

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2020
FOR
ORCHARD

Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
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ORCHARD

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FOR THE YEAR ENDED 28 FEBRUARY 2020

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2020

The trustees present their report with the financial statements of the charity for the year ended 28 February 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Orchard is a charity focusing on developing treatments for patients suffering from obsessive-compulsive disorder (OCD), a serious mental illness. We work with academia, clinicians, pharmaceutical/biotech companies, government agencies, patients and other charities to fast-track the development of new and innovative treatments for OCD.

OCD is a common, chronic and severely disabling mental illness that affects at least a million people in the UK alone. It is characterised by intrusive thoughts (obsessions) and accompanying rituals (compulsions) aimed at reducing anxiety and distress.

Sixty per cent of OCD patients are also depressed and many are suicidal. The lifetime prevalence of OCD is 2-3 %. It affects all population groups regardless of gender and culture.

There is an urgent need for the development of new and better treatments, yet the field is severely underfunded. No research is carried out by the pharmaceutical industry, and funding for academic research is scarce and difficult to obtain. This is why we have set up Orchard in order to raise much-needed funding for OCD research.

Public benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

For the public benefit, the charitable objects are:

1. to promote and protect the physical and mental health of sufferers of OCD and related disorders, their families and carers including (but not limited to) through the provision of support, education and practical advice.
2. to improve the diagnosis, treatment and care of persons suffering from OCD and related disorders and their families and carers by facilitating, setting up and supporting (including (but not limited to) by way of funding) specialised and highly skilled, multi-disciplinary international teams to develop new and effective methods of diagnosis, treatment and management of and services for OCD and related disorders and to assist in the publication and dissemination of the useful results.
3. to assist in such ways as the charity Trustees think fit any charity whose aims include promoting and/or protecting the physical and mental health of sufferers of OCD and related disorders, their families and carers through the provision of funding, grants, support and practical advice.
4. to advance the education of the general public in all areas relating to OCD and related disorders and to raise awareness of and reduce the stigma related to OCD and related disorders and assist in such ways as the charity Trustees think fit including (but not limited to) through lectures, seminars, webinars, workshops, through the internet and social media and publication of newsletters and research papers and in any other ways in which the charity Trustees think fit.
5. to advance the education of the public in general (and particularly amongst healthcare professionals and scientists) on the subject of OCD and related disorders and to promote research for the public benefit in all aspects of that subject and to assist in the publication and dissemination of the useful results.

The Trustees have complied with the duty in Section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2020

ACHIEVEMENT AND PERFORMANCE

Key achievements, principal activities and fundraising

In 2019 we carried out a global call for proposals for projects that could develop new and better treatments for obsessive-compulsive disorder (OCD), a debilitating mental illness that affects tens of millions of people worldwide.

We set up an independent Scientific Advisory Board (SAB) to evaluate the proposals according to strict criteria. The SAB is chaired by Prof Stuart Montgomery, a retired and world-renowned professor who was instrumental in developing the first ever (partial) treatment for OCD in the 1970s. The rest of the SAB was made up of expert scientists and clinicians from top universities such as Stanford University in the US and Cambridge University in the UK.

The top three projects were then put to the global OCD community to vote on their favourite one. They chose Prof David Nutt's project to test psilocybin - the active ingredient in magic mushrooms - as a potential treatment for OCD. Prof David Nutt is a world-class neuropharmacologist who is director of the Division of Brain Sciences at Imperial College in London.

From January to May 2020, we worked on preparing the crowdfunding campaign. We put together a group of volunteers and shared out the tasks. These volunteers included three OCD patients, two mothers of OCD patients, and three friends/siblings of OCD patients.

We met via video conferencing twice a week to organize the campaign. We worked with a small video company called Dragon Light Films to make a three-minute video for the campaign. The video included an interview with Prof David Nutt and with Reuben Fletcher, a teenager who has suffered from extreme OCD. They focused on how existing treatments are not effective for many OCD patients and why psilocybin could be a game-changer if the study is positive.

We chose the crowdfunding platform Chuffed.org to carry out the campaign. This is a platform that focuses exclusively on charity crowdfunding. Following recommendations from our crowdfunding advisor Jes Bailey, we chose Chuffed.org because they had a user friendly system and could offer personal advice on how to improve and boost the campaign.

The crowdfunding campaign went well and we exceeded our target. We will provide further information in next year's financial statements, which will cover the period of the crowdfunding campaign.

FINANCIAL REVIEW

Financial position

The charity is funded principally from donations. During the period donations of £20,981 (2019: £54,350) were received of which £nil (2019: £36,300) were pro-bono services provided for branding and web design when setting up the charity.

Grants are sought for research into particular areas. During this financial year grants totalling £30,000 (2019: £4,000) were received for research into the efficacy of Psilocybin and to make a short video about Orchard and OCD.

Expenditure during the period was £7,632 (2019: £41,257); leaving reserves of £60,459 (2019: £17,100) of which £32,000 (2019: £2,000) were restricted and £489 (2019: £978) represented the net book value of fixed assets.

Reserves policy

The Trustees aim to maintain general reserves to cover 8 months of expenditure, net of depreciation. At the year end the general reserve was £27,970 (2019: £14,122).

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 28 FEBRUARY 2020**

FUTURE PLANS

Following a successful crowdfunding campaign in May 2020 (which we will provide an update on in next year's financial statements), we are now planning a series of online events to raise awareness about OCD, its treatments and research. These include a series of social media live events hosted by Orchard trustee and TV journalist Sean Fletcher, which we hope to carry out in collaboration with other OCD charities. We aim to discuss topics such as employment and OCD, how to care for a relative with OCD, and advice for students with OCD. Orchard trustee Prof Naomi Fineberg will present an online event on existing and potential new treatments for OCD, with the opportunity for OCD patients and carers/relatives to ask questions. We are also planning to carry out a mini conference on the topic of treating OCD in a time of COVID. This is particularly important because approximately 40% of OCD patients have contamination fears, which are hard to treat with exposure response prevention techniques when government health guidelines are (rightly) directing people to careful hygiene and washing in order to reduce transmission of the coronavirus. Finally, we are working with a group of Cambridge students to carry out a study of how to scale up our crowdfunding and awareness raising in the future, such as how to implement crowdfunding campaigns regularly and build our supporter base in order to fund more OCD treatment projects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity constitutes a Charitable Incorporated Organisation and is governed by its governing document, registered on 1 September 2017 and amended on 7 September 2018.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1174480

Principal address

66 Devonshire Road
Cambridge
CB1 2BL

Trustees

Dr N T Sireau PhD Chair
Dr G Szenkovits PhD Vice Chair
Mr V Garzya MBA
Mr S T Fletcher (appointed 17/5/2019)
Dr N A Fineberg

Independent Examiner

Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

Approved by order of the board of trustees on and signed on its behalf by:

.....
Dr N T Sireau PhD - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ORCHARD**

Independent examiner's report to the trustees of Orchard

I report to the charity trustees on my examination of the accounts of Orchard (the Trust) for the year ended 28 February 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Matthew Pettifer FCA
ICAEW
Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

Date:

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28 FEBRUARY 2020

				Year ended 28/2/20 Total funds £	Period 1/9/17 to 28/2/19 Total funds £
	Notes	Unrestricted funds £	Restricted funds £		
INCOME AND ENDOWMENTS FROM					
Donations and legacies		20,981	-	20,981	54,350
Charitable activities					
Charitable activities		-	30,000	30,000	4,000
Investment income	2	10	-	10	7
Total		20,991	30,000	50,991	58,357
 EXPENDITURE ON					
Raising funds		281	-	281	126
Charitable activities					
Charitable activities		7,351	-	7,351	41,131
Total		7,632	-	7,632	41,257
NET INCOME		13,359	30,000	43,359	17,100
 RECONCILIATION OF FUNDS					
Total funds brought forward		15,100	2,000	17,100	-
TOTAL FUNDS CARRIED FORWARD		28,459	32,000	60,459	17,100

The notes form part of these financial statements

ORCHARD

BALANCE SHEET
28 FEBRUARY 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	7	489	-	489	978
CURRENT ASSETS					
Debtors	8	631	-	631	221
Cash at bank		29,514	32,000	61,514	17,782
		<u>30,145</u>	<u>32,000</u>	<u>62,145</u>	<u>18,003</u>
CREDITORS					
Amounts falling due within one year	9	(2,175)	-	(2,175)	(1,881)
NET CURRENT ASSETS		<u>27,970</u>	<u>32,000</u>	<u>59,970</u>	<u>16,122</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>28,459</u>	<u>32,000</u>	<u>60,459</u>	<u>17,100</u>
NET ASSETS		<u>28,459</u>	<u>32,000</u>	<u>60,459</u>	<u>17,100</u>
FUNDS	10				
Unrestricted funds				28,459	15,100
Restricted funds				<u>32,000</u>	<u>2,000</u>
TOTAL FUNDS				<u>60,459</u>	<u>17,100</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Dr N T Sireau PhD - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Donated services

The value of donated services and gifts in kind provided to the Charity are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the charity can be reliably measured.

Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2020

1. ACCOUNTING POLICIES - continued

Debtors

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be estimated or measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity 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.

2. INVESTMENT INCOME

	Year ended 28/2/20 £	Period 1/9/17 to 28/2/19 £
Deposit account interest	10	7

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2020 nor for the period ended 28 February 2019.

Trustees' expenses

During the year one Trustee was paid a total of £nil (2019:£1,380) in expenses.

4. STAFF COSTS

There were no employees or staff costs during either the current or last period.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	54,350	-	54,350
Charitable activities			
Charitable activities	-	4,000	4,000
Investment income	7	-	7
Total	54,357	4,000	58,357

EXPENDITURE ON

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2020

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Raising funds	126	-	126
Charitable activities			
Charitable activities	39,131	2,000	41,131
Total	39,257	2,000	41,257
NET INCOME	15,100	2,000	17,100
TOTAL FUNDS CARRIED FORWARD	15,100	2,000	17,100

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	489	488
Independent Examiner's fee	924	600

7. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 March 2019 and 28 February 2020	1,466
DEPRECIATION	
At 1 March 2019	488
Charge for year	489
At 28 February 2020	977
NET BOOK VALUE	
At 28 February 2020	489
At 28 February 2019	978

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2020

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Prepayments and accrued income	631	221
	<u>631</u>	<u>221</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	2,175	1,881
	<u>2,175</u>	<u>1,881</u>

10. MOVEMENT IN FUNDS

	At 1/3/19	Net movement	At
	£	in funds	28/2/20
		£	£
Unrestricted funds			
General fund	14,122	13,848	27,970
Designated Fixed Assets	978	(489)	489
	<u>15,100</u>	<u>13,359</u>	<u>28,459</u>
Restricted funds			
Research into the efficacy of Psilocybin	2,000	30,000	32,000
	<u>2,000</u>	<u>30,000</u>	<u>32,000</u>
TOTAL FUNDS	<u>17,100</u>	<u>43,359</u>	<u>60,459</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	20,991	(7,143)	13,848
Designated Fixed Assets	-	(489)	(489)
	<u>20,991</u>	<u>(7,632)</u>	<u>13,359</u>
Restricted funds			
Research into the efficacy of Psilocybin	30,000	-	30,000
	<u>30,000</u>	<u>-</u>	<u>30,000</u>
TOTAL FUNDS	<u>50,991</u>	<u>(7,632)</u>	<u>43,359</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2020

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	Net movement in funds £	Transfers between funds £	At 28/2/19 £
Unrestricted funds			
General fund	15,588	(1,466)	14,122
Designated Fixed Assets	(488)	1,466	978
	<hr/>	<hr/>	<hr/>
	15,100	-	15,100
Restricted funds			
Research into the efficacy of Psilocybin	2,000	-	2,000
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> 17,100 <hr/>	<hr/> - <hr/>	<hr/> 17,100 <hr/>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	54,357	(38,769)	15,588
Designated Fixed Assets	-	(488)	(488)
	<hr/>	<hr/>	<hr/>
	54,357	(39,257)	15,100
Restricted funds			
Research into the efficacy of Psilocybin	2,000	-	2,000
Information video for the website	2,000	(2,000)	-
	<hr/>	<hr/>	<hr/>
	4,000	(2,000)	2,000
TOTAL FUNDS	<hr/> 58,357 <hr/>	<hr/> (41,257) <hr/>	<hr/> 17,100 <hr/>

Restricted funds

Research into the efficacy of Psilocybin: a grant from the Hospital Saturday Fund towards launching a clinical trial to test the efficacy of psilocybin for the treatment of OCD.

Information video for the website: a grant from Stephen Lloyd Awards towards making a three minute video about Orchard.

Designated funds

Designated fixed asset fund: represents the net book value of fixed assets held by the Charity.

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2020

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 28 February 2020.

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DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28 FEBRUARY 2020

	Year ended 28/2/20 £	Period 1/9/17 to 28/2/19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	20,981	20,750
Donated services and facilities	-	33,600
	<u>20,981</u>	<u>54,350</u>
Investment income		
Deposit account interest	10	7
Charitable activities		
Grants	30,000	4,000
	<u>30,000</u>	<u>4,000</u>
Total incoming resources	50,991	58,357
EXPENDITURE		
Raising donations and legacies		
Subscription	281	126
Charitable activities		
Telephone	-	5
Marketing	2,790	30,000
Travel expenses	1,058	1,406
Website design	-	8,189
Desk rent	1,455	443
Staff training	359	-
	<u>5,662</u>	<u>40,043</u>
Support costs		
Finance		
Computer equipment	489	488
Governance costs		
Independent Examiners fees	1,200	600
	<u>1,200</u>	<u>600</u>
Total resources expended	7,632	41,257
	<u>7,632</u>	<u>41,257</u>
Net income	43,359	17,100
	<u><u>43,359</u></u>	<u><u>17,100</u></u>

This page does not form part of the statutory financial statements