

Charity Registration No. 900325

Company Registration No. 2449757 (England and Wales)

**SHELTERED WORK OPPORTUNITIES PROJECT  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021**

# SHELTERED WORK OPPORTUNITIES PROJECT

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	James Robinson (Chair from October 2020) Sheila Carson June Perryman Vic Williams Catherine Hosier Keilah Towers (Treasurer) Maria Seabright	(Appointed 7 October 2020)
<b>Senior Management Team</b>	Tish Borrowman - Project Manager Cherry Tree Nursery Andrew Verreck - Project Manager Chestnut Nursery	
<b>Patrons</b>	Mr Bill Bailey Mrs A Pitt-Rivers Katie Cox	
<b>Secretary</b>	Susan Cheeseman	
<b>Registered numbers</b>	Charity number Company number	900325 2449757
<b>Principal address</b>	Cherry Tree Nursery Off New Road Roundabout Northbourne Bournemouth Dorset BH10 7DA	
<b>Registered office</b>	Cherry Tree Nursery Off New Road Roundabout Northbourne Bournemouth Dorset BH10 7DA	
<b>Auditors</b>	Warner Wilde Limited 4 Marigold Drive Bisley Surrey United Kingdom GU24 9SF	
<b>Bankers</b>	CAF Bank Limited, West Malling, Kent Barclays Bank Plc, Castlepoint, Bournemouth Barclays Bank Plc, Poole Cambridge and Counties Bank Redwood Bank Mansfield Building Society United Trust Bank	

---

# SHELTERED WORK OPPORTUNITIES PROJECT

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 5
Independent examiner's report	6
Statement of financial activities	7 - 8
Balance sheet	9
Notes to the financial statements	11 - 24

---

# **SHELTERED WORK OPPORTUNITIES PROJECT**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 JANUARY 2021**

---

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

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

#### **Objectives and activities**

The objectives of the charity are:

- To offer a sheltered workplace to those suffering mental illness, to encourage and assist in formal and informal research and education regarding the use of land as therapy for persons in need.
- To co-ordinate and exchange information among, co-operation with, and provide guidance and other services to government and non-government companies, societies, associations and persons regarding their activities or programmes.
- To organise and promote conferences, public meetings, seminars, discussion groups and similar activities.

#### **Activities**

The main areas of charitable activity are the provision of two sheltered workplaces, Cherry Tree Nursery and Chestnut Nursery, as well as support, training and guidance for the volunteers who attend.

- The nurseries propagate and grow, as well as buying in plants for direct sale to the public and other horticulturalists and the Volunteers are involved in all aspects of this.
- The Volunteers, who are the primary beneficiaries of the charity, are people with mental health illness who are referred to the projects by various sources including Dorset Healthcare University Foundation Trust, GP's, other agencies and self-referral. All services are provided free of charge to the Volunteers.

#### **Public Benefit**

- The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities.
- There is increasing external evidence of the benefits of horticulture therapy on wellbeing especially in the treatment of mental health.

#### **Friends of the charity**

The charity is most grateful to all the people, known as "Friends" of the charity who give their time on a voluntary basis to help with the activities of and fundraising for the charity. 94 Friends contributed in this way during the year and the charity could not so successfully provide all the services it does without them.

# SHELTERED WORK OPPORTUNITIES PROJECT

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

---

### **Achievements and performance**

The Covid-19 pandemic has brought challenges to SWOP both in terms of continuing to support our Volunteers and in terms of fundraising.

During the course of the year, 115 Volunteers with mental health problems have attended and been supported by Cherry Tree Nursery and 80 have attended and been supported by Chestnut Nursery. During lockdowns, when the Volunteers have not been able to attend the nurseries, they have been supported at home by our staff with regular phone calls, Zoom meetings and a closed Facebook group. The CAB support we provide has also been available to them. Following Government guidelines, when support groups have been allowed to convene, our Volunteers have been able to be on site at the nurseries in "bubbles", following the special Covid-19 safety guidance.

During the first lockdown starting in March 2020, our nurseries were required to be closed to the public so our plant sales, which provide the main source of income for our charity, were badly hit during what is usually our busiest time. We mitigated this to some extent by opening an online webshop providing a local delivery service and click and collect option but were extremely grateful to receive some significant grants from charitable foundations which gave us the security to continue our operations in those very uncertain times.

The safety of everyone involved with SWOP is paramount. All necessary measures have been and continue to be taken to ensure the safety of everyone at both nursery sites. Like everyone we continue to face the challenges of the pandemic but we have adjusted, adapted where possible and continue to support the Volunteers, Friends and supporters of SWOP.

We are extremely grateful to our nursery managers and all our members of staff who have risen to the challenges thrown at them by this difficult year and created innovative solutions to the many problems. They have accepted different and flexible working conditions and we have been able to take advantage of the Government Job Retention Scheme payments in periods of lower activity.

Our Volunteers generally gain substantially in skills and confidence while they are with us and demand for places is increasing. We are unusual in that we do not charge our volunteers for services.

Regular reviews of the Volunteers at 6 or 12 monthly intervals show improvements in motivation, confidence, self-esteem, sense of belonging to a community, and gaining new skills; with a decrease in feelings of loneliness, isolation and admission to psychiatric hospitals.

We usually hold many classes, events, trips and workshops throughout the year to broaden the life experiences offered to our volunteers but these have had to be curtailed in the year under review. We were able to hold our annual Christmas Parties albeit in formats different from usual, maintaining the "bubbles" and social distancing and, for the Chestnut Nursery Volunteers, providing Fish and Chips for lunch.

The RHS Level One course in Practical Horticulture which we are delivering to 12 Volunteers, as a satellite of Kingston Maurward College in Dorchester has been delayed because of the pandemic but has restarted in 2021. This initiative allows volunteers the opportunity to obtain this prestigious qualification in situ at Cherry Tree Nursery. We are hoping that a few of these Volunteers will progress to the Level Two qualification in the next academic year. We anticipate that these qualifications will lead to improved work prospects in the open job market or further study. Either way, the successful students will have gained an accredited qualification that is widely respected throughout the horticultural industry and will have greatly increased their own self confidence and self esteem.

# **SHELTERED WORK OPPORTUNITIES PROJECT**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2021**

---

SWOP actively seeks to break down the stereotypical ideas and stigma associated with a mental health diagnosis by engaging with the local community. Whilst we have not been able to organise the visits from large local organisations as we usually do contact is still being maintained and we recently were invited for a Zoom visit to a local primary school so their children can learn about plants and about mental health and the work we do.

The pandemic has increased the public's awareness of the solace of nature and the joy of gardening and we have been very pleased to welcome back old and new customers especially to our beautiful new shop at Chestnut Nursery. Whilst the outdoor experience of shopping at Cherry Tree Nursery will have suited many in these unusual times, some expansion and development of the retail area there is a project that we look forward to exploring soon.

We are grateful for the huge local public support we receive and strive always to increase awareness of our work. Treatment of mental health conditions such as anxiety and depression are becoming more peer-led in the community mental health teams in an effort to offer support and understanding to those in mental distress and we welcome this realisation of the value of peer support which is part of our ethos.

### **Financial review**

The accounts presented cover the figures for the charity the Sheltered Work Opportunities Project (SWOP). This consists of two projects, Cherry Tree Nursery and Chestnut Nursery.

The policy of SWOP Trustees is to maintain reserves at a level which provides a cushion against any downturn in funding in order to provide security for the charity's beneficiaries. In normal times, the promotion of plant sales in recent years has allowed the charity to become more self sufficient and less dependent on grant funding for its regular activities, although the grants received for Covid support in the year under review have been much appreciated. Free reserves stood at over £300,000 at the balance sheet date which represent a little under 6 months' total running costs for the charity and the Trustees consider this position to be satisfactory.

### **Principal Funding Sources**

Funding for the charity is provided by plant sales from the two nurseries, service level agreements with their local authorities, fundraising activities and legacies, grants and donations from individuals and organisations.

The Trustees are grateful to all the individuals and organisations who have fundraised and donated to the charity and would especially like to thank:

Norman & Jean Aish, Catherine Archer, Beer Harris Memorial Trust, the late Mrs Sheila Mary Black, CAF Bank, Co-op Local Community Trust, Dorset Community Fund, Edward Gostling Trust, Richard Grigg, The Holdenhurst Charity, The Incorporated Bournemouth Free Church Council, JP Morgan, Arthur & Doreen King, Orbis Investments and The Talbot Village Trust.

### **Investment Policy**

The charity aims to maintain a prudent amount of free reserves each year and sufficient working capital to support a seasonal trade. Having considered the long-term investments options available, the Board of Trustees has opted for a low risk investment policy and decided to maintain investments in a variety of deposit accounts with UK banks and building societies which are each covered by FSCS guarantees. Investment policies are reviewed on an ongoing basis.

### **Risk management**

The Board of Trustees has conducted a review of the major risks to which the charity is exposed. A Risk Register has been established and is updated at least annually. Where appropriate, systems and procedures have been established and are updated at least annually to mitigate the risks the charity faces.

# SHELTERED WORK OPPORTUNITIES PROJECT

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

---

### **Structure, governance and management**

The organisation is a charitable company limited by guarantee, incorporated on 6 December 1989 and registered as a charity on 12 February 1990. The company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1,00.

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

James Robinson (Chair from October 2020)	
Sheila Carson	
Sophie Manners	(Resigned 16 February 2020)
June Perryman	
Vic Williams	
Martin Stewart (Chair to March 2020)	(Resigned 7 October 2020)
Catherine Hosier	
Keilah Towers (Treasurer)	
Maria Seabright	(Appointed 7 October 2020)

The directors of the company are also the Charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees.

### **Trustee Selection Methods**

A range of business and mental health skills are well represented on the Board of Trustees. In an effort to maintain this broad skill mix, members are requested to provide a list of their skills and update it each year. In the event of particular skills being lost due to retirement, individuals are approached to offer themselves for election onto the Board of Trustees. Under the requirements of the Memorandum and Articles of Association, the members of the Board of Trustees are elected to serve for a period of a year after which they must be re-elected at the next Annual General Meeting.

### **Organisational Structure**

The Board of Trustees normally meet quarterly with a pre-planned agenda and receives management accounts, a written and verbal report from both nursery managers and a financial risk and funding overview, to enable it to make decisions. Sheltered Works Opportunities Project's (SWOP) two nursery managers' report to the Board of Trustees. Since the start of the Covid-19 pandemic the Trustees have been meeting more frequently with the nursery managers via Zoom in order to make the best decisions for the Volunteers and the charity as the situation develops. The power to make day-to-day decisions is vested in the two managers and they hold meetings with Volunteers at least monthly to ensure Volunteers are involved in appropriate decision making.

# SHELTERED WORK OPPORTUNITIES PROJECT

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

---

### Trustee Induction and Training

Most Trustees are already familiar with the practical work of the charity, having been encouraged to follow closely the activities of the project. New Trustees are encouraged to attend the projects to observe the day-to-day operation to familiarise themselves with the charity and the context in which it operates. These visits are led by the Chairman of the Trustees and facilitated by the project managers.

Information provided to new Trustees includes:

- The obligations of the Board of Trustees
- The main documents setting out our operational framework including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Charity Commission's guide "The Essential Trustee"

### Related and affiliated organisations

SWOP is not connected with any other charity or company but does work closely with a number of different organisations.

The trustees' report was approved by the Board of Trustees.



**James Robinson (Chair from October 2020)**

Trustee

Dated: ..14.19.2021

# SHELTERED WORK OPPORTUNITIES PROJECT

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SHELTERED WORK OPPORTUNITIES PROJECT

---

I report to the trustees on my examination of the financial statements of Sheltered Work Opportunities Project (the charitable company) for the year ended 31 January 2021.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

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

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

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

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



FJ Wilde FCCA DChA  
Warner Wilde Limited

4 Marigold Drive  
Bisley  
Surrey  
GU24 9SF  
United Kingdom

Dated: 23 September 2021

# SHELTERED WORK OPPORTUNITIES PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2021

### Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	123,796	-	112	123,908	106,082
<u>Charitable activities</u>						
Cherry Tree Nursery	4	290,145	-	11,159	301,304	380,191
Chestnut Nursery	4	164,543	-	683	165,226	317,794
Investments	5	3,039	-	-	3,039	4,079
Other income	6	3,042	-	-	3,042	-
<b>Total income</b>		<b>584,565</b>	<b>-</b>	<b>11,954</b>	<b>596,519</b>	<b>808,146</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	376	-	-	376	14,349
<u>Charitable activities</u>						
Cherry Tree Nursery	8	320,444	285	60,535	381,264	478,884
Chestnut Nursery	8	211,592	9,557	29,684	250,833	275,262
<b>Total charitable expenditure</b>		<b>532,036</b>	<b>9,842</b>	<b>90,219</b>	<b>632,097</b>	<b>754,146</b>
Other		-	-	-	-	390
<b>Total resources expended</b>		<b>532,412</b>	<b>9,842</b>	<b>90,219</b>	<b>632,473</b>	<b>768,885</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>52,153</b>	<b>(9,842)</b>	<b>(78,265)</b>	<b>(35,954)</b>	<b>39,261</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>52,153</b>	<b>(9,842)</b>	<b>(78,265)</b>	<b>(35,954)</b>	<b>39,261</b>
Fund balances at 1 February 2020		263,290	226,976	1,029,847	1,520,113	1,480,852
<b>Fund balances at 31 January 2021</b>		<b>315,443</b>	<b>217,134</b>	<b>951,582</b>	<b>1,484,159</b>	<b>1,520,113</b>

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

All income and expenditure derive from continuing activities.

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

# SHELTERED WORK OPPORTUNITIES PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2021

Prior financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	67,198	-	38,884	106,082
<b><u>Charitable activities</u></b>					
Cherry Tree Nursery	4	367,750	1,232	11,209	380,191
Chestnut Nursery	4	224,664	-	93,130	317,794
Investments	5	4,079	-	-	4,079
<b>Total income</b>		<b>663,691</b>	<b>1,232</b>	<b>143,223</b>	<b>808,146</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	14,349	-	-	14,349
<b><u>Charitable activities</u></b>					
Cherry Tree Nursery	8	409,404	797	68,683	478,884
Chestnut Nursery	8	240,125	7,985	27,152	275,262
<b>Total charitable expenditure</b>		<b>649,529</b>	<b>8,782</b>	<b>95,835</b>	<b>754,146</b>
Other		390	-	-	390
<b>Total resources expended</b>		<b>664,268</b>	<b>8,782</b>	<b>95,835</b>	<b>768,885</b>
Gross transfers between funds		(36,194)	33,910	2,284	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>(36,771)</b>	<b>26,360</b>	<b>49,672</b>	<b>39,261</b>
Fund balances at 1 February 2019		300,061	200,616	980,175	1,480,852
<b>Fund balances at 31 January 2020</b>		<b>263,290</b>	<b>226,976</b>	<b>1,029,847</b>	<b>1,520,113</b>

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

All income and expenditure derive from continuing activities.

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

# SHELTERED WORK OPPORTUNITIES PROJECT

## BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		1,106,773		1,186,388
<b>Current assets</b>					
Stocks	13	76,401		94,316	
Debtors	14	36,374		23,028	
Cash at bank and in hand		324,743		288,536	
		<u>437,518</u>		<u>405,880</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(60,132)</u>		<u>(72,155)</u>	
Net current assets			377,386		333,725
<b>Total assets less current liabilities</b>			<u>1,484,159</u>		<u>1,520,113</u>
<b>Income funds</b>					
Restricted funds	18		951,582		1,029,847
<u>Unrestricted funds</u>					
Designated funds	19	217,134		226,976	
General unrestricted funds		315,443		263,290	
		<u>532,577</u>		<u>490,266</u>	
			<u>1,484,159</u>		<u>1,520,113</u>

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

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

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

The financial statements were approved by the Trustees on 9 September 2021

Keilah Towers

Keilah Towers (Treasurer)

Trustee

Company Registration No. 2449757

# SHELTERED WORK OPPORTUNITIES PROJECT

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2021

---

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		31,366		164,363
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,238)		(293,111)	
Proceeds on disposal of tangible fixed assets		3,042		-	
Interest received		3,039		4,079	
<b>Net cash generated from/(used in) investing activities</b>			4,843		(289,032)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			36,209		(124,669)
Cash and cash equivalents at beginning of year			288,536		413,205
<b>Cash and cash equivalents at end of year</b>			324,743		288,536

---

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

---

### 1 Accounting policies

#### Charity information

Sheltered Work Opportunities Project is a private company limited by guarantee incorporated in England and Wales. The registered office is Cherry Tree Nursery, Off New Road Roundabout, Northbourne, Bournemouth, Dorset, BH10 7DA.

#### 1.1 Accounting convention

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

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

#### 1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

---

### 1 Accounting policies (Continued)

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

Gifts in kind donated to the charity for its own use are included in the Statement of Financial Activities at their fair value at the point of donations. Donated services and facilities are only included if the charity would otherwise have had to purchase them and the benefit can be measured reliably. The value is the estimated value to the charity of the service or facility received.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probably that settlement will be required and the amount of the obligation can be measured reliably.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs and governance costs. Support costs are allocated between the charitable activities on an actual basis where that can be determined, otherwise split proportionately between the two nurseries.

#### 1.6 Tangible fixed assets

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

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

Land and buildings	10 years straight line or lease term if longer
Office equipment and furniture	3 to 10 years straight line.
Motor vehicles	3 years straight line.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

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

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

---

### 1 Accounting policies (Continued)

#### 1.9 Cash and cash equivalents

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

#### 1.10 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

#### 1.11 Employee benefits

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

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

#### 1.12 Retirement benefits

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

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

### 1 Accounting policies (Continued)

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

#### Stock

Stocks are valued at the lower of cost and net realisable value. Net realisable value includes, where necessary, provisions for the condition of plants. Calculation of these provisions requires judgements to be made which includes estimating the future quality of the plants .

### 3 Donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	108,002	-	108,002	61,255	50	61,305
Legacies receivable	10,734	-	10,734	5,685	-	5,685
Grants receivable	5,060	112	5,172	258	38,834	39,092
	<u>123,796</u>	<u>112</u>	<u>123,908</u>	<u>67,198</u>	<u>38,884</u>	<u>106,082</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

### 3 Donations and legacies (Continued)

#### Donations and gifts

Talbot Village Trust	30,000	-	30,000	-	-	-
Edward Goslin Trust	10,000	-	10,000	-	-	-
Bournemouth, Christchurch & Poole BC	10,000	-	10,000	-	-	-
Dorset Community Fund	5,000	-	5,000	-	-	-
Bournemouth Free Church	4,000	-	4,000	2,000	-	2,000
The Holdenhurst Charity	2,000	-	2,000	2,000	-	2,000
Smaller donations including gift aid	43,002	-	43,002	55,755	50	55,805
Barclays Bank Plc	-	-	-	1,500	-	1,500
Charities Aid Foundation	4,000	-	4,000	-	-	-
	<u>108,002</u>	<u>-</u>	<u>108,002</u>	<u>61,255</u>	<u>50</u>	<u>61,305</u>

#### Grants receivable for core activities

The Bernard Sunley Charitable Foundation	-	-	-	-	5,000	5,000
Valentine Charitable Trust	-	-	-	-	10,000	10,000
Other	5,060	112	5,172	258	23,834	24,092
	<u>5,060</u>	<u>112</u>	<u>5,172</u>	<u>258</u>	<u>38,834</u>	<u>39,092</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

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

### 4 Charitable activities

	Cherry Tree Nursery 2021 £	Chestnut Nursery 2021 £	Total 2021 £	Cherry Tree Nursery 2020 £	Chestnut Nursery 2020 £	Total 2020 £
Sales within charitable activities	284,661	150,413	435,074	357,603	208,207	565,810
Services provided under contract	3,333	14,130	17,463	4,000	14,092	18,092
Sales of services by beneficiaries	1,069	-	1,069	2,630	-	2,630
Performance related grants	-	-	-	245	93,130	93,375
Other income	12,241	683	12,924	15,713	2,365	18,078
	<u>301,304</u>	<u>165,226</u>	<u>466,530</u>	<u>380,191</u>	<u>317,794</u>	<u>697,985</u>
Analysis by fund						
Unrestricted funds - general	290,145	164,543	454,688	367,750	224,664	592,414
Unrestricted funds - Designated	-	-	-	1,232	-	1,232
Restricted funds	11,159	683	11,842	11,209	93,130	104,339
	<u>301,304</u>	<u>165,226</u>	<u>466,530</u>	<u>380,191</u>	<u>317,794</u>	<u>697,985</u>

### 5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	<u>3,039</u>	<u>4,079</u>

### 6 Other income

	Unrestricted funds general 2021 £	Total 2020 £
Net gain on disposal of tangible fixed assets	<u>3,042</u>	<u>-</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

---

### 7 Raising funds

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	376	-
Other fundraising costs	-	14,349
	<hr/>	<hr/>
Fundraising and publicity	376	14,349
	<hr/>	<hr/>
	<u>376</u>	<u>14,349</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

### 8 Charitable activities

	Cherry Tree Nursery 2021 £	Chestnut Nursery 2021 £	Total 2021 £	Cherry Tree Nursery 2020 £	Chestnut Nursery 2020 £	Total 2020 £
Staff costs	173,957	127,061	301,018	198,375	131,661	330,036
Depreciation and impairment	42,688	38,167	80,855	42,888	30,554	73,442
Nursery cost of sales	92,775	62,686	155,461	140,040	85,184	225,224
Promotional expenses	1,836	350	2,186	5,050	353	5,403
Open day expenses	5	-	5	263	-	263
Nursery maintenance	7,085	1,872	8,957	7,680	3,064	10,744
Protective clothing	318	46	364	813	112	925
Rent	-	1,936	1,936	-	1,873	1,873
Water rates	9,574	1,271	10,845	8,086	1,562	9,648
Volunteer's welfare	1,994	144	2,138	3,077	542	3,619
Volunteer's advice	7,911	-	7,911	9,791	-	9,791
Outings and social events	1,150	487	1,637	1,958	130	2,088
Travel and subsistence	1,279	572	1,851	8,381	2,985	11,366
Volunteer training	6,862	-	6,862	8,932	-	8,932
	<u>347,434</u>	<u>234,592</u>	<u>582,026</u>	<u>435,334</u>	<u>258,020</u>	<u>693,354</u>
Share of support costs (see note 9)	34,806	16,729	51,535	39,652	15,293	54,945
Share of governance costs (see note 9)	(976)	(488)	(1,464)	3,898	1,949	5,847
	<u>381,264</u>	<u>250,833</u>	<u>632,097</u>	<u>478,884</u>	<u>275,262</u>	<u>754,146</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	320,444	211,592	532,036	409,404	240,125	649,529
Unrestricted funds - Designated	285	9,557	9,842	797	7,985	8,782
Restricted funds	60,535	29,684	90,219	68,683	27,152	95,835
	<u>381,264</u>	<u>250,833</u>	<u>632,097</u>	<u>478,884</u>	<u>275,262</u>	<u>754,146</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

### 9 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Accountancy fees	900	-	900	900	2:1 CT:CN
Light, heat and cleaning	20,520	-	20,520	17,667	Actual cost
Motor expenses	5,651	-	5,651	5,184	Actual cost
Telephone and fax	1,898	-	1,898	2,740	Actual cost
Printing, postage & stationery	7,026	-	7,026	7,075	Actual cost
Bank charges	5,564	-	5,564	7,356	Actual cost
Insurance	9,904	-	9,904	10,521	Actual cost
Sundry	73	-	73	3,502	Actual cost
Audit fees	-	(1,464)	(1,464)	5,062	Governance
Legal and professional	-	-	-	785	Governance
	<u>51,536</u>	<u>(1,464)</u>	<u>50,072</u>	<u>60,792</u>	
Analysed between					
Charitable activities	<u>51,535</u>	<u>(1,464)</u>	<u>50,071</u>	<u>60,792</u>	

CT = Cherry Tree Nursery, CN = Chestnut Nursery

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JANUARY 2021

#### 11 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total number of posts	17	18

##### Employment costs

	2021 £	2020 £
Wages and salaries	274,360	296,655
Social security costs	19,130	25,912
Other pension costs	7,528	7,469
	<u>301,018</u>	<u>330,036</u>

Payments in respect of Key Management Personnel (including salary, employers National Insurance and employers pension contributions totals £62,645 (2020: £67,863 in aggregate)).

There were no employees whose annual remuneration was £60,000 or more.

#### 12 Tangible fixed assets

	Land and buildings £	Office equipment and furniture £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 February 2020	1,628,953	83,961	33,229	1,746,143
Additions	-	1,238	-	1,238
Disposals	-	-	(12,055)	(12,055)
At 31 January 2021	<u>1,628,953</u>	<u>85,199</u>	<u>21,174</u>	<u>1,735,326</u>
<b>Depreciation and impairment</b>				
At 1 February 2020	484,483	43,015	32,256	559,754
Depreciation charged in the year	69,600	10,281	973	80,854
Eliminated in respect of disposals	-	-	(12,055)	(12,055)
At 31 January 2021	<u>554,083</u>	<u>53,296</u>	<u>21,174</u>	<u>628,553</u>
<b>Carrying amount</b>				
At 31 January 2021	<u>1,074,870</u>	<u>31,903</u>	<u>-</u>	<u>1,106,773</u>
At 31 January 2020	<u>1,144,470</u>	<u>40,945</u>	<u>973</u>	<u>1,186,388</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

---

<b>13</b>	<b>Stocks</b>		<b>2021</b>	<b>2020</b>
			£	£
	Finished goods and goods for resale		76,401	94,316
			<u>76,401</u>	<u>94,316</u>
<b>14</b>	<b>Debtors</b>		<b>2021</b>	<b>2020</b>
	<b>Amounts falling due within one year:</b>		£	£
	Trade debtors		7,056	3,638
	Other debtors		18,477	11,446
	Prepayments and accrued income		10,841	7,944
			<u>36,374</u>	<u>23,028</u>
<b>15</b>	<b>Creditors: amounts falling due within one year</b>		<b>2021</b>	<b>2020</b>
		<b>Notes</b>	£	£
	Other taxation and social security		7,981	5,781
	Deferred income	<b>16</b>	5,725	3,367
	Trade creditors		13,752	24,275
	Other creditors		50	50
	Accruals		32,624	38,682
			<u>60,132</u>	<u>72,155</u>
<b>16</b>	<b>Deferred income</b>		<b>2021</b>	<b>2020</b>
			£	£
	Other deferred income		5,725	3,367
			<u>5,725</u>	<u>3,367</u>

### 17 Retirement benefit schemes

#### Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charity has established a workplace pension scheme with NEST. Employees are invited to join and contributions are paid in accordance with rules governing workplace pensions schemes.

**SHELTERED WORK OPPORTUNITIES PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2021**

**18 Restricted funds**

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

	Balance at 1 February 2019		Movement in funds			Movement in funds			Balance at 31 January 2021		
	£	£	Incoming resources	Resources expended	Transfers	Balance at 1 February 2020	Incoming resources	Resources expended	Transfers	£	£
Cherry Tree Nursery: Capital Fund	505,987	-	-	(42,192)	2,525	466,320	-	(42,403)	1,238	425,155	
Buildings and equipment funds	50,835	1,302	1,302	(2,910)	(2,525)	46,702	1,083	(4,477)	(1,238)	42,070	
Nursery activities	1,400	-	-	(950)	-	450	-	(467)	-	(17)	
Volunteer activities	14,028	9,957	9,957	(16,281)	2,284	9,988	10,076	(9,362)	-	10,702	
CAB Advisor	-	9,564	9,564	(5,738)	-	3,826	112	(3,825)	-	113	
Chestnut Nursery: Capital Fund	378,647	-	-	(22,570)	137,703	493,780	-	(28,610)	-	465,170	
Buildings and equipment funds	28,919	122,400	122,400	(4,835)	(137,703)	8,781	-	(513)	-	8,268	
Volunteer activities	359	-	-	(359)	-	-	683	(562)	-	121	
	980,175	143,223	143,223	(95,835)	2,284	1,029,847	11,954	(90,219)	-	951,582	

Capital funds represents the Net Book Value of fixed assets already purchased from restricted grants and donations and does not reflect unspent funding.

**SHELTERED WORK OPPORTUNITIES PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2021**

**19 Designated funds**

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

	Movement in funds						
	Balance at 1 February 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 February 2020 £	Resources expended £	Balance at 31 January 2021 £
Cherry Tree Nursery: Capital	3,357	-	(697)	-	2,660	(284)	2,376
Volunteer activities	1,152	1,232	(100)	(2,284)	-	-	-
Chestnut Nursery: Capital	79,418	-	(7,985)	152,883	224,316	(9,558)	214,758
Central charity funds: Buildings fund	116,689	-	-	(116,689)	-	-	-
	<u>200,616</u>	<u>1,232</u>	<u>(8,782)</u>	<u>33,910</u>	<u>226,976</u>	<u>(9,842)</u>	<u>217,134</u>

**20 Analysis of net assets between funds**

	General Funds		Restricted Funds		Total		General Funds		Designated Funds		Restricted Funds		Total	
	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Fund balances at 31 January 2021 are represented by:														
Tangible assets	-	217,134	889,639	1,106,773	-	-	-	-	226,976	-	959,412	1,186,388	-	-
Current assets/(liabilities)	315,443	-	61,943	377,386	263,289	-	263,289	-	-	70,436	333,725	-	-	-
	<u>315,443</u>	<u>217,134</u>	<u>951,582</u>	<u>1,484,159</u>	<u>263,289</u>	<u>226,976</u>	<u>1,029,848</u>	<u>1,520,113</u>	<u>226,976</u>	<u>1,029,848</u>	<u>1,520,113</u>	<u>1,520,113</u>	<u>1,520,113</u>	<u>1,520,113</u>

# SHELTERED WORK OPPORTUNITIES PROJECT

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

---

### 21 Related party transactions

#### Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

	Purchase of goods	
	2021 £	2020 £
Trustee business interests	2,011	20,023
	<u>2,011</u>	<u>20,023</u>

No guarantees have been given or received.

### 22 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(35,954)	39,261
Adjustments for:		
Investment income recognised in statement of financial activities	(3,039)	(4,079)
Gain on disposal of tangible fixed assets	(3,042)	-
Depreciation and impairment of tangible fixed assets	80,855	73,442
Movements in working capital:		
Decrease/(increase) in stocks	17,915	(41,811)
(Increase)/decrease in debtors	(13,346)	76,311
(Decrease)/increase in creditors	(14,381)	18,518
Increase in deferred income	2,358	2,721
<b>Cash generated from operations</b>	<u>31,366</u>	<u>164,363</u>

