

Charity registration number 900325

Company registration number 2449757 (England and Wales)

**SHELTERED WORK OPPORTUNITIES PROJECT
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

SHELTERED WORK OPPORTUNITIES PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	James Robinson (Chair) Sheila Carson June Perryman Vic Williams Catherine Hosier Keilah Towers (Treasurer) Maria Seabright
Senior Management Team	Tish Borrowman - Project Manager Cherry Tree Nursery Andrew Verreck - Project Manager Chestnut Nursery
Patrons	Bill Bailey Mrs A Pitt-Rivers Katie Cox Norman Aish
Secretary	Susan Cheeseman
Registered numbers	Charity number 900325 Company number 2449757
Principal address	Cherry Tree Nursery Off New Road Roundabout Northbourne Bournemouth Dorset BH10 7DA
Registered office	Cherry Tree Nursery Off New Road Roundabout Northbourne Bournemouth Dorset BH10 7DA
Auditors	Warner Wilde Limited 4 Marigold Drive Bisley Surrey United Kingdom GU24 9SF
Bankers	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

	Page
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 2022

The trustees present their annual report and financial statements for the year ended 31 January 2022.

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 relating to horticulture and use of land to those suffering mental illness, providing a place of relief and rehabilitation, education and development.

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. 88 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 2022

Achievements and performance

The ongoing 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, 112 Volunteers with mental health problems have attended and been supported by Cherry Tree Nursery and 53 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. The more recent relaxation of the guidelines has allowed us to relax our requirement for "bubbles" and the extra interaction between Volunteers that this has allowed and restoration of sense of community has been much welcomed.

As predicted, the demand for our services has increased partly due to the Covid-19 pandemic but also due to the increased demand for NHS mental health services and the associated delays in accessing said treatments and services. We have always been aware that we plug a gap in NHS services and we are often the only option for those who are not in NHS treatments. As a result, we are seeing new applicants who are very unwell, not as far into their recovery journey as we would have seen before and, as a result, need a huge amount of support, compassion and understanding from us all.

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 further difficult year and created innovative solutions to the many problems. They have accepted different and flexible working conditions and we were able to take advantage of the Government Job Retention Scheme payments in periods of lower activity at the start of the year.

Our Volunteers generally gain substantially in skills and confidence while they are with us. 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 was 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.

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 are pleased to have been able to start to welcome groups back to visit in 2022.

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 tailor-made 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.

SHELTERED WORK OPPORTUNITIES PROJECT

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JANUARY 2022

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. The promotion of plant sales in recent years has allowed the charity to become more self sufficient and less dependent on grant and donation funding for its regular activities but this, in turn, means that sustainability is more affected by fluctuations in demand in the horticultural retail sector. Free reserves stood at over £380,000 at the balance sheet date which represent a little over 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, Stephen Bailey, Bournemouth Free Church, Bournemouth North Rotary, Mike Clifford, Ferndown Golf Club, Jamie Hoff, The Holdenhurst Charity, Kinson Masonic Chapter, JP Morgan, Ocado Foundation, Julia Osborn, Liz Pitkin, Henry Ruff, Tesco Kinson.

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 2022

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)
Sheila Carson
June Perryman
Vic Williams
Catherine Hosier
Keilah Towers (Treasurer)
Maria Seabright

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 Work Opportunities Project's (SWOP) two nursery managers report to the Board of Trustees. During lockdown periods the Trustee meetings were held via Zoom and were more frequent in order to make the best decisions for the Volunteers and the charity as the situation developed. The power to make day-to-day decisions is vested in the two managers and they hold meeting with Volunteers at least monthly to ensure Volunteers are involved in appropriate decision making.

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"

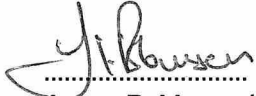
Related and affiliated organisations

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

SHELTERED WORK OPPORTUNITIES PROJECT

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022

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



James Robinson (Chair)

Trustee

Dated: 14/1/2022

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 2022.

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: 14 July 2022

SHELTERED WORK OPPORTUNITIES PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds Designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>						
Donations and legacies	3	39,470	-	6,458	45,928	123,908
<u>Charitable activities</u>						
Cherry Tree Nursery	4	373,863	-	12,580	386,443	301,304
Chestnut Nursery	4	289,478	-	-	289,478	165,226
Investments	5	1,697	-	-	1,697	3,039
Other income	6	833	-	-	833	3,042
Total income		705,341	-	19,038	724,379	596,519
<u>Expenditure on:</u>						
Raising funds	7	843	-	-	843	376
<u>Charitable activities</u>						
Cherry Tree Nursery	8	378,394	74	55,834	434,302	381,264
Chestnut Nursery	8	258,668	9,433	27,702	295,803	250,833
Total charitable expenditure		637,062	9,507	83,536	730,105	632,097
Total expenditure		637,905	9,507	83,536	730,948	632,473
Net income/(expenditure) for the year/ Net movement in funds		67,436	(9,507)	(64,498)	(6,569)	(35,954)
Net income/(expenditure) for the year/ Net movement in funds		67,436	(9,507)	(64,498)	(6,569)	(35,954)
Fund balances at 1 February 2021		315,443	217,134	951,582	1,484,159	1,520,113
Fund balances at 31 January 2022		382,879	207,627	887,084	1,477,590	1,484,159

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 2022

Prior financial year

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

SHELTERED WORK OPPORTUNITIES PROJECT

BALANCE SHEET

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		1,041,165		1,106,773
Current assets					
Stocks	13	103,138		76,401	
Debtors	14	18,060		36,374	
Cash at bank and in hand		373,403		324,743	
		<u>494,601</u>		<u>437,518</u>	
Creditors: amounts falling due within one year	15	<u>(58,176)</u>		<u>(60,132)</u>	
Net current assets			436,425		377,386
Total assets less current liabilities			<u>1,477,590</u>		<u>1,484,159</u>
Income funds					
Restricted funds	18		887,084		951,582
<u>Unrestricted funds</u>					
Designated funds	20	207,627		217,134	
General unrestricted funds		<u>382,879</u>		<u>315,443</u>	
			590,506		532,577
			<u>1,477,590</u>		<u>1,484,159</u>

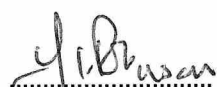
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 14/07/2022



James Robinson (Chair)
Trustee

Company registration number 2449757

SHELTERED WORK OPPORTUNITIES PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	22		60,301		31,366
Investing activities					
Purchase of tangible fixed assets		(14,171)		(1,238)	
Proceeds on disposal of tangible fixed assets		833		3,040	
Investment income received		1,697		3,039	
Net cash (used in)/generated from investing activities			(11,641)		4,841
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			48,660		36,207
Cash and cash equivalents at beginning of year			324,743		288,536
Cash and cash equivalents at end of year			<u>373,403</u>		<u>324,743</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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.

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.

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

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 the statement of financial activities.

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.

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.

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

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 2022

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 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	35,467	6,408	41,875	108,002	-	108,002
Legacies receivable	3	-	3	10,734	-	10,734
Grants receivable	4,000	50	4,050	5,060	112	5,172
	<u>39,470</u>	<u>6,458</u>	<u>45,928</u>	<u>123,796</u>	<u>112</u>	<u>123,908</u>
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	4,000	-	4,000
The Holdenhurst Charity	1,500	-	1,500	2,000	-	2,000
Smaller donations including gift aid	29,967	3,408	33,375	43,002	-	43,002
Charities Aid Foundation	-	-	-	4,000	-	4,000
JP Morgan	-	3,000	3,000	-	-	-
	<u>35,467</u>	<u>6,408</u>	<u>41,875</u>	<u>108,002</u>	<u>-</u>	<u>108,002</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

3 Donations and legacies (Continued)

Grants receivable for core activities

Other	4,000	50	4,050	5,060	112	5,172
	<u>4,000</u>	<u>50</u>	<u>4,050</u>	<u>5,060</u>	<u>112</u>	<u>5,172</u>
	<u><u>4,000</u></u>	<u><u>50</u></u>	<u><u>4,050</u></u>	<u><u>5,060</u></u>	<u><u>112</u></u>	<u><u>5,172</u></u>

4 Charitable activities

	Cherry Tree Nursery 2022 £	Chestnut Nursery 2022 £	Total 2022 £	Cherry Tree Nursery 2021 £	Chestnut Nursery 2021 £	Total 2021 £
Sales within charitable activities	368,260	274,158	642,418	284,661	150,413	435,074
Services provided under contract	4,000	14,140	18,140	3,333	14,130	17,463
Sales of services by beneficiaries	1,233	1,030	2,263	1,069	-	1,069
Other income	12,950	150	13,100	12,241	683	12,924
	<u>386,443</u>	<u>289,478</u>	<u>675,921</u>	<u>301,304</u>	<u>165,226</u>	<u>466,530</u>
	<u><u>386,443</u></u>	<u><u>289,478</u></u>	<u><u>675,921</u></u>	<u><u>301,304</u></u>	<u><u>165,226</u></u>	<u><u>466,530</u></u>
Analysis by fund						
Unrestricted funds - general	373,863	289,478	663,341	290,145	164,543	454,688
Restricted funds	12,580	-	12,580	11,159	683	11,842
	<u>386,443</u>	<u>289,478</u>	<u>675,921</u>	<u>301,304</u>	<u>165,226</u>	<u>466,530</u>
	<u><u>386,443</u></u>	<u><u>289,478</u></u>	<u><u>675,921</u></u>	<u><u>301,304</u></u>	<u><u>165,226</u></u>	<u><u>466,530</u></u>

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	1,697	3,039
	<u>1,697</u>	<u>3,039</u>
	<u><u>1,697</u></u>	<u><u>3,039</u></u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

6 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Net gain on disposal of tangible fixed assets	833	3,042

7 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	843	376
	<u>843</u>	<u>376</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

8 Charitable activities

	Cherry Tree Nursery 2022 £	Chestnut Nursery 2022 £	Total 2022 £	Cherry Tree Nursery 2021 £	Chestnut Nursery 2021 £	Total 2021 £
Staff costs	190,270	125,959	316,229	173,957	127,061	301,018
Depreciation and impairment	42,825	36,954	79,779	42,688	38,167	80,855
Nursery cost of sales	126,963	105,476	232,439	92,775	62,686	155,461
Promotional expenses	2,666	79	2,745	1,836	350	2,186
Open day expenses	-	-	-	5	-	5
Nursery maintenance	11,240	5,811	17,051	13,436	8,737	22,173
Protective clothing	165	233	398	318	46	364
Rent	-	1,889	1,889	-	1,936	1,936
Water rates	6,354	1,477	7,831	9,574	1,271	10,845
Volunteer's welfare	2,064	1,017	3,081	1,994	144	2,138
Volunteer's advice	10,009	25	10,034	7,911	-	7,911
Outings and social events	2,006	224	2,230	1,150	487	1,637
Travel and subsistence	2,764	1,051	3,815	1,279	572	1,851
Volunteer training	5,831	-	5,831	6,862	-	6,862
	<u>403,157</u>	<u>280,195</u>	<u>683,352</u>	<u>353,785</u>	<u>241,457</u>	<u>595,242</u>
Share of support costs (see note 9)	29,881	14,977	44,858	28,455	9,864	38,319
Share of governance costs (see note 9)	1,264	631	1,895	(976)	(488)	(1,464)
	<u>434,302</u>	<u>295,803</u>	<u>730,105</u>	<u>381,264</u>	<u>250,833</u>	<u>632,097</u>
Analysis by fund						
Unrestricted funds - general	378,394	258,668	637,062	320,444	211,592	532,036
Unrestricted funds - Designated	74	9,433	9,507	285	9,557	9,842
Restricted funds	55,834	27,702	83,536	60,535	29,684	90,219
	<u>434,302</u>	<u>295,803</u>	<u>730,105</u>	<u>381,264</u>	<u>250,833</u>	<u>632,097</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

9 Support costs	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Accountancy fees	1,908	-	1,908	900	2:1 CT:CN
Light, heat and cleaning	7,570	-	7,570	7,304	Actual cost
Motor expenses	6,196	-	6,196	5,651	Actual cost
Telephone and fax	2,263	-	2,263	1,898	Actual cost
Printing, postage & stationery	8,310	-	8,310	7,026	Actual cost
Bank charges	7,337	-	7,337	5,564	Actual cost
Insurance	10,929	-	10,929	9,904	Actual cost
Sundry	346	-	346	72	Actual cost
Independent Examination fees	-	1,895	1,895	(1,464)	Governance
	<u>44,859</u>	<u>1,895</u>	<u>46,754</u>	<u>36,855</u>	
Analysed between Charitable activities	<u>44,858</u>	<u>1,895</u>	<u>46,753</u>	<u>36,855</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 2022

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Total number of posts	17	17

Employment costs

	2022	2021
	£	£
Wages and salaries	288,363	274,360
Social security costs	20,392	19,130
Other pension costs	7,474	7,528
	<u>316,229</u>	<u>301,018</u>

Payments in respect of Key Management Personnel (including salary, employers National Insurance and employers pension contributions totals £69,394 (2021: £62,645 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
	£	£	£	£
Cost				
At 1 February 2021	1,628,953	85,199	21,174	1,735,326
Additions	-	14,171	-	14,171
Disposals	-	(678)	-	(678)
At 31 January 2022	<u>1,628,953</u>	<u>98,692</u>	<u>21,174</u>	<u>1,748,819</u>
Depreciation and impairment				
At 1 February 2021	554,084	53,296	21,174	628,554
Depreciation charged in the year	69,600	10,167	-	79,767
Eliminated in respect of disposals	-	(667)	-	(667)
At 31 January 2022	<u>623,684</u>	<u>62,796</u>	<u>21,174</u>	<u>707,654</u>
Carrying amount				
At 31 January 2022	<u>1,005,269</u>	<u>35,896</u>	<u>-</u>	<u>1,041,165</u>
At 31 January 2021	<u>1,074,870</u>	<u>31,903</u>	<u>-</u>	<u>1,106,773</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

13 Stocks

	2022 £	2021 £
Finished goods and goods for resale	103,138	76,401

14 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	6,257	7,056
Other debtors	2,948	18,477
Prepayments and accrued income	8,855	10,841
	<u>18,060</u>	<u>36,374</u>

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		8,499	7,981
Deferred income	16	9,439	5,725
Trade creditors		28,574	13,752
Other creditors		50	50
Accruals		11,614	32,624
		<u>58,176</u>	<u>60,132</u>

16 Deferred income

	2022 £	2021 £
Other deferred income	9,439	5,725

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	9,439	5,725

Movements in the year:

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

16 Deferred income	(Continued)	
Deferred income at 1 February 2021	5,725	3,367
Released from previous periods	(5,725)	(3,367)
Resources deferred in the year	9,439	5,725
	<u> </u>	<u> </u>
Deferred income at 31 January 2022	9,439	5,725
	<u> </u>	<u> </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 2022

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 2020		Movement in funds			Balance at 1 February 2021			Movement in funds			Balance at 31 January 2022	
	£	£	Incoming resources	Resources expended	Transfers	£	£	£	Incoming resources	Resources expended	Transfers	£	£
Cherry Tree Nursery: Capital Fund	466,320	-	-	(42,403)	1,238	425,155	-	(42,751)	-	13,357	-	395,761	
Buildings and equipment funds	46,702	1,083	1,083	(4,477)	(1,238)	42,070	5,232	(2,769)	5,232	(13,357)	-	31,176	
Nursery activities	450	-	-	(467)	-	(17)	-	-	-	-	-	(17)	
Volunteer activities	9,988	10,076	10,076	(9,362)	-	10,702	13,756	(9,645)	13,756	(9,645)	-	14,813	
CAB Adviser	3,826	112	112	(3,825)	-	113	25	(138)	25	(138)	-	-	
Chestnut Nursery: Capital Fund	493,780	-	-	(28,610)	-	465,170	-	(27,521)	-	814	814	438,463	
Buildings and equipment funds	8,781	-	-	(513)	-	8,268	-	(687)	-	(814)	-	6,767	
Volunteer activities	-	683	683	(562)	-	121	-	-	-	-	-	121	
CAB Adviser	-	-	-	-	-	-	25	(25)	25	(25)	-	-	
	1,029,847	11,954	11,954	(90,219)	-	951,582	19,038	(83,536)	19,038	(83,536)	-	887,084	

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 2022

19 Analysis of net assets between funds

Fund balances at 31 January 2022 are represented by:

	General Funds 2022	Designated Funds 2022	Restricted Funds 2022	Total 2022	General Funds 2021	Designated Funds 2021	Restricted Funds 2021	Total 2021
Tangible assets	-	207,627	833,538	1,041,165	-	217,134	889,639	1,106,773
Current assets/(liabilities)	382,879	-	53,546	436,425	315,443	-	61,943	377,386
	<u>382,879</u>	<u>207,627</u>	<u>887,084</u>	<u>1,477,590</u>	<u>315,443</u>	<u>217,134</u>	<u>951,582</u>	<u>1,484,159</u>

20 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:

	Balance at 1 February 2020	Resources expended	Balance at 1 February 2021	Resources expended	Balance at 31 January 2022
Cherry Tree Nursery: Capital	2,660	(284)	2,376	(74)	2,302
Chestnut Nursery: Capital	224,316	(9,558)	214,758	(9,433)	205,325
	<u>226,976</u>	<u>(9,842)</u>	<u>217,134</u>	<u>(9,507)</u>	<u>207,627</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

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	
	2022	2021
	£	£
Trustee business interests	-	2,011
	<u> </u>	<u> </u>

No guarantees have been given or received.

22 Cash generated from operations

	2022	2021
	£	£
Deficit for the year	(6,569)	(35,954)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,697)	(3,039)
Gain on disposal of tangible fixed assets	(833)	(3,042)
Depreciation and impairment of tangible fixed assets	79,779	80,855
Movements in working capital:		
(Increase)/decrease in stocks	(26,737)	17,915
Decrease/(increase) in debtors	18,314	(13,346)
(Decrease) in creditors	(5,670)	(14,381)
Increase in deferred income	3,714	2,358
Cash generated from operations	<u>60,301</u>	<u>31,366</u>

23 Analysis of changes in net funds

The charitable company had no debt during the year.