet the needs of children, young people and families living across the East of England.

To minimise the financial risks, such as the loss of income from events and commercial activities, we will explore and pursue legitimate opportunities to secure Coronavirus emergency and contingency funding in addition to seeking to claim from our insurers for business interruption.

Ormiston Families recognises the Covid-19 pandemic could have far reaching consequences on the families we support if we are unable to maintain reasonable levels of service whilst restrictions are in place. To address this, we will;

- liaise with commissioners and other stakeholders and partners to consider all options for maintaining services
- take all reasonable measures to implement alternative delivery models to provide services remotely and/or in accordance with government and public health guidance on social distancing where services are delivered from work premises
- consult and collaborate with our staff to agree flexible and supportive arrangements that enable them to continue to work whilst accommodating their own family and personal wellbeing needs.

Looking beyond Covid-19, Ormiston Families will pursue the objectives identified in our three-year plan. For the period 2020/21 our priorities include:

- Enhancing our work with children and families affected by imprisonment. In particular by;
 - increasing the number of Breaking Barriers practitioners to ensure we have at least two in each area we work.
 - reviewing and revising our Transforming Rehabilitation service to align ourselves with the Probation Dynamic Framework contracts anticipated in 2021
- Developing new tools to improve our services for mental health and wellbeing of children and young people in school
- Expanding our You Can Be service for young people in care and care leavers; in particular, seeking to roll-out the service into Norfolk
- Opening our MPower service in Cambridgeshire for women who have had multiple children taken into care
- Expanding our Small Steps Together perinatal mental health service into Suffolk
- Consolidating the work of our Point 1 - Child and Adolescent Mental Health service in Norfolk
- Implementing an organisation wide plan to upgrade our IT infrastructure, data storage and cyber security
- Improving our ability to demonstrate the impact of our work with the appointment of a Monitoring & Evaluation Officer
- Becoming an 'employer of choice' with improved support of staff and volunteer wellbeing

Principal Risks and Uncertainties

This year, the Board of Trustees again reviewed and assessed the organisation's strategic, operational and governance risks. They ensured that the major risks to which the charity and its trading subsidiaries are exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

The key risks and the mitigating steps taken from the risk register are summarised below:

Risk	Mitigation
Personnel loss	Reviewed remuneration policies alongside sector benchmarks Staff survey conducted and recommendations enacted Staff appraisals conducted and individual and organisational

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	development plans drawn up Trustee succession planning and annual reviews undertaken
Financial mismanagement	Financial systems and processes reviewed by trustee visits and external audits Finance team staff training maintained to ensure awareness of fraud risks and common scams Robust budgeting monitoring processes maintained
Reputational loss	Quality standards maintained with routine observations and audits Implementation of policies by service directors and senior leadership team Safeguarding and data protection training provided for all staff DBS checks undertaken on appointment and routinely sampled thereafter
Loss of Ormiston Trust funding and support	Regular informal and formal dialogue maintained with Ormiston Trust Ormiston Trust's continued presence on the Board of Trustees
Loss of major contract	Regular performance monitoring undertaken by managers and senior leadership Key performance indicators monitored by senior leadership Significant concerns reported quarterly to the Board of Trustees Regular dialogue, reporting and review, maintained with commissioners at local and senior levels
Loss of infrastructural assets	Disaster recovery plans in place Insurance cover reviewed and updated Security of premises and fire protection reviewed Archived service user records held centrally in secure, fire-proof room Secure offsite hosting of IT infrastructure and data records Automated data back-up procedures in place Data protection training and testing Cyber security processes reviewed Information governance processes in place and regularly reviewed Ready access to specialist professional advice and support maintained
Adverse economic climate	Revised 2020/21 budget implemented to minimise Covid-19 related loss of income Covid-19 emergency and contingency funding assessed and applied for, where eligible Reserves policy regularly reviewed Asset rich balance sheet maintained to facilitate borrowing if required Maintained market awareness through trustees and SLT Monitored Brexit developments to assess potential impacts and risks Consider strategic alliances/partnerships to share or reduce risk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Ormiston Families is a charitable company limited by guarantee and was set up by Memorandum and Articles of Association on 30 November 1992. The Board of Trustees completed a review of the Memorandum and Articles of Association in 2017. The revised Articles were approved by the Board and adopted by members in October 2017. In September 2019 a revision to the Articles was adopted by members to implement charity commission code of governance recommendations. In September and December 2020 further amendments were adopted to enable formal business to be conducted by electronic means such as the AGM by videoconference. It is a registered charity - number 01015716.

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The objects of Ormiston Families are for the promotion of general charitable purposes, principally in the areas of the welfare of disadvantaged families, children and young people.

The founding charity, Ormiston Trust (of which Peter Murray is a trustee), is a grant making trust that continues to support Ormiston Families.

Method of appointment or election of trustees

The Board of Trustees is legally responsible for the governance and management of the charity. The Standing Orders set out the framework for the structure and processes of the Board. The Board of Trustees consists of not less than three trustees. Two new trustees have been appointed and two resigned since the previous year. New trustees are recruited by reason of the skills they offer and we continue to review the membership of the Board of Trustees to ensure a strong balance of skills. The recruitment process is mindful of both the skills mix and diversity across the Board, to ensure the Board is reflective of the communities in which the Charity operates. Details of all our trustees can be found on our website at www.ormiston.org/who-we-are/

Trustees are appointed for a maximum of 9 consecutive years from the Annual General Meeting of first appointment, after which a break of at least 24 months must be taken. Our founder Peter Murray is excluded from this retirement provision and his service is preserved beyond 9 years. One third of the Board must retire at each Annual General Meeting. Retiring trustees are eligible for re-election subject to the maximum term of office.

During 2019/20 the Board of Trustees have continued their trustee review processes and board and committee self-assessment processes.

Policies adopted for the induction and training of trustees

Once appointed, trustees undertake an induction programme, including attendance at an organisational induction day (for trustees and employees), participating in structured service visits and the receipt of organisational and statutory information in a trustee information pack. Further training is undertaken as needed. Training, as part of a Board of Trustees' meeting, is also undertaken at least twice during the year. Recent topics covered included, safeguarding, data protection, Charity Code of Governance in addition to work across our projects.

Organisational structure and decision making

A written schedule of matters is reserved for decision by the whole Board of Trustees, including

- The formulation and implementation of strategy
- Overseeing the implementation of the strategy through annual operating plans and budgets
- Monitoring progress
- Accepting ultimate responsibility for the sound professional, legal and financial management of the charity.

The Board of Trustees meets four times a year to carry out its responsibility for ensuring that the activities undertaken are in line with the objects of the charity. A quorum consists of not less than three members and decisions are reached by majority.

Matters not reserved for decision by the Board of Trustees are delegated either to one of the Board committees or to the chief executive. The chief executive and members of the senior leadership team are detailed on page 37.

The Board of Trustees has four committees, with terms of reference, whose members during the year to 31 March 2020 are listed below:

The Resources Committee - reviews and agrees the annual budget, the annual report and accounts ready for approval by the Board. It is responsible for agreeing all loans and repayments, major acquisitions or disposals,

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ensuring adequate organisational finance systems are in place. Liaising with and receiving reports from the external auditors, approving any significant changes in accounting policies or practices. Setting the organisation's Reserves Policy, agreeing any significant decisions relating to organisational restructures, management structures, remuneration and benefits for approval by the Board of Trustees and on any other significant human resources matters.

Members: Hannah Catchpool (chair), Peter Murray (until 14/10/2020), Brian Stewart (until 13/09/2019), Stephen Bennett, Simon Walker and Stephen West (from 19/08/2019).

In attendance: Chief executive, executive directors.

Governance and Risk Committee - reviews the charity's governance and advises the Board of Trustees accordingly. This Committee will confirm to the full Board of Trustees that the major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

Members: Brian Stewart (chair until 13/09/2019), Hannah Catchpool, Catherine McLaughlin, Simon Walker (chair from 14/09/2019), Miranda Kendall (from 14/09/2019), Stephen West (from 19/08/2019) and Gail Tolley (from 17/08/2020).

In attendance: Chief executive, resource services director, operations director.

Income Generation Committee - Oversees, monitors and reports back to the Board of Trustees on Ormiston Families' income generation plans and activities, ensuring that appropriate policies, processes and systems are in place.

Members: Julie Spence (chair), Peter Murray, Rosie Gutteridge, Stephen West (until 18/08/2019) and Miranda Kendall (from 14/09/2019).

In attendance: Chief executive, director of income generation and marketing, resource services director.

Remuneration Committee - meets as required to devise, implement and monitor the remuneration policy for the chief executive, senior leadership team and set terms and conditions for key management personnel.

Members: Board chair, Board vice chair and chair of the Resources Committee

The board's key responsibilities in respect of key management personnel remuneration are:

- to monitor the framework for remuneration
- to have oversight of and implement the remuneration policy against which the Senior Leadership team and staff remuneration is determined
- in consultation with the Remuneration Committee, approve the chief executive's remuneration in line with the remuneration policy
- to commission external market information on salary and remuneration packages to assist comparison and benchmarking with best practice
- to approve the design of and determine targets for any performance-related pay
- to review the ongoing appropriateness and relevance of the remuneration policy

Related Parties

All decisions taken by the Board of OFEL and BMDN, Ormiston Families' trading subsidiaries, are in line with the parent charity's objects and any conflicts of interest are managed and addressed within the Group's best interest. The trustees and senior leadership team all operate transparently and declare all potential conflicts at each meeting and where conflicts of interest or loyalty exist, step out from decisions when appropriate.

Peter Murray is a trustee of, and James Murray is the chief executive of The Ormiston Trust, a grant-making trust that continues to provide vital and significant support to Ormiston Families each year. Processes are in place to manage these and other potential conflicts of interest, transactions are detailed in note 26.

ORMISTON FAMILIES

(A Company Limited by Guarantee)

TRUSTEES' REPORT incorporating a directors' report FOR THE YEAR ENDED 31 MARCH 2020

Our volunteers

We are hugely grateful to our team of 100 volunteers for contributing their professional skills, personal experience, local knowledge and enthusiasm to our work. They have helped raise awareness and funds and supported us to deliver our vital services across the East of England. They bring skills and dedication which we strive to enhance, develop and utilise in interesting and innovative ways.

We successfully renewed our prestigious Investing in Volunteers accreditation in April 2019, in recognition of the value and commitment we continue to place on our volunteers and their journey with Ormiston Families.

Fundraising

Ormiston Families has a diverse portfolio of fundraising activities to generate funds to enable children, young people and their families to be safe, resilient and healthy. Our Board of Trustees and senior leadership team are fully committed to building relationships and trust with all of our supporters.

We work in partnership with a wide range of individuals, organisations, companies and charitable trusts to extend the reach of our work and maximise the difference we can make.

Our supporters help us by giving their time and raising valuable funds by taking part in our events, making regular donations and by undertaking fundraising in their local community ranging from organising coffee mornings to running marathons. Some are also generous enough to remember us in their will through legacy giving.

Our valued trust supporters give vital funding to secure the future of some of our key services, including Mpower and Breaking Barriers, as well as funding for new projects such as our Care and Share group for parents with disabled children.

Our local corporate partners generously support us through sponsorship, raising funds for our services and taking part in our events.

We never buy in any data lists for fundraising and we do not sell or share supporter details with any other individuals or organisations. We have processes in place to ensure that we do not overwhelm our supporters with information, and our supporter communications are primarily designed to inform our donors about the progress of our work on behalf of children, young people and their families. We do not employ professional fundraising agencies and all of our activities are planned and delivered by our own income generation team.

We are committed to the highest standards of professional fundraising. We are a member of the Fundraising Regulator and adhere to its Code of Practice, Fundraising Promise and complaints process. We take our responsibilities to our supporters very seriously and this year have made sure that they can control how they hear from us as well as ensuring that we are complying with GDPR regulations.

Last year we did not receive any complaints (2019 - none) and we have guidelines in place for fundraising from vulnerable people, we never put pressure on anybody to donate.

Environment

At Ormiston Families we acknowledge that global warming is a real and growing threat to the environment. We recognise that many of our activities contribute to climate change and may also have other unintended consequences on the environment. In keeping with our vision of a world where families feel safe, healthy and resilient, Ormiston Families is committed to developing working practices that minimise environmental damage and help protect the planet to provide a brighter future for us all. Policy Principles;

- All Ormiston Families staff and volunteers are encouraged to take personal responsibility for considering the environmental impact of all their activities, practices and procedures.
- We monitor and review our environmental performance by undertaking annual carbon footprint assessments.
- We are proactive in minimising our production of waste by reusing or recycling materials.
- We will monitor and reduce the environmental impact of fossil fuel dependent modes of transport by encouraging the use of travel options that minimise environmental impact in addition to exploring new ways of delivering our

ORMISTON FAMILIES

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TRUSTEES' REPORT incorporating a directors' report FOR THE YEAR ENDED 31 MARCH 2020

work sustainably.

- We will build an environmentally friendly work culture through regular internal communication and stakeholder engagement.
- We will ensure that consideration is given to purchasing environmentally sustainable products and services and develop sustainable supply chains by using suppliers that have environmental standards compatible with our own.
- We have robust procurement procedures and policies in place so that the environment is considered as part of our decision making processes.

Objectives for the financial year 2020/21

To actively engage staff in developing an action plan for improving our impact on the environment and then;

- Undertake a retrospective organisational carbon footprint impact assessment for 2019/20 to enable us to monitor progress made in 2020
- Implementing changes that require manageable costs or resources within the year
- Set targets for longer term changes where further action is needed to overcome any additional barriers to immediate implementation
- Monitor and report on our progress throughout the year
- Prepare a new action plan for 2021/22

Acknowledgements

The Board of Trustees would like to acknowledge the commitment and dedication of all employees and volunteers, which is demonstrated in the high quality of our work with children and young people this year.

Equally, we would like to take this opportunity to thank the many individuals, funding bodies and community groups who have supported our work this year. Particular gifts and grants are acknowledged in accordance with their terms below.

PRINCIPAL FUNDING

Principal funders are Norfolk County Council, Her Majesty's Prison and Probation Service, Ormiston Trust and Cambridgeshire County Council. These funders provide a variety of both unrestricted grants, contract income and restricted funding.

Our work is only possible due to our dedicated supporters and the companies, charitable trusts and foundations, which continue to partner with us. To everyone involved, we cannot thank you enough.

The charity is grateful for the support from the following charitable trusts and foundations and statutory bodies during the year:

Alan Boswell Group Charitable Trust
Bedfordshire Police and Crime Commissioner
Cambridgeshire and Peterborough PCC Youth and Community Fund
Cambridge Community Foundation Innovate and Cultivate Fund
Cambridgeshire Community Foundation: Warwick and Dominey Fund
Children in Need
Essex Community Foundation (Christopher Holmes Fund, Chrysalis Fund and Alastair and Patricia Stewart Charitable Fund)
Essex Police, Fire and Crime Commissioner
Joan Wilkinson Charitable Trust
John Laing Charitable Trust
Marjorie Treves Charitable Trust
Mrs L D Rope Trust
National Lottery- Awards for All
Norfolk Community Foundation Septagon Fund
Norfolk Community Foundation: Flux Family Fund
Norfolk Community Foundation: Higham Family Revenue Fund

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TRUSTEES' REPORT incorporating a directors' report FOR THE YEAR ENDED 31 MARCH 2020

Norfolk Community Foundation: Shelroy Charitable Trust Fund
Overland Charitable Trust
R.C.Snelling Charitable Trust
St Jude's Trust
Suffolk Community Foundation Harwich Haven Authority Fund
Suffolk Community Foundation Police and Crime Commissioner
Suffolk Community Foundation Realising Ambitions fund
Suffolk Community Foundation High Sheriff's Fund
Swire Charitable Trust
The 29th May 1961 Charitable Trust
The Annie Tranmer Charitable Trust
The Bridgewater Charitable Trust
The Brownlee Charitable Trust
The Carriego Charitable Trust
The Condy Charity
The Edward Smart Charitable Trust
The Evelyn Trust
The Felicity Wilde Charitable Trust
The Fowler, Smith and Jones Charitable Trust
The Frank Litchfield General Charitable Trust
The Ganzoni Charitable Trust
The Harpur Trust
The Hobson Charity
The Irving Memorial Trust
The J and D Hambro Charitable Trust
The Martin Laing Foundation
The Mercer's Company
The Pilgrim Trust
The Privy Purse Charitable Trust
The Ranworth Trust
The Rayne Foundation
The Sir Robert Gooch Trust
The Souter Charitable Trust
Wixamtree Trust

ORMISTON FAMILIES

(A Company Limited by Guarantee)

TRUSTEES' REPORT incorporating a directors' report FOR THE YEAR ENDED 31 MARCH 2020

STATEMENT OF RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees (who are also directors of Ormiston Families for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic 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 directors to prepare financial statements for each financial year. Under that law the directors 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 directors 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor are unaware, and
- the trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees' Report, incorporating the Directors' Report, was approved by the trustees on 19th February 2021 and signed on their behalf by:

RH Parkinson

Robert Parkinson, Chair

ORMISTON FAMILIES

(A Company Limited by Guarantee)

TRUSTEES' REPORT incorporating a directors' report FOR THE YEAR ENDED 31 MARCH 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORMISTON FAMILIES

Opinion

We have audited the financial statements of Ormiston Families (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the consolidated statement of financial activities, the group and company balances sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

ORMISTON FAMILIES

(A Company Limited by Guarantee)

Independent Auditor's Report to the Members of Ormiston Families (continued)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act.

ORMISTON FAMILIES

(A Company Limited by Guarantee)

Independent Auditor's Report to the Members of Ormiston Families (continued)

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. This description forms part of our auditor's report.

Use of our report

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

Helena Wilkinson (Senior Statutory Auditor)



For and on behalf of

PRICE BAILEY LLP

Chartered Accountants and Registered Auditors

Tennyson House, Cambridge Business Park, Cambridge CB4 0WZ

Date: 19 February 2021

Ormiston Families

Consolidated Statement of Financial Activities (incorporating Income and Expenditure Account) for the year ended 31 March 2020

	Note	2020			2019 as restated		
		Unrestricted Funds £000	Restricted Funds £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000
Income from:							
Donations and Legacies	2	606	5	611	863	42	905
Charitable activities	3						
Families		2,279	1,552	3,831	2,009	1,370	3,379
Justice		1,169	278	1,447	1,139	123	1,262
Charitable activities sub total		3,448	1,830	5,278	3,148	1,493	4,641
Other trading activities	4	1,208	2	1,210	1,538	6	1,544
Investments	6	7	-	7	3	-	3
Other income	6	40	-	40	94	-	94
Total		5,309	1,837	7,146	5,646	1,541	7,187
Expenditure on:							
Raising funds	7,8	1,578	-	1,578	1,790	-	1,790
Charitable activities	7,8						
Families		2,596	1,502	4,098	2,460	1,433	3,893
Justice		1,286	177	1,463	1,337	152	1,489
Charitable activities sub total		3,882	1,679	5,561	3,797	1,585	5,382
Total		5,460	1,679	7,139	5,587	1,585	7,172
Net income for the year		(151)	158	7	59	(44)	15
Net movement in funds		(151)	158	7	59	(44)	15
Reconciliation of funds							
Total funds brought forward		1,896	680	2,576	1,837	724	2,561
Total funds carried forward	19	1,745	838	2,583	1,896	680	2,576

All activities relate to continuing operations. All gains and losses recognised in the year are included in the Consolidated Statement of Financial Activities (SOFA).

The notes on pages 23-36 form part of these financial statements.

Ormiston Families

Group and Company Balance Sheets as at 31 March 2020

Company Number 02769307

	Notes	Group		Company	
		2020 £000	2019 £000	2020 £000	2019 £000
Fixed assets					
Intangible assets	12	46	65	-	-
Tangible assets	13	1,201	1,313	1,201	1,312
Investments	14	114	114	110	110
Current assets					
Stock	15	10	6	10	6
Debtors	16	671	634	679	597
Cash at bank and in hand		1,093	1,073	1,051	988
		<u>1,774</u>	<u>1,713</u>	<u>1,740</u>	<u>1,591</u>
Liabilities					
Creditors: Amounts falling due within one year	17	(552)	(629)	(424)	(390)
Net current assets		<u>1,222</u>	<u>1,084</u>	<u>1,316</u>	<u>1,201</u>
Total assets less current liabilities		2,583	2,576	2,627	2,623
Creditors: Amounts falling due after more than one year	18	-	-	-	-
Net assets		<u>2,583</u>	<u>2,576</u>	<u>2,627</u>	<u>2,623</u>
Funds of the Charity:					
Restricted funds	19	838	680	838	680
Unrestricted funds	19	1,745	1,896	1,789	1,943
Total funds		<u>2,583</u>	<u>2,576</u>	<u>2,627</u>	<u>2,623</u>

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

The financial statements were approved by the trustees, and authorised for issue on 19th February 2021 and are signed on their behalf by:

RH Parkinson

Robert Parkinson
Chair

HCatchpool

Hannah Catchpool
Trustee

The notes on pages 23-36 form part of these financial statements.

Ormiston Families

Consolidated Statement of Cash Flows for the year ended 31 March 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	22	<u>24</u>	<u>32</u>
Cash flows from investing activities			
Net interest received		7	3
Proceeds from the sale of tangible fixed assets		-	180
Purchase of tangible fixed assets		<u>(11)</u>	<u>(72)</u>
Net cash (used in)/provided by investing activities		<u>(4)</u>	<u>111</u>
Change in cash and cash equivalents in the reporting period		<u>20</u>	<u>143</u>
Cash and cash equivalents at 1 April		1,073	930
Cash and cash equivalents at the 31 March	23	<u>1,093</u>	<u>1,073</u>

Analysis of changes in net debt

	1st April 2019 £000	Cash flows £000	Other non-cash changes £000	31st March 2020 £000
Cash and cash equivalents				
Cash	1,073	20	-	1,093
Total	<u>1,073</u>	<u>20</u>	<u>-</u>	<u>1,093</u>

Ormiston Families

Notes to Financial Statements for the year ended 31 March 2020

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared 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 (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the charity and group. Exemption under FRS 102 has been taken not to prepare a separate charity entity cashflow statement, these cashflows are included within the group cashflow statement on page 22.

Ormiston Families meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are rounded to the nearest £'000.

1.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Ormiston Families and its subsidiary undertakings ('subsidiaries'), Ormiston Families Enterprises Limited and Blois Meadow Day Nursery Limited.

The charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the charity showed net income of £29,000 (2019 - £159,000).

1.3 COMPANY STATUS

The charity is a company limited by guarantee. The members of the charity are the Trustees named on page 37. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The number of members at 31st March 2020 was 12 (2019 - 12).

1.4 SIGNIFICANT JUDGEMENTS AND AREAS OF ESTIMATION DUE TO UNCERTAINTY

The most significant area of judgement and key assumptions are related to estimating the useful economic life of fixed assets. Depreciation is charged annually in accordance with the depreciation rates detailed below. Impairment of assets is considered annually and provided for as required. Goodwill is amortised over the relevant property lease period to which it relates, this is currently 6.5 years. Fixed Asset investments are reviewed and adjusted for impairment based upon a risk adjusted valuation of their future customer revenue. The Trustees judgement is that the company continues as a going concern (note 1.8), as part of this judgement they have considered the current reserves position and alongside this the plans implemented to spend down and restore free reserves within the effects, grants, loans and other support available resulting from the Covid-

1.5 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.6 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

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

Grants and donations are only included when the charity has unconditional entitlement to the resources.

Ormiston Families

Notes to Financial Statements for the year ended 31 March 2020

(continued)

1 ACCOUNTING POLICIES (continued)

1.6 INCOME (continued)

Investment income is included on a receivable basis.

Trading income represents fees and management charges receivable by Ormiston Families Enterprises Limited trading as "Payout" and Blois Meadow Day Nursery Limited trading as "Payout Steeple Bumpstead" in respect of their provision of nursery services. Income is recognised in the period to which it relates.

1.7 EXPENDITURE

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Trading expenditure represents costs incurred and the provision of nursery services by Ormiston Families Enterprises Limited and Blois Meadow Day Nursery Limited.

Support costs, including governance costs, are those costs incurred directly in support of expenditure on the objects of the charity. Support costs are allocated firstly in line with individual project income agreement provisions and the remaining balance by gross salary costs as a good approximation to the use made by projects. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

1.8 GOING CONCERN

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Having reviewed the key risks facing Ormiston Families, as well as the cash flow forecast model and the expected level of reserves, the Trustees consider there are sufficient reserves held at 31 March 2020 to manage those risks and achieve the revised business plan. The Trustees believe that Ormiston Families and the Group have adequate resources to fund their activities for the foreseeable future. Accordingly, the Trustees are of the view that Ormiston Families and the Group are a going concern.

1.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets except freehold land, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Over 50 years
Leasehold Property	-	Over the lease term
Fixtures and fittings and office equipment	-	15% to 50% straight line
Assets under construction	-	No depreciation

1.10 INTANGIBLE FIXED ASSETS AND DEPRECIATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. The current intangible assets are goodwill for which the useful life is estimated to be the lower of the minimum lease period for the business activity to which they relate or 10 years.

Ormiston Families

Notes to Financial Statements for the year ended 31 March 2020

(continued)

1 ACCOUNTING POLICIES (continued)

1.11 INVESTMENTS

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

1.12 OPERATING LEASES

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

1.13 STOCKS

Purchased stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.14 DEBTORS

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

1.15 CASH AT BANK AND IN HAND

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

1.16 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.17 FINANCIAL INSTRUMENTS

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Other specific measurements are as follows;

Fixed Assets - depreciated cost (note 13)

Investments - open market value (note 14)

Goodwill - amortised cost (note 12)

All assets are subject to annual impairment review and adjusted accordingly if necessary.

All assets and liabilities are therefore stated in the accounts at their fair value.

1.18 PENSIONS

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year, treated as an expense in the Consolidated Statement of Financial Activities.

1.19 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.20 RESTATEMENT OF INCOME AND EXPENDITURE

Income and Expenditure have been analysed between our Family services and our Justice services instead of the four programmes previously used following a strategic review taking into account feedback from service users and other stakeholders. The effect of this restatement has been to reduce the number of analysis lines only and no change has been made to total income or expenditure when restating comparative figures for 2018-19.

Ormiston Families
Notes to the Financial Statements for the year ended 31 March 2020
(continued)

2 Income from donations and legacies

	2020			2019		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£000	£000	£000	£000	£000	£000
Donations	43	5	48	63	42	105
Trust funding	13	-	13	-	-	-
Ormiston Trust general grant	550	-	550	800	-	800
	606	5	611	863	42	905

3 Income from charitable activities

	2020			2019		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£000	£000	£000	£000	£000	£000
Government funding	3,080	1,307	4,387	2,806	1,069	3,875
Customer fees	340	63	403	315	25	340
Trust funding	-	461	461	-	176	176
Ormiston Trust project funding	2	-	2	-	135	135
Other grant funding	26	(1)	25	27	88	115
	3,448	1,830	5,278	3,148	1,493	4,641

There are no unfulfilled conditions at the year end relating to Government funding.

Included within income is a claim for the government job retention scheme of £3,918 which was received after the year end and is not subject to any clawback (2019: £nil).

4 Income from other trading activities

	2020			2019		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£000	£000	£000	£000	£000	£000
Fundraising events	43	1	44	33	3	36
Trading subsidiary activities (note 5)						
Ormiston Families Enterprises Ltd	840	-	840	1,180	-	1,180
Blois Meadow Day Nursery Ltd	280	-	280	277	-	277
Rent	45	1	46	48	3	51
	1,208	2	1,210	1,538	6	1,544

5 Trading subsidiary activities

	2020	2019
	Unrestricted Funds	Unrestricted Funds
	£000	£000
Trading income		
Nursery income	1,120	1,457
Trading expenses		
Direct costs	265	468
Wages and salaries	806	945
	1,071	1,413
Net income from trading activities excluding intercompany charges	49	44

Ormiston Families
Notes to the Financial Statements for the year ended 31 March 2020
(continued)

6 Investment income

	2020			2019		
	Unrestricted Funds £000	Restricted Funds £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000
Short term deposits	7	-	7	3	-	3
	7	-	7	3	-	3

Other income

	2020			2019		
	Unrestricted Funds £000	Restricted Funds £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000
Profit on disposal of fixed assets	-	-	-	89	-	89
Other	40	-	-	5	-	5
	40	-	-	94	-	94

7 Expenditure by type

Raising funds

	2020			2019		
	Unrestricted Funds £000	Restricted Funds £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000
Cost of fundraising to generate voluntary income						
Wages and salaries	315	-	315	303	-	303
Events and other activity costs	192	-	192	122	-	122
Total fundraising costs	507	-	507	425	-	425
Cost of trading to generate funds						
Trading subsidiary activities (note 5)	1,071	-	1,071	1,365	-	1,365
	1,578	-	1,578	1,790	-	1,790
Expenditure on charitable activities						
Wages and salaries	1,507	1,081	2,588	1,531	1,054	2,585
Other direct costs	1,837	424	2,261	1,720	357	2,077
Support costs	538	174	712	546	174	720
	3,882	1,679	5,561	3,797	1,585	5,382
	5,460	1,679	7,139	5,587	1,585	7,172

8 Expenditure by activities

	2020			2019 restated		
	Activities undertaken directly £000	Support costs £000	Total £000	Activities undertaken directly £000	Support costs £000	Total £000
Raising funds	1,507	71	1,578	1,736	54	1,790
Families	3,602	496	4,098	3,397	496	3,893
Justice	1,247	216	1,463	1,265	224	1,489
	6,356	783	7,139	6,398	774	7,172

The 2019 comparative figures have been restated to reflect our new strategic service structure as described in note 1.20

Ormiston Families

Notes to the Financial Statements for the year ended 31 March 2020 (continued)

9 Analysis of support costs

	2020			2019		
	Governance £000	Support Costs £000	Total £000	Governance £000	Support Costs £000	Total £000
Expenditure by activities						
Wages & salaries	48	327	375	46	263	309
Recruitment, travel & other staff related	3	52	55	4	54	58
Property	-	141	141	-	171	171
IT & Communications	-	110	110	2	131	133
Insurance	-	31	31	-	38	38
Professional fees and memberships	18	37	55	9	35	44
Print, post, stationery & admin.	-	14	14	-	16	16
Depreciation	-	2	2	-	5	5
	<u>69</u>	<u>714</u>	<u>783</u>	<u>61</u>	<u>713</u>	<u>774</u>

10 Net income / (expenditure)

Net income/(expenditure) for the period is stated after charging:

	2020 £000	2019 £000
Depreciation of tangible fixed assets		
- owned by the charity	122	142
- owned by the subsidiary company	1	5
Amortisation of intangible fixed assets	19	18
Operating lease rentals		
- plant and machinery	13	8
- other operating leases	122	201
Fees payable to auditor for :		
- audit of the charity	10	9
- audit of the subsidiary companies	7	7
- other services	2	2
	<u>255</u>	<u>385</u>

11 Staff

a Staff costs

	2020 £000	2019 £000
Wages and salaries	3,654	3,756
Social security costs	267	230
Pension costs	138	122
	<u>4,059</u>	<u>4,108</u>
Statutory redundancy payments upon project restructuring	<u>25</u>	<u>18</u>

b Staff numbers

The average number of employees during the year was as follows:

	2020 No.	2019 restated No.
Families	87	77
Justice	59	45
Operations	5	6
Enterprise	51	55
Corporate	29	18
	<u>231</u>	<u>201</u>

The 2019 comparative figures have been restated to reflect our new strategic service structure as described in note 1.20

Ormiston Families

Notes to the Financial Statements for the year ended 31 March 2020

(continued)

11 Staff

b Staff numbers (continued)

The average full time equivalent number of employees during the year was as follows:

	2020	2019 restated
	No.	No.
Families	59	57
Justice	24	26
Operations	5	6
Enterprise	41	51
Corporate	20	16
	149	156

The 2019 comparative figures have been restated to reflect our new strategic service structure as described in note 1.20

c Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £90,001 - £100,000	1	1
	4	4

The employer pension contributions relating to these staff amounted to £29,879 during the year (2019 - £24,822)

d Key management personnel

The key management personnel of the charity comprise the trustees and the senior leadership team as listed on page 37. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charity was £412,277 (2019: £484,642).

Trustees are not remunerated for their services and are only reimbursed expenses representing travel, subsistence, postage and training in their official capacity. During the year 4 (2019 - 5) Trustees were reimbursed expenses totalling £2,221 (2019 - £2,101)

12 Intangible fixed assets

Group	Goodwill	Total
Cost	£000	£000
At 1 April 2019	119	119
Additions	-	-
At 31 March 2020	119	119
Amortisation		
At 1 April 2019	54	54
Charged in year	19	19
At 31 March 2020	73	73
Carrying amount		
At 31 March 2019	65	65
At 31 March 2020	46	46

This Goodwill was acquired by and is held by the charity's trading subsidiary, Ormiston Families Enterprises Limited in respect of trading nursery acquisitions. This goodwill includes items such as customer lists and trading names.

Ormiston Families
Notes to the Financial Statements for the year ended 31 March 2020
(continued)

13 Tangible Fixed Assets
GROUP

	Freehold land and buildings £000	Leasehold land and buildings £000	Fixtures, fittings and equipment £000	Total £000
Cost				
At 1 April 2019	1,223	403	616	2,242
Additions	-	9	2	11
Disposals	(11)	-	-	(11)
At 31 March 2020	<u>1,212</u>	<u>412</u>	<u>618</u>	<u>2,242</u>
Depreciation				
At 1 April 2019	206	332	391	929
Charged in year	21	15	87	123
Disposals	(11)	-	-	(11)
At 31 March 2020	<u>216</u>	<u>347</u>	<u>478</u>	<u>1,041</u>
Net book values				
At 31 March 2019	1,017	71	225	1,313
At 31 March 2020	<u>996</u>	<u>65</u>	<u>140</u>	<u>1,201</u>
CHARITY				
	Freehold land and buildings £000	Leasehold land and buildings £000	Fixtures, fittings and equipment £000	Total £000
Cost				
At 1 April 2019	1,223	403	605	2,231
Additions	-	9	2	11
Disposals	(11)	-	-	(11)
At 31 March 2020	<u>1,212</u>	<u>412</u>	<u>607</u>	<u>2,231</u>
Depreciation				
At 1 April 2019	206	332	381	919
Charged in year	21	15	86	122
Disposals	(11)	-	-	(11)
At 31 March 2020	<u>216</u>	<u>347</u>	<u>467</u>	<u>1,030</u>
Net book values				
At 31 March 2019	1,017	71	224	1,312
At 31 March 2020	<u>996</u>	<u>65</u>	<u>140</u>	<u>1,201</u>

Ormiston Families

Notes to the Financial Statements for the year ended 31 March 2020

(continued)

14 Fixed asset investments

Company name	Percentage shareholding
Ormiston Families Enterprises Limited	100

The principal activity of the subsidiary company is the provision of nursery services.

Within the charitable company balance sheet, the investment in the subsidiary is held at a cost of £110,001 (2019 - £110,001). In August 2017 Ormiston Families Enterprises Limited acquired the entire equity share capital of Blois Meadow Day Nursery Limited at a cost of £149,286, in 2018-19 this value reduced to £114,310 with an impairment charge of £34,976 during the year.

A summary of the results of the subsidiary companies is shown below:

Profit and Loss

	Ormiston Families Enterprises Ltd		Blois Meadow Day Nursery Ltd	
	2020 £000	2019 £000	2020 £000	2019 £000
Turnover	840	1,180	280	277
Cost of sales	(511)	(798)	(302)	(349)
Gross Profit	329	382	(22)	(72)
Administrative expenses	(300)	(296)	-	-
Operating profit	29	86	(22)	(72)
Corporation tax charge	(4)	(17)	-	-
Profit for the year	25	69	(22)	(72)

Balance Sheet

	Ormiston Families Enterprises Ltd		Blois Meadow Day Nursery Ltd	
	2020 £000	2019 £000	2020 £000	2019 £000
Intangible fixed assets	160	179	-	-
Tangible fixed assets	-	-	-	2
Current assets	63	156	19	42
Current liabilities	(113)	(225)	(35)	(38)
Net assets	110	110	(16)	6
Share capital and reserves	110	110	(16)	6

The Directors of Blois Meadow Day Nursery Limited recognised the technical insolvency of the company resulting from a challenging trading year. A letter of support was sought from and granted by Ormiston Families Enterprises Limited. A review of operations was carried out and following implementation of a restructure the company's trading performance has improved.

Additional nil value shareholding

The charity also holds 33 ordinary shares in The Quadrangle Centre Limited, title to these shares came with the freehold property acquisition of Unit 17, The Quadrangle Centre, Ipswich. The Quadrangle Centre Limited is a management company for the whole Quadrangle Centre of which Unit 17 is one part.

Other shareholdings

The charity holds 100% of the issued share capital, being one £1 ordinary share in each company, of the following 7 dormant subsidiary companies; Payout Group Limited, Payout Childcare Limited, Payout Education Limited, Payout Childcare and Education Limited, Payout Nurseries Limited, Payout Holiday Clubs Limited, Payout Nurseries and Holiday Clubs Limited.

Ormiston Families
Notes to the Financial Statements for the year ended 31 March 2020
(continued)

15 Stock

	Group		Charity	
	2020	2019	2020	2019
	£000	£000	£000	£000
Merchandise	10	6	10	6

16 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade debtors	535	239	554	210
Amounts owed by group undertakings	-	-	20	7
Other debtors	12	188	11	187
Prepayments and accrued income	124	207	94	193
	671	634	679	597

17 Creditors: Amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade creditors	203	196	176	176
Corporation tax	4	17	-	-
Other taxation and social security	157	99	150	95
Amounts owed to group undertakings	-	-	-	16
Other creditors	6	15	-	4
Accruals	174	194	93	79
Deferred income	8	108	5	20
	552	629	424	390

Deferred income

	Group		Charity	
	2020	2019	2020	2019
Deferred income at 1 April 2019	108	84	20	23
Released from previous years	(108)	(84)	(20)	(23)
Resources deferred in the year	8	108	5	20
Deferred Income at 31 March 2020	8	108	5	20

Deferred income relates to performance related grants received in advance of the conditions having been met, fundraising event income and nursery fees received in advance for which entitlement has not been met.

18 Creditors: Amounts falling due after more than one year

There are no amounts falling due after more than one year for the group or charity (2019 - £nil).

Ormiston Families
Notes to the Financial Statements for the year ended 31 March 2020
(continued)

19 Statement of funds - Group

2019-20	Brought forward	Income	Expenditure	Transfers in/(out)	Carried forward
	£'000	£'000	£'000	£'000	£'000
Designated funds					
Tangible fixed assets	1,313	-	-	(112)	1,201
Unrestricted funds					
General fund	468	4,189	(4,343)	108	422
Ormiston Families Enterprises Limited	109	840	(815)	4	138
Blois Meadow Day Nursery Limited	6	280	(302)	-	(16)
	583	5,309	(5,460)	112	544
Total unrestricted funds	1,896	5,309	(5,460)	-	1,745
Restricted funds					
Families	589	1,559	(1,502)	-	646
Justice	91	278	(177)	-	192
	680	1,837	(1,679)	-	838
Total funds	2,576	7,146	(7,139)	-	2,583
2018-19					
	Brought forward	Income	Expenditure	Transfers in/(out)	Carried forward
	£'000	£'000	£'000	£'000	£'000
Designated funds					
Tangible fixed assets	1,479	-	-	(166)	1,313
Unrestricted funds					
General fund	108	4,189	(4,127)	298	468
Ormiston Families Enterprises Limited	182	1,180	(1,111)	(142)	109
Blois Meadow Day Nursery Limited	68	277	(349)	10	6
	358	5,646	(5,587)	166	583
Total unrestricted funds	1,837	5,646	(5,587)	-	1,896
Restricted funds					
Families	604	1,418	(1,433)	-	589
Justice	120	123	(152)	-	91
	724	1,541	(1,585)	-	680
Total funds	2,561	7,187	(7,172)	-	2,576

Designated funds

The fixed asset fund has been set up to reflect the element of the group's fixed assets not funded by restricted capital funds.

Ormiston Families

Notes to the Financial Statements for the year ended 31 March 2020 (continued)

19 Statement of funds - Group (continued)

Restricted funds

The restricted income funds represent specific funding for individual services and these have been summarised by strategic service area. There are no services where the restricted funds are in deficit.

Families

Our services for families work within local communities to address the emotional, physical and social wellbeing of children and families across the East of England. Bridging the gap between home and school helping to improve educational outcomes and lifechance for young people. Work with under 5's through children's centres in Cambridgeshire and Norfolk.

Justice

The Unite Programme encompasses our work both within prisons and the community to minimise the impact of imprisonment on the children and families.

Purpose of transfers

The transfer to the fixed asset fund represents net additions, disposals and depreciation of fixed assets during the year.

20 Analysis of Net Assets between Funds

Fund balances at 31 March 2020 are represented by:

	Unrestricted Funds 2020 £'000	Restricted Funds 2020 £'000	Total Funds 2020 £'000
Intangible fixed assets	46	-	46
Investments	114	-	114
Tangible fixed assets	1,201	-	1,201
Current assets	936	838	1,774
Current liabilities	(552)	-	(552)
Total net assets	1,745	838	2,583

Fund balances at 31 March 2019 are represented by:

	Unrestricted Funds 2019 £'000	Restricted Funds 2019 £'000	Total Funds 2019 £'000
Intangible fixed assets	65	-	65
Investments	114	-	114
Tangible fixed assets	1,313	-	1,313
Current assets	1,033	680	1,713
Current liabilities	(629)	-	(629)
Total net assets	1,896	680	2,576

Ormiston Families

Notes to the Financial Statements for the year ended 31 March 2020

(continued)

21 Commitments under operating leases

At 31 March 2020 the total of the charity future minimum lease payments under non-cancellable operating leases was:

Group	Land and Buildings		2020 £'000	Other 2020 £'000
	2020 £'000	2019 £'000		
Amounts due within one year	101	114	2	3
Amounts due between one and five years	171	208	4	5
Amounts due after five years	-	-	-	-
Total net assets	272	322	6	8

Charity	Land and Buildings		2020 £'000	Other 2020 £'000
	2020 £'000	2019 £'000		
Amounts due within one year	37	49	2	3
Amounts due between one and five years	-	37	4	5
Amounts due after five years	-	-	-	-
Total net assets	37	86	6	8

22 Reconciliation of Net income to Net Cash Flow from Operating Activities

	2020 £'000	2019 £'000
Net income for the reporting period (as per the statement of financial activities)	7	15
Adjusted for:		
Amortisation (note 12)	19	18
Investment write down	-	35
Depreciation charges (note 13)	123	147
Interest receivable (note 6)	(7)	(3)
Profit on sale of fixed assets	-	(89)
(Increase)/Decrease in stocks	(4)	1
(Increase) in debtors	(37)	(232)
Increase/(decrease) in creditors	(77)	140
Net cash provided by Operating Activities	24	32

23 Analysis of cash and cash equivalents

	At 31 March 2020 £'000	At 31 March 2019 £'000
Cash at bank and in hand	1,093	1,073
Total cash and cash equivalents	1,093	1,073

24 Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group, in independently administered funds.

On 1st April 2016 the charity took a new contract from Norfolk County Council. Under TUPE arrangements, the employees transferred to the charity and continue to participate in its defined benefit contribution scheme, LGPS. Any pension deficit arising before the transfer of contract remains the liability of Norfolk County Council. During the 3 year period of the contract, the charity is responsible for any deficit arising. The annual contribution level has been set at a level which should ensure there is no liability arising at the end of the three year period. Should there be a deficit after three years, the charity is liable for the deficit. No additional contributions have been required to date.

The pension cost charge represents contributions payable by the group to those funds and amounted to £138,000 (2019 - £122,000). There were contributions payable of £24,545 (2019 - £31,413) to the funds at the balance sheet date.

Ormiston Families

Notes to the Financial Statements for the year ended 31 March 2020

(continued)

25 Contingent liabilities

There are no contingent liabilities at 31 March 2020 (2019 - nil).

26 Related party transactions

During the year, the charity charged rent of £27,000 (2019 - £27,000) and a management fee of £22,835 (2019 - £26,255) to its wholly owned subsidiary company, Ormiston Families Enterprises Limited. In addition, expenses of £30,603 (2019 - £35,397) were recharged to Ormiston Families Enterprises Limited at cost. A gift aid distribution of £25,491 (2019 - £141,555) was made from Ormiston Families Enterprises Limited to the charity during the year. At the year end, a balance of £19,075 was owed by Ormiston Families Enterprises Limited (2019 - £15,973 was owed to Ormiston Families Enterprises Limited).

During the year expenses of £11,404 (2019 - £6,243) were recharged to Blois Meadow Day Nursery Limited by the charity. No gift aid distribution was received (2019 - £46,000) from Blois Meadow Day Nursery Limited. At the year end, a balance of £958 (2019 - £7,108) was owed by Blois Meadow Day Nursery Limited.

Duncan Turner is also a director of DBS at CAS Ltd which provides the charitable group with Disclosure & Barring Service checks for staff and volunteers, total fees charged in the year by DBS at CAS Limited were £6,573 (2019 - £5,331) and the balance outstanding at the year end was £88 (2019 - £161).

Derrick Louis is an Essex County Councillor, the charity receives rental and recharge income from Essex County Council for one children's centre, income charged for the year was £21,902 (2019 - £19,758).

Trustees Peter Murray and James Murray also hold office with the Ormiston Trust as Trustee and Chief Executive respectively. During the year the Ormiston Trust provided general grant funding of £400,000 (2019 - £800,000) and project grant funding of £135,000 (2019 - £135,000), the balance outstanding at the year end was nil (2019 - nil).

Trustees were paid expenses during the year, details of these payments are in note 11d.

There are no other related party transactions (2019 - nil).

27 Post balance sheet events

Since the end of the reporting period, Covid-19 continues to have a significant impact on Ormiston Families and the Group. Due to the property market the potential resale value of a freehold property in Ipswich has reduced, and whilst this remains in excess of the Net Book Value in the accounts, sale of this property has been postponed to achieve the appropriate value for the site.

In February 2021 Ormiston Families has received an offer for a £550,000 loan under the Government Coronavirus Business Interruption Loan Scheme (CBILS), the charity is progressing finalisation details to complete this 5 year loan facility. Ormiston Families Enterprises Limited and Blois Meadow Day Nursery Limited, having secured loan support in August 2020 via the Government Bounce Back loan support scheme, will be repaying their Bounce Back facility as part of the scheme conditions for the charity CBILS facility.

The charity has also used the tax deferral support scheme for £88,000 of VAT originally due in May 2020 and now payable by 31st March 2021. The Government's Coronavirus Job Retention Scheme has also supported the group with grants of £270,000.

Ormiston Families

Reference and administrative details for the year ended 31 March 2020

Trustees

Robert Parkinson, chair
Brian Stewart OBE, vice chair (Resigned 13 September 2019)
Peter Murray OBE
Stephen Bennett
Hannah Catchpool, treasurer
Rosemary Gutteridge MBE, JP, DL
Catherine McLaughlin
Miranda Kendall (Appointed 14 September 2019)
Diana Murray (Appointed 7 January 2020)
James Murray (Resigned 6 December 2019)
Julie Spence OBE, QPM, DL
Gail Tolley
Simon Walker, vice chair (From 13 September 2019)
Stephen West

President

Lady Tollemache

Vice Presidents

Lady Deben
Wendy Drew
Miranda Kendall
Di Murray
Trevor Pickett
Lady de Ramsey
Richard Townley

Patrons

Roger Graef OBE
Saeed Atcha MBE DL (Appointed August 2019)

Chief executive and senior leadership team

Allan Myatt (Chief executive)
Catherine Higgs (Income generation and marketing director)
Derrick Louis (Commercial director)
Karen Moore (People and organisational development director)
Mark Proctor (Operations director)
Duncan Turner (Finance director and company secretary)

Statutory auditors

Price Bailey LLP
Chartered Accountants
Tennyson House
Cambridge Business Park
Cambridge CB4 0WZ

Company secretary

Duncan Turner

Company registration number

02769307

Bankers

Barclays Bank plc
35 Market Hill
Sudbury
CO10 2EP

Charity registration number

01015716

Solicitors

Ashton KCJ
Beacon House
Kempson Way
Bury St Edmunds
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IP32 7AR

Registered office

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The Drift
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