

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 2023

SHELTERED WORK OPPORTUNITIES PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees James Robinson (Chair)
June Perryman
Vic Williams
Catherine Hosier
Keilah Towers (Treasurer)
Deborah Jarmey (Appointed 1 February 2023)
Caroline Darby Jenkins (Appointed 1 February 2023)

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
Monmouthshire Building Society
United Trust Bank

SHELTERED WORK OPPORTUNITIES PROJECT

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SHELTERED WORK OPPORTUNITIES PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2023

The trustees present their annual report and financial statements for the year ended 31 January 2023.

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 the land to those suffering mental illness, providing a place for relief and rehabilitation, education and development.

With the support of the Lloyds Foundation Enhance Programme, the Trustees and Senior Management Team have worked together during the year to formalise and record the charity's Vision, Mission and Values which are set out below.

Vision

A community where mental health does not define us.

Mission

We promote therapeutic horticulture as a basis to provide realistic work experience in a non pressured environment, allowing those struggling with their mental health the opportunity to flourish.

Values

- Welcoming – our community is always pleased to see its members
- Listening – we make time to listen to each other's problems, stories and successes; peer support is invaluable and is encouraged and facilitated
- Compassionate and non-judgemental – we respect everyone and see the person behind the diagnosis
- Practical – we provide and share skills and advice that can be used in everyday life
- Diversity and inclusivity – everyone is treated equally and fairly, irrespective of their age, disability, ethnicity, religion, gender and sexual orientation
- Empowerment – all are encouraged and supported to fulfil their potential

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.

SHELTERED WORK OPPORTUNITIES PROJECT

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

FOR THE YEAR ENDED 31 JANUARY 2023

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. 79 Friends contributed in this way during the year and the charity could not so successfully provide all the services it does without them.

Achievements and performance

During the course of the year, 125 Volunteers with mental health problems have attended and been supported by Cherry Tree Nursery and 59 have attended and been supported by Chestnut Nursery. We and our Volunteers were glad that we were able to provide places for each Volunteer for up to two full days again after the restrictions on attendance required by pandemic precautions.

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 again risen to the challenges thrown at them this 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 hold many classes, events, trips and workshops throughout the year to broaden the life experiences offered to our Volunteers including peer-led cookery and crafting sessions, days out to Kew Gardens and Bournemouth Beach Hut and, with the support of The Landmark Trust, a small group of our Volunteers were able to have a few days' holiday in a castle.

The RHS Level One course in Practical Horticulture which we are delivering to some Volunteers on a rolling programme, as a satellite of Kingston Maurward College in Dorchester, has progressed during the year with all students successfully completing their courses. This initiative allows volunteers the opportunity to obtain this prestigious qualification in situ at Cherry Tree Nursery. We anticipate that these qualifications will lead to improved work prospects in the open job market or further study. Either way, the successful students 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 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 suits many, some expansion and development of the retail area there is a project that we look forward to progressing soon.

We are grateful for the huge local public support we receive and strive always to increase awareness of our work. We have created a new role of Community Liaison Officer in the year and are delighted with the outreach and profile raising achieved through this. 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.

SHELTERED WORK OPPORTUNITIES PROJECT

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

FOR THE YEAR ENDED 31 JANUARY 2023

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 £385,000 at the balance sheet date which represents 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.

Fundraising activities have included events such as Great Garden Parties at both nurseries and in supporters' gardens, the Great Duck Race in Bournemouth Gardens, a Charity Golf Day hosted by Gordon Barker Sales and Lettings, the Santa Paws Dog Walk as well as a Quiz Night, Antiques Valuation Day and Photography Workshop. We also hosted bucket collections, plant sales and presentations and we were chosen as charity of the year by the Ferndown Business Network and Leading Edge Networking

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, Aaron Barker, Blue Pebble Monday, Bournemouth Free Church, Bournemouth North Rotary, Mike Clifford, Eastcliff Rotary, Ferndown Business Network, The Holdenhurst Charity, Arthur and Doreen King, The Leading Edge Business Network, Keith Mullett and Peter Stockwell-Jones.

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 2023

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	(Resigned 14 July 2022)
June Perryman	
Vic Williams	
Catherine Hosier	
Keilah Towers (Treasurer)	
Maria Seabright	(Resigned 21 September 2022)
Deborah Jarmey	(Appointed 1 February 2023)
Caroline Darby Jenkins	(Appointed 1 February 2023)

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. 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.

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.
- Our Mission and Vision
- Resourcing and the current financial position as set out in the latest published accounts.
- Our Strategic Objectives.
- The Charity Commission's guide "The Essential Trustee"

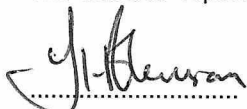
SHELTERED WORK OPPORTUNITIES PROJECT

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2023

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)

Trustee

Dated: 6/7/2023

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 2023.

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: 10 July 2023

SHELTERED WORK OPPORTUNITIES PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

Current financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds Designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>						
Donations and legacies	3	44,518	-	21,389	65,907	45,928
<u>Charitable activities</u>						
Cherry Tree Nursery	4	423,116	-	-	423,116	386,443
Chestnut Nursery	4	262,959	-	-	262,959	289,478
Investments	5	3,002	-	-	3,002	1,697
Other income	6	-	-	-	-	833
Total income		733,595	-	21,389	754,984	724,379
<u>Expenditure on:</u>						
Raising funds	7	1,911	-	-	1,911	843
<u>Charitable activities</u>						
Cherry Tree Nursery	8	441,102	71	62,662	503,835	434,302
Chestnut Nursery	8	288,111	9,422	28,346	325,879	295,803
Total charitable expenditure		729,213	9,493	91,008	829,714	730,105
Total expenditure		731,124	9,493	91,008	831,625	730,948
Net income/(expenditure) for the year/ Net movement in funds		2,471	(9,493)	(69,619)	(76,641)	(6,569)
Net income/(expenditure) for the year/ Net movement in funds		2,471	(9,493)	(69,619)	(76,641)	(6,569)
Fund balances at 1 February 2022		382,879	207,627	887,084	1,477,590	1,484,159
Fund balances at 31 January 2023		385,350	198,134	817,465	1,400,949	1,477,590

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 2023

Prior financial year

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

SHELTERED WORK OPPORTUNITIES PROJECT

BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	12		974,602		1,041,165
Current assets					
Stocks	13	138,015		103,138	
Debtors	14	27,637		18,060	
Cash at bank and in hand		314,956		373,403	
		<u>480,608</u>		<u>494,601</u>	
Creditors: amounts falling due within one year	15	<u>(54,261)</u>		<u>(58,176)</u>	
Net current assets			426,347		436,425
Total assets less current liabilities			<u>1,400,949</u>		<u>1,477,590</u>
Income funds					
Restricted funds	18		817,465		887,084
<u>Unrestricted funds</u>					
Designated funds	20	198,134		207,627	
General unrestricted funds		<u>385,350</u>		<u>382,879</u>	
			583,484		590,506
			<u>1,400,949</u>		<u>1,477,590</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 2023.

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 6/7/2023


James Robinson (Chair)
Trustee

Company registration number 2449757

SHELTERED WORK OPPORTUNITIES PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(45,779)		60,290
Investing activities					
Purchase of tangible fixed assets		(15,670)		(14,171)	
Proceeds on disposal of tangible fixed assets		-		844	
Investment income received		3,002		1,697	
Net cash used in investing activities			(12,668)		(11,630)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(58,447)		48,660
Cash and cash equivalents at beginning of year			373,403		324,743
Cash and cash equivalents at end of year			<u>314,956</u>		<u>373,403</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

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 2023

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 2023

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 2023

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 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	43,827	8,404	52,231	35,467	6,408	41,875
Legacies receivable	-	-	-	3	-	3
Grants receivable	-	12,985	12,985	4,000	50	4,050
Donated goods and services	691	-	691	-	-	-
	<u>44,518</u>	<u>21,389</u>	<u>65,907</u>	<u>39,470</u>	<u>6,458</u>	<u>45,928</u>
Donations and gifts						
Broadstone Golf Club	-	2,772	2,772	-	-	-
Mr and Mrs M Clifford	2,100	-	2,100	-	-	-
Bournemouth Free Church	4,000	-	4,000	4,000	-	4,000
The Holdenhurst Charity	1,500	-	1,500	1,500	-	1,500
Smaller donations including gift aid	36,227	5,632	41,859	29,967	3,408	33,375
JP Morgan	-	-	-	-	3,000	3,000
	<u>43,827</u>	<u>8,404</u>	<u>52,231</u>	<u>35,467</u>	<u>6,408</u>	<u>41,875</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

3 Donations and legacies

(Continued)

Grants receivable for core activities

ESFA Community Training Grant	-	11,885	11,885	-	-	-
Other	-	1,100	1,100	4,000	50	4,050
	<u>-</u>	<u>12,985</u>	<u>12,985</u>	<u>4,000</u>	<u>50</u>	<u>4,050</u>
	<u>-</u>	<u>12,985</u>	<u>12,985</u>	<u>4,000</u>	<u>50</u>	<u>4,050</u>

4 Charitable activities

	Cherry Tree Nursery 2023 £	Chestnut Nursery 2023 £	Total 2023 £	Cherry Tree Nursery 2022 £	Chestnut Nursery 2022 £	Total 2022 £
Sales within charitable activities	394,592	248,874	643,466	368,260	274,158	642,418
Services provided under contract	4,000	14,085	18,085	4,000	14,140	18,140
Fundraising	24,524	-	24,524	1,233	1,030	2,263
Other income	-	-	-	12,950	150	13,100
	<u>423,116</u>	<u>262,959</u>	<u>686,075</u>	<u>386,443</u>	<u>289,478</u>	<u>675,921</u>
Analysis by fund						
Unrestricted funds - general	423,116	262,959	686,075	373,863	289,478	663,341
Restricted funds	-	-	-	12,580	-	12,580
	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,580</u>	<u>-</u>	<u>12,580</u>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	3,002	1,697
	<u>3,002</u>	<u>1,697</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

6 Other income

	Total	Unrestricted funds general
	2023	2022
	£	£
Net gain on disposal of tangible fixed assets	-	833
	<u> </u>	<u> </u>

7 Raising funds

	Unrestricted funds general	Unrestricted funds general
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	1,911	843
	<u> </u>	<u> </u>
	<u>1,911</u>	<u>843</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

8 Charitable activities

	Cherry Tree Nursery 2023 £	Chestnut Nursery 2023 £	Total 2023 £	Cherry Tree Nursery 2022 £	Chestnut Nursery 2022 £	Total 2022 £
Staff costs	213,868	160,012	373,880	190,270	125,959	316,229
Depreciation and impairment	45,046	37,185	82,231	42,825	36,954	79,779
Nursery cost of sales	160,701	98,995	259,696	126,963	105,476	232,439
Promotional expenses	3,055	691	3,746	2,666	79	2,745
Open day expenses	18	-	18	-	-	-
Nursery maintenance	10,782	5,408	16,190	11,240	5,811	17,051
Protective clothing	230	54	284	165	233	398
Rent	219	1,883	2,102	-	1,889	1,889
Water rates	9,215	2,002	11,217	6,354	1,477	7,831
Volunteer's welfare	3,819	695	4,514	2,064	1,017	3,081
Volunteer's advice	10,034	-	10,034	10,009	25	10,034
Outings and social events	2,298	249	2,547	2,006	224	2,230
Travel and subsistence	3,285	1,652	4,937	2,764	1,051	3,815
Volunteer training	9,865	-	9,865	5,831	-	5,831
	<u>472,435</u>	<u>308,826</u>	<u>781,261</u>	<u>403,157</u>	<u>280,195</u>	<u>683,352</u>
Share of support costs (see note 9)	29,350	17,053	46,403	29,881	14,977	44,858
Share of governance costs (see note 9)	2,050	-	2,050	1,264	631	1,895
	<u>503,835</u>	<u>325,879</u>	<u>829,714</u>	<u>434,302</u>	<u>295,803</u>	<u>730,105</u>
Analysis by fund						
Unrestricted funds - general	441,102	288,111	729,213	378,394	258,668	637,062
Unrestricted funds - Designated	71	9,422	9,493	74	9,433	9,507
Restricted funds	62,662	28,346	91,008	55,834	27,702	83,536
	<u>503,835</u>	<u>325,879</u>	<u>829,714</u>	<u>434,302</u>	<u>295,803</u>	<u>730,105</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

9 Support costs	Support costs £	Governance costs £	2023 £	2022 £	Basis of allocation
Accountancy fees	1,172	-	1,172	1,908	2:1 CT:CN
Light, heat and cleaning	9,200	-	9,200	7,570	Actual cost
Motor expenses	3,896	-	3,896	6,196	Actual cost
Telephone and fax	2,323	-	2,323	2,263	Actual cost
Printing, postage & stationery	8,050	-	8,050	8,310	Actual cost
Bank charges	7,874	-	7,874	7,337	Actual cost
Insurance	12,429	-	12,429	10,929	Actual cost
Sundry	1,459	-	1,459	345	Actual cost
Independent Examination fees	-	2,050	2,050	1,895	Governance
	<u>46,403</u>	<u>2,050</u>	<u>48,453</u>	<u>46,753</u>	
Analysed between Charitable activities	<u>46,403</u>	<u>2,050</u>	<u>48,453</u>	<u>46,753</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 2023

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Total number of posts	18	17

Employment costs

	2023	2022
	£	£
Wages and salaries	342,666	288,363
Social security costs	23,042	20,392
Other pension costs	8,172	7,474
	<u>373,880</u>	<u>316,229</u>

Remuneration of Key Management Personnel, including employer's National Insurance and employer's pension contributions, totalled £71,716 (2022: £69,394).

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 2022	1,628,953	98,692	21,174	1,748,819
Additions	2,264	13,406	-	15,670
At 31 January 2023	<u>1,631,217</u>	<u>112,098</u>	<u>21,174</u>	<u>1,764,489</u>
Depreciation and impairment				
At 1 February 2022	623,684	62,796	21,174	707,654
Depreciation charged in the year	69,658	12,575	-	82,233
At 31 January 2023	<u>693,342</u>	<u>75,371</u>	<u>21,174</u>	<u>789,887</u>
Carrying amount				
At 31 January 2023	<u>937,875</u>	<u>36,727</u>	<u>-</u>	<u>974,602</u>
At 31 January 2022	<u>1,005,269</u>	<u>35,896</u>	<u>-</u>	<u>1,041,165</u>

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

13 Stocks		2023	2022
		£	£
Finished goods and goods for resale		138,015	103,138
		<u> </u>	<u> </u>

14 Debtors		2023	2022
		£	£
Amounts falling due within one year:			
Trade debtors		-	6,257
Other debtors		16,064	2,948
Prepayments and accrued income		11,573	8,855
		<u> </u>	<u> </u>
		27,637	18,060
		<u> </u>	<u> </u>

15 Creditors: amounts falling due within one year		2023	2022
		£	£
	Notes		
Other taxation and social security		5,915	8,499
Deferred income	16	9,229	9,439
Trade creditors		27,923	28,574
Other creditors		-	50
Accruals		11,194	11,614
		<u> </u>	<u> </u>
		54,261	58,176
		<u> </u>	<u> </u>

16 Deferred income		2023	2022
		£	£
Other deferred income		9,229	9,439
		<u> </u>	<u> </u>

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Current liabilities	9,229	9,439
	<u> </u>	<u> </u>

Movements in the year:

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

16 Deferred income	(Continued)	
Deferred income at 1 February 2022	9,439	5,725
Released from previous periods	(5,343)	(5,725)
Resources deferred in the year	5,133	9,439
	<u> </u>	<u> </u>
Deferred income at 31 January 2023	9,229	9,439
	<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 2023

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 2021		Movement in funds			Balance at 1 February 2022			Movement in funds			Balance at 31 January 2023	
	£	£	Incoming resources	Resources expended	Transfers	£	£	£	Incoming resources	Resources expended	Transfers	£	£
Cherry Tree Nursery: Capital Fund	425,155	-	-	(42,751)	13,357	395,761	-	(44,972)	-	(44,972)	12,189	362,978	
Buildings and equipment funds	42,070	5,232	5,232	(2,769)	(13,357)	31,176	3,993	(2,449)	3,993	(2,449)	(4,012)	28,708	
Nursery activities	(17)	-	-	-	-	(17)	-	-	-	-	-	(17)	
Volunteer activities	10,702	13,756	13,756	(9,645)	-	14,813	15,874	(14,144)	15,874	(14,144)	(8,177)	8,366	
CAB Advisor	113	25	25	(138)	-	-	1,100	(1,100)	1,100	(1,100)	-	-	
Chestnut Nursery: Capital Fund	465,170	-	-	(27,521)	814	438,463	-	(27,763)	-	(27,763)	3,480	414,180	
Buildings and equipment funds	8,268	-	-	(687)	(814)	6,767	210	(247)	210	(247)	(3,480)	3,250	
Volunteer activities	121	-	-	-	-	121	212	(333)	212	(333)	-	-	
CAB Adviser	-	25	25	(25)	-	-	-	-	-	-	-	-	
	951,582	19,038	19,038	(83,536)	-	887,084	21,389	(91,008)	21,389	(91,008)	-	817,465	

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 2023

19 Analysis of net assets between funds

	General Funds		Designated Funds		Restricted Funds		Total		General Funds		Designated Funds		Restricted Funds		Total	
	2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
Fund balances at 31 January 2023 are represented by:																
Tangible assets	-		198,134		776,468		974,602		-		207,627		833,538		1,041,165	
Current assets/(liabilities)	385,350		-		40,997		426,347		382,879		-		53,546		436,425	
	<u>385,350</u>		<u>198,134</u>		<u>817,465</u>		<u>1,400,949</u>		<u>382,879</u>		<u>207,627</u>		<u>887,084</u>		<u>1,477,590</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 2021		Resources expended		Balance at 1 February 2022		Resources expended		Balance at 31 January 2023	
	£	£	£	£	£	£	£	£	£	£
Cherry Tree Nursery: Capital	2,376		(74)		2,302		(72)		2,230	
Chestnut Nursery: Capital	214,758		(9,433)		205,325		(9,421)		195,904	
	<u>217,134</u>		<u>(9,507)</u>		<u>207,627</u>		<u>(9,493)</u>		<u>198,134</u>	

SHELTERED WORK OPPORTUNITIES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

22 Cash generated from operations	2023 £	2022 £
Deficit for the year	(76,641)	(6,569)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,002)	(1,697)
Gain on disposal of tangible fixed assets	-	(833)
Depreciation and impairment of tangible fixed assets	82,231	79,768
Movements in working capital:		
(Increase) in stocks	(34,877)	(26,737)
(Increase)/decrease in debtors	(9,577)	18,314
(Decrease) in creditors	(3,703)	(5,670)
(Decrease)/increase in deferred income	(210)	3,714
Cash (absorbed by)/generated from operations	(45,779)	60,290

23 Analysis of changes in net funds

The charitable company had no debt during the year.