

**31 JANUARY 2013**

**THE ORPHEUS CENTRE TRUST  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 JULY 2012**

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**The Orpheus Centre Trust**  
**Legal and Administrative Information**

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**Trustee Directors and Management Board of  
The Orpheus Centre**

*Russell Barrow*  
*John Beer OBE*  
*Tony Elias*  
*Richard Groom (Chairman)*  
*Giles Maberly (appointed 18 February 2013)*  
*Sir Richard H Z S Stilgoe OBE*  
*Helen Swain*

**Secretary**

*Daniel Braverman (resigned 5 December 2011)*  
*Graham Whitehead (appointed 5 December 2011)*

**Company number**

05089501

**Charity number**

1105213

**Registered office and principal address**

*Orpheus Centre*  
*North Park Lane*  
*Godstone*  
*Surrey*  
*RH9 8ND*

**Auditors**

*Kingston Smith LLP*  
*Chartered Accountants*  
*Surrey House*  
*36-44 High Street*  
*Redhill*  
*Surrey*  
*RH1 1RH*

**Bankers**

*Coutts & Co*  
*440 Strand*  
*London*  
*WC2R 0QS*

## **The Orpheus Centre Trust**

### **Report of the trustees for the year ended 31 July 2012**

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*The trustees present their report and accounts for the year ended 31 July 2012.*

#### **Incorporation**

*The Trust was incorporated on 31 March 2004 and is a private company, limited by guarantee and not having a share capital. The company commenced its activities on 6 April 2004.*

#### **Structure, Governance and Management**

##### Governing document

*The charity is governed by its Memorandum and Articles of Association dated 26 February 2004. There are currently seven members, each of whom guarantees to contribute £1 in the event of the charity being wound up.*

##### Appointment of Trustees

*As set out in the Articles of Association, the Board may at any time appoint additional members, subject to a maximum of 12 members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one third of the members who have been longest in office retire. All retiring members are eligible for re-election for one further term of three years. Sir Richard Stilgoe is a permanent trustee.*

*All trustees are advised of their responsibilities under charity law and training opportunities are made available for relevant issues relating to charity and employment law.*

##### Organisation

*The Management Board, made up of the Trustee Directors, meets every two months. Three members must be present for the meeting to be quorate. Sub-committees of the Board, including finance and quality sub-committees, meet regularly to ensure accountability and compliance in key areas.*

*Trustees are charged with making decisions with regard to the charity's business, strategic direction and main areas of policy. Trustees delegate day-to-day leadership to the Chief Executive, who constructs business and strategic plans for scrutiny, amendment and adoption by the Board. The Chief Executive is responsible for operational management.*

*The Chief Executive, Danny Braverman, gave six months' notice to the charity in July 2011. His replacement Graham Whitehead was appointed in December 2011.*

##### Risk management

*The trustees make regular reviews of the risks which the Trust faces. The trustees have examined the major strategic, business and operational risks and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.*

#### **Volunteering**

*The charity has a vibrant volunteering programme, with over 100 volunteers contributing to a thriving centre. Each year a number of residential volunteers join the Orpheus Centre, including international volunteers. There are also local volunteers, volunteer enablers from partner education and voluntary-sector organisations and groups of volunteers from local businesses.*

#### **Objectives and Activities**

*The charity trustees comply with their duty to have due regard to directing the activities of the charity towards public benefit.*

**The Orpheus Centre Trust**  
**Report of the trustees for the year ended 31 July 2012 (continued)**

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**Objectives and Activities (continued)**

*The objectives of the Trust are:*

- 1. the relief of young disabled people in particular, but not limited to the foregoing, by the provision of supported housing*
- 2. to promote the advancement of education through the provision of opportunities to participate in the performing arts as creators, performers, technicians, administrators and audiences*
- 3. to provide training, learning and other facilities which support student progress towards independent living.*

*The main objectives and activities in 2011/12 were:*

- 1. to develop a new operational model under three strands – learning, domiciliary care and housing*
- 2. to sustain full occupancy of the Centre*
- 3. to seek a learning contract with the Education Funding Agency (EFA) to work collaboratively with other organisations to further our objects*
- 4. to work collaboratively with other organisations to further our objects.*

**Achievements and Performance**

- 1. The charity has successfully created three major strands – learning, domiciliary care and housing. There have been approximately 39 students (25 in supported housing) engaged in its learning programme, which operates for 38 weeks each year. The on-site domiciliary care service has provided care and personal support to the 26 tenants of its supported housing service as well as occasional support to day students.*
- 2. For most of the year the Centre has enjoyed full occupancy.*
- 3. Application was made in the previous year to the Young People's Learning Agency, now the EFA (Education Funding Agency), for approval as a learning provider. This was granted towards the end of the year and the first students to be awarded funding to learn at the Centre will begin in 2012/13. The EFA approval is recognition of the Centre's learning programme meeting required standards.*
- 4. The Centre has worked successfully with a range of other agencies and organisations to ensure that the quality of its arts provision is enhanced. Students at the Centre have continued to gain Arts Awards at bronze and silver levels and several students have started their gold awards. We have worked closely with High Down prison on song writing projects and we have had a number of successful musical and dramatic productions at the Centre. External groups such as the Royal Philharmonic Orchestra and the Ismaeli Community have worked closely with us to provide enriching experiences for our students.*

*Other outcomes in 2011/12 included a significant reduction of the Centre's overdraft and the restructuring of the finance, learning and domiciliary care departments. New partnership working practices were begun with some other learning providers.*

## **The Orpheus Centre Trust**

### **Report of the trustees for the year ended 31 July 2012 (continued)**

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#### **Financial Review and Reserves Policy**

##### Income and expenditure

*During the year the Trust received £1,829,327 (2011 - £1,777,032) of incoming resources and expended £1,668,273 (2011 - £1,920,491).*

##### Reserves policy

*At 31 July 2012 restricted reserves amounted to £379,476 (2011 - £289,301). The increase in 2011-12 relates primarily to capital grants for the new building supported housing.*

*There is a surplus of £193,260 on unrestricted funds at the year-end (2011 - £34,968).*

*At 31 July 2012 the balance on the expendable endowment fund was £2,981,856 (2011 - £3,069,269). During the year depreciation on the building amounting to £82,613 was charged to the fund.*

*The trustees believe that the company should hold in reserves a sufficient cushion of funds to enable it to continue to exist in a period of reduced income and, should it be necessary to cease to operate, wind up in an orderly fashion. The trustees consider the desirable level of reserves for this purpose to be a minimum of three months' operating costs. This equates to approximately £400,000 at current staffing levels.*

*The trustees plan to generate annual operating surpluses in order to build reserves to this level, without impairing the quality of services to our students.*

#### **Related Parties**

*The Orpheus Centre is connected to another charity, The Alchemy Foundation, with which it cooperates in the pursuit of charitable objectives. The Centre has a loan of £100,000 from The Alchemy Foundation which is repayable within 12 months of the balance sheet date. The Alchemy Foundation also provides a grant of £63,000 to cover the annual costs of the salaries of the Head of Development and the Community and Corporate Fundraiser.*

#### **Plans for future periods**

*Plans for the future include:*

- 1. development of further independent living spaces on-site, subject to funding applications*
- 2. growth in the number of young people accessing our learning programme*
- 3. further reduction in the overdraft facility*
- 4. extended outreach activity to benefit student learning.*

#### **Statement of Trustees' Responsibilities**

*The trustees (who are also directors of The Orpheus Centre Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).*

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

**The Orpheus Centre Trust**  
**Report of the trustees for the year ended 31 July 2012 (continued)**

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**Statement of Trustees' Responsibilities (continued)**

*In preparing these financial statements, the trustees are required to:*

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

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

*In so far as the trustees are aware:*

- *there is no relevant audit information of which the charity's auditor is unaware; and*
- *the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.*

**Auditors**

*Kingston Smith LLP were appointed as auditors to the company. A resolution to reappoint them will be put to the Annual General Meeting.*

*This report was approved by the Board on 18 February 2013 and signed on its behalf by:*

*Richard Groom*  
*Chairman*