

Company registration number: 07467568

Charity registration number: 1141057

Project Orchid Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2020

KM
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Project Orchid Limited

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Project Orchid Limited

Reference and Administrative Details

Trustees	Ms C Belaman, Chair Mr J Drummond Ms C Esser Ms A M H Meyer Ms E Paulson Dr C Presern Ms D A Rive Mr J S Ssentongo Dr R M E Youssif
Chief Executive Officer	Grethe Petersen
Principal Office	The Foundry 17-19 Oval Way London SE11 5RR
Company Registration Number	07467568
Charity Registration Number	1141057
Solicitors	Hogans Lovell International LLP Atlantic House Holborn Viaduct London EC1A 2FG
Bankers	Co-operative Bank 1 Balloon Street Manchester M60 4EP Nationwide Building Society 80 St James Street Burnley Lancashire BB11 1PH
Auditor	KM 1st Floor Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG

Project Orchid Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2020.

Trustees

Ms C Belaman, Chair

Mr J Drummond

Ms C Esser

Ms E McGuigan (resigned 31 October 2019)

Ms A M H Meyer

Ms E Paulson

Dr C Presern

Ms D A Rive (appointed 31 October 2019)

Mr J S Ssentongo (appointed 17 July 2020)

Dr R M E Youssif (appointed 17 July 2020)

Objectives and activities

Objects and aims

The charity's objects ("objects") as per its Articles of Association are specifically restricted to the following:

(1) to promote human rights in particular female genital cutting ("FGC") as an infringement of human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- (a) monitoring abuses of human rights;
- (b) obtaining redress for the victims of human rights abuse;
- (c) relieving need among the victims of human rights abuse;
- (d) research into human rights issues;
- (e) providing technical advice to government and others on human rights matters;
- (f) contributing to the sound administration of human rights law;
- (g) commenting on proposed human rights legislation;
- (h) raising awareness of human rights issues;
- (i) promoting public support for human rights;
- (j) promoting respect for human rights among individuals and corporations;
- (k) international advocacy of human rights; and
- (l) eliminating infringements of human rights.

(2) to advance the education of the public relating to FGC.

(3) to promote the physical and mental health of sufferers of FGC.

Project Orchid Limited

Trustees' Report

The aims of Project Orchid are:

Orchid Project's vision is a world free from female genital cutting (FGC). Our mission is to accelerate abandonment of FGC around the world. We are a UK-based charity with an international reach.

Orchid Project carries out activities in the belief that FGC can end if:

Policy, programmes and resourcing are in place to end FGC;
Multi-actor networks diffuse abandonment; and
Communities embrace rights-based dialogue, and engage with information and support to abandon FGC.

Orchid Project understands its primary role is to be a catalyst, supporting actors at many levels to embrace change, promote and disseminate best practice, and to make investment, policy and programmatic decisions that end FGC.

Orchid Project raises awareness and advocates at the global level to ensure that governments and other international bodies prioritise and resource the abandonment of FGC. We partner with grassroots organisations in FGC practising countries to accelerate the abandonment of cutting through increased dialogue at the community level. We also share knowledge and best practice of how FGC can end, and we amplify the grassroots voice in the global conversation of the issue.

Achievements

Orchid Project was able to start a project to Accelerate the End of Female Genital Cutting in Kenyan Maasai and Samburu Communities with the support of Human Dignity Foundation. The project began in February 2020 and will run to April 2023. We partnered with two excellent Kenyan organisations; S.A.F.E and COVAW (Coalition on Violence Against Women), who work with the Kenyan Maasai and Samburu communities. They began delivery of activities including community dialogues, radio shows, training manuals and youth forums. Orchid Project will deliver Knowledge Sharing Workshops in each year of the project. This project builds on other work and requires co-funding of which we have secured from a number of funders including UBS Optimus Foundation and Lef Pillon Trust.

Orchid Project delivered a participation and inclusion workshop with Narok County Children Stakeholders Network (NACCSNET) in Kenya. The network of organisations who mutually support each other in the communities and in the country government to accelerate an end to female genital cutting and other children's rights issues in Narok county.

Our partnerships continued to grow and strengthen, including our work with Sahiyo and Tostan. Sahiyo works in both India and the US, engaging in FGC awareness raising activities and carrying out a wide-ranging activist needs assessment within the Dawoodi Bohra community globally. Tostan, based in West Africa, works towards sustainable abandonment of FGC through non-judgemental, human rights-led dialogue.

We also developed new partnerships with Options on a large consortium bid to the Department for International Development. Orchid's role, if successful, will be on the advocacy elements of this project which is named the Arica Led Movement Programme.

Orchid Project was commissioned by ActionAid International Somaliland to conduct an endline evaluation for their FGC programme in September 2019. We worked closely with ActionAid International Somaliland and the partner organisations Somaliland Women Development Association (SOWDA) and Women Access for Advocacy and Progress Organisation (WAPO).

Project Orchid Limited

Trustees' Report

Activities

Advocacy and Events

Our Advocacy and Policy team worked with our partner ARROW to carry out a consultation process for the Asia Network to End FGM/C. This involved structured interviews as well as designing, building and launching an online portal in October 2019. The consultation received 52 responses from countries including Indonesia, Malaysia, Thailand, India, Pakistan, Sri Lanka, Bangladesh, Nepal, Mongolia, Philippines, Vietnam and Singapore.

In March 2020 we published the Asia Network Consultation Report, which detailed the outcome of significant scoping with Asian activists, researchers and organisations. This report led to Orchid Project jointly establishing the Asia Network to end FGM/C with our partner ARROW, who are based in Malaysia. The network aims to counter the idea that FGC is solely an African Issue and to support an end to FGC in the Asia region in a safe and supportive space. As part of awareness raising for the network, Orchid Project and ARROW hosted a webinar 'Our issue too: voices from Asia', which featured a panel of speakers from Indonesia, Malaysia and regional representatives who shared information about this rarely discussed issue in the Asia region.

In June 2019, Orchid Project's advocacy team attended the Women Deliver Conference in Vancouver, Canada. This global gathering is the world's largest conference on gender equality and draws focus on the health, rights, and wellbeing of girls and women. Orchid Project played a key leadership role in bringing together the FGC sector for the first time with common purpose, where Orchid Project led a global group of 100 activists and organisations at a pre-conference event on ending FGC, called Uniting Forces to Make Female Genital Mutilation/Cutting (FGM/C) A Practice of the Past. In addition, Orchid Project was able to support three grassroots partners to attend the conference, from Kenya and India, to highlight and amplify their community dialogue approach to ending cutting. Encouragingly, at Women Deliver we saw an unexpected commitment from President Uhuru Kenyatta of Kenya to end FGC in his country by 2022.

Alongside Tostan, Amref Health Africa and COVAW, we co-hosted a successful side event at the International Conference on Population and Development +25, with keynote speakers from UNFPA Joint Programme and the Kenya Anti FGM Board. We also supported two community activists to attend. Additionally, we delivered a Lightning Talk on our community research methodology. This proved to be a fruitful event for networking and advocacy meetings where we were able to meet with representatives from various international governments, embassies and international organisations such as the Gates Foundation.

Communications

We launched a new, user-focused website, including the creation of a powerful and accessible FGC resource hub, which houses hundreds of pieces of research, tools, guidelines and reports related to ending FGC. The website also contains a global FGC interactive map, with in-depth country profiles for 70+ countries where FGC is reported to take place.

Orchid Project's communications team continued to work hard to raise awareness of FGC and effective approaches to ending the practice, and to demonstrate the impact of the charity. In February 2020, your support helped Orchid Project launch our first social media content-led digital campaign, "Don't Cut Her Short". The aims of the campaign were to raise awareness of the ongoing impacts of FGC in relation to gender equality and increase awareness of our role within this. The campaign led to an overall increase in our reach, mentions, followers, engagement and profile visits across Facebook, Twitter and Instagram by 18% on average, and the campaign period saw a 208% increase in website traffic in February.

In January 2020 we supported two activists, Dr Leyla Hussein and Bethel Tadesse to attend the Tostan Training Centre 10-day workshop in Senegal. We supported 5 activists' work within communities across the year.

Project Orchid Limited

Trustees' Report

Fundraising disclosures

Orchid Project are proud members of the Institute of Fundraising as we believe in fair, ethical and sustainable fundraising. Our funds are largely raised through the generosity of individuals, Trusts, Foundations and organisations who we keep updated about our work through regular newsletters, emails and events. We are a member of the following organisations:

Institute of Fundraising
CAF
Just Giving

Financial review

Income Recognition

As part of the development of our financial processes, we are introducing a method of income recognition where we defer restricted income to the balance sheet, recognising to the Statement of Financial Activities only at the point at which we spend. This more accurately reflects the liability of holding restricted funds, and allows the financial statements to show a clear picture of the activities during the period.

Financial position

Income for the year amounted to £829,079 compared to £1,060,407 in the previous period.

There was a deficit incurred on the unrestricted fund of £33,789, compared with £105,129 in the previous period.

Unrestricted reserves are £321,231.

Policy on reserves

Orchid Project aims to hold reserves equivalent to 20% of all core and running costs. At the financial year end our unrestricted reserves amount to £321,231 which are in excess of the reserves policy. This is in anticipation of recruitment of new roles in the new financial year, and will also be used to further develop the activities of the charity.

Principal funding sources

In the year 2019-20, Orchid Project's primary sources of funding consists of grants from trusts and foundations, donations from individuals and major donors. Orchid Project would like to thank our generous donors for their invaluable support which has enables us to achieve so much.

Investment policy and objectives

The charity holds its funds in a current account with Co-operative Bank and a deposit account with Nationwide Building Society.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing financial statements.

Project Orchid Limited

Trustees' Report

Structure, governance and management

Nature of governing document

Orchid Project was incorporated on 13th December 2010 as a Company Limited by Guarantee, number 07467568 and as of 1 April 2011, registered with the Charity Commission under number 1141057. Orchid Project acts according to its Memorandum and Articles of Association

Recruitment and appointment of trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of Articles of Association.

Organisational structure

The Trustees have control of the Charity and its property and funds. They meet quarterly to agree the organisational strategy and areas of activity for Orchid Project, including consideration of strategic direction, accountability, financial management, grant making, fundraising and performance. The Trustees regularly attend Orchid Project events and provide continuous support to the CEO and staff members. All Trustees give of their time freely and no trustee remuneration was paid in the year.

In January 2020 the CEO and Trustees began the process of recruiting two new Board members to diversify the management of the organisation. Following a competitive and successful recruitment process, Rewan Youssif and Joseph Ssentongo will take up the two appointments in the new financial year.

Julia Lalla-Maharajh, OBE stepped down from her role as CEO in September 2019. Grethe Petersen, her successor, was appointed on 27th August and took over as CEO in October 2019. After a break of three months, Julia Lalla-Maharajh began a new twelve month contract as Founder and Ambassador.

Orchid Project began the year with 12 members of staff, and ended with 10 full time staff. As Orchid Project enters its next stage and senior management changes, we will establish a Senior Management Team who will ensure that decisions and responsibilities are shared, and a wide perspective is brought to all strategic management.

Project Orchid Limited

Trustees' Report

Major risks and management of those risks

The Trustees continue to consider and review the major risks to which the charity is exposed, and monitor the systems and procedures to manage those risks. The following aspects are considered:

- The charity's objectives and strategies
- The nature and scope of the charity's activities
- External legislation and regulations
- The operating structure of the charity
- Financial stability

Safeguarding

The new project in Kenya represents a significant scale up for Orchid Project. We are partnering with two organisations with whom we have a familiar and trusted relationship, which mitigates some potential risks that could exist with new partnerships. In order to identify and mitigate against any potential risks, we developed a comprehensive due diligence framework with both partners. This included a thorough review of all organisational policies and practices. Additionally, we contracted an external expert to carry out a thorough audit of Safeguarding at Orchid Project, S.A.F.E. and COVAW. This work was well under way by the end of the financial year, and we look forward to implementing any recommendations.

There were no complaints received in the year.

Financial instruments

Objectives and policies

The charity only holds basic financial instruments.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 22 January 2021 and signed on its behalf by:



.....
Ms C Belaman
Trustee

Project Orchid Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Project Orchid Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company'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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 22 January 2021 and signed on its behalf by:



Ms C Belaman
Trustee

Project Orchid Limited

Independent Auditor's Report to the Members of Project Orchid Limited

Opinion

We have audited the financial statements of Project Orchid Limited (the 'charity') for the year ended 31 March 2020, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Project Orchid Limited

Independent Auditor's Report to the Members of Project Orchid Limited

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Project Orchid Limited

Independent Auditor's Report to the Members of Project Orchid Limited

- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mark Heaton (Senior Statutory Auditor)
For and on behalf of KM , Statutory Auditor

1st Floor
Block C The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

19 February 2021

Project Orchid Limited

Statement of Financial Activities for the Year Ended 31 March 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:							
Donations and legacies	3	63,013	-	63,013	58,331	-	58,331
Charitable activities	4	597,239	168,224	765,463	382,204	618,192	1,000,396
Investment income	5	603	-	603	1,680	-	1,680
Total income		<u>660,855</u>	<u>168,224</u>	<u>829,079</u>	<u>442,215</u>	<u>618,192</u>	<u>1,060,407</u>
Expenditure on:							
Charitable activities	6	<u>(694,644)</u>	<u>(437,477)</u>	<u>(1,132,121)</u>	<u>(547,344)</u>	<u>(493,105)</u>	<u>(1,040,449)</u>
Total expenditure		<u>(694,644)</u>	<u>(437,477)</u>	<u>(1,132,121)</u>	<u>(547,344)</u>	<u>(493,105)</u>	<u>(1,040,449)</u>
Net (expenditure)/income		<u>(33,789)</u>	<u>(269,253)</u>	<u>(303,042)</u>	<u>(105,129)</u>	<u>125,087</u>	<u>19,958</u>
Net movement in funds		<u>(33,789)</u>	<u>(269,253)</u>	<u>(303,042)</u>	<u>(105,129)</u>	<u>125,087</u>	<u>19,958</u>
Reconciliation of funds							
Total funds brought forward		<u>355,020</u>	<u>269,253</u>	<u>624,273</u>	<u>460,149</u>	<u>144,166</u>	<u>604,315</u>
Total funds carried forward	15	<u>321,231</u>	<u>-</u>	<u>321,231</u>	<u>355,020</u>	<u>269,253</u>	<u>624,273</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 15.

Project Orchid Limited

(Registration number: 07467568)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Current assets			
Debtors	12	146,841	39,002
Cash at bank and in hand		<u>398,082</u>	<u>645,013</u>
		544,923	684,015
Creditors: Amounts falling due within one year	13	<u>(223,692)</u>	<u>(59,742)</u>
Net assets		<u>321,231</u>	<u>624,273</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		-	269,253
Unrestricted income funds			
Unrestricted funds		<u>321,231</u>	<u>355,020</u>
Total funds	15	<u>321,231</u>	<u>624,273</u>

The financial statements on pages 12 to 22 were approved by the trustees, and authorised for issue on 22 January 2021 and signed on their behalf by:



Ms C Belaman
Trustee

Project Orchid Limited

Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (expenditure)/income		(303,042)	19,958
Adjustments to cash flows from non-cash items			
Investment income	5	<u>(603)</u>	<u>(1,680)</u>
		(303,645)	18,278
Working capital adjustments			
(Increase)/decrease in debtors	12	(107,839)	9,108
Increase in creditors	13	101,429	21,730
Increase in deferred income		<u>62,521</u>	<u>-</u>
Net cash flows from operating activities		(247,534)	49,116
Cash flows from investing activities			
Interest receivable and similar income	5	<u>603</u>	<u>1,680</u>
Net (decrease)/increase in cash and cash equivalents		(246,931)	50,796
Cash and cash equivalents at 1 April		<u>645,013</u>	<u>594,217</u>
Cash and cash equivalents at 31 March		<u><u>398,082</u></u>	<u><u>645,013</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Foundry
17-19 Oval Way
London
SE11 5RR

These financial statements were authorised for issue by the trustees on 22 January 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Project Orchid Limited 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

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 the income receivable can be measured reliably.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity 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 charity 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.

Trade debtors

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

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Trade creditors

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

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

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The company 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.

3 Income from donations and legacies

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Donations and legacies;			
Appeals and donations	63,013	63,013	58,331
	<u>63,013</u>	<u>63,013</u>	<u>58,331</u>

4 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	General £	£	£	£
Charitable activities	<u>597,239</u>	<u>168,224</u>	<u>765,463</u>	<u>1,000,396</u>

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

5 Investment income

	Unrestricted funds	Total 2020	Total 2019
	General	£	£
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	603	603	1,680

6 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2020	Total 2019
	Note	General	£	£	£
		£	£	£	£
Staff costs		442,802	88,277	531,079	389,927
Governance costs	7	5,700	-	5,700	4,993
Other costs		246,142	349,200	595,342	645,529
		694,644	437,477	1,132,121	1,040,449
		Activity undertaken directly	Activity support costs	Total 2020	Total 2019
		£	£	£	£
Charitable objects		1,086,421	45,700	1,132,121	1,040,449

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2020	Total 2019
	General	£	£
	£	£	£
Audit fees			
Audit of the financial statements	5,700	5,700	4,320
Other governance costs	-	-	673
	5,700	5,700	4,993

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	465,784	348,136
Social security costs	48,502	32,054
Pension costs	16,793	9,737
	<u>531,079</u>	<u>389,927</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Charity management and administration	<u>11</u>	<u>10</u>

The number of employees whose emoluments fell within the following bands was:

	2020 No
£70,001 - £80,000	<u>1</u>

The total employee benefits of the key management personnel of the charity were £147,000 (2019 - £118,000).

10 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>5,700</u>	<u>4,320</u>

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Debtors

	2020 £	2019 £
Trade debtors	146,841	38,091
Prepayments	-	911
	<u>146,841</u>	<u>39,002</u>

13 Creditors

	2020 £	2019 £
Trade creditors	139,826	41,082
Other taxation and social security	13,376	11,779
Other creditors	2,269	2,561
Accruals	5,700	4,320
Deferred income	62,521	-
	<u>223,692</u>	<u>59,742</u>

Resources deferred in the period

	2020 £
	<u>62,521</u>

Deferred income are grants that have not been expended at the year end.

14 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £16,793 (2019 - £9,737).

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

15 Funds

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General	355,020	660,855	(694,644)	321,231
Restricted funds	269,253	168,224	(437,477)	-
Total funds	624,273	829,079	(1,132,121)	321,231
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Balance at 31 March 2019 £
Unrestricted funds				
General	460,149	442,215	(547,344)	355,020
Restricted funds	144,166	618,192	(493,105)	269,253
Total funds	604,315	1,060,407	(1,040,449)	624,273

The specific purposes for which the funds are to be applied are as follows:

General funds are those available for use at the discretion of the trustees to further the objects of the charity.

Restricted funds are from a variety of sources including family trust funds and foundations, some of which have been given anonymously. For these reasons individual funds are not shown.

Project Orchid Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

16 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General			
	£	£	£	£
2020				
Current assets	341,875	203,048	544,923	
Current liabilities	<u>(20,644)</u>	<u>(203,048)</u>	<u>(223,692)</u>	
Total net assets	<u>321,231</u>	<u>-</u>	<u>321,231</u>	
	Unrestricted funds		Restricted funds	Total funds
	General			
	£	£	£	£
2019				
Current assets	414,762	269,253	684,015	
Current liabilities	<u>(59,742)</u>	<u>-</u>	<u>(59,742)</u>	
Total net assets	<u>355,020</u>	<u>269,253</u>	<u>624,273</u>	