

**Charity Registration No. 01052262**

**Company Registration No. 02959482 (England and Wales)**

**COMMUNITY SUSTAINABILITY SERVICES**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**



# COMMUNITY SUSTAINABILITY SERVICES

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mr GH Parr Mrs PV Blyth Mr T Bowen Mr D Cleghorn Mrs G Lawson
<b>Charity number</b>	01052262
<b>Company number</b>	02959482
<b>Registered office</b>	Unit 13c, Southwick Ind. Estate North Hylton Road Southwick Sunderland Tyne & Wear SR5 3TX
<b>Auditor</b>	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle Upon Tyne Tyne and Wear England NE2 1TJ
<b>Bankers</b>	Lloyds Bank PLC 54 Fawcett Street Sunderland Tyne & Wear SR1 1ST

---



# **COMMUNITY SUSTAINABILITY SERVICES**

## **CONTENTS**

---

	<b>Page</b>
Trustees' report	1 - 6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 25

---



# **COMMUNITY SUSTAINABILITY SERVICES**

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

---

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **Objectives and activities**

The principal activity of the Charity for the year 1st April 2020 to 31st March 2021 was that of providing services for vulnerable and disadvantaged people in the North East of England.

The Charity's main objectives are:

To relieve poverty in particular by supplying and renovating furniture and household goods to those in need in the North East of England.

The relief of elderly or disabled people by participating in any charitable scheme or service intended to benefit such people in need.

To protect and safeguard the environment for the public benefit particularly through the promotion of reuse and recycling as a means of waste disposal and the provision of recycling activities.

We have worked towards our objectives by:

Collecting, renovating and distributing furniture and household goods to those in need.

Providing training and volunteering opportunities, in particular for the long term unemployed and people with Learning Disabilities and Mental Health problems.

Providing garden and handyperson services for elderly or disabled people to help them to live comfortably, securely and safely in their own homes in the community.

### **Public benefit**

The Charity's activities aim to help the most vulnerable people within our community. We act to alleviate poverty, maintain people's independence within their own homes and offer support to those in long term unemployment, people with Learning Disabilities and people with Mental Health problems. All of our activities are provided whilst ensuring that the service users have a sense of dignity, and we are always aware of their emotional wellbeing.

The Charity measures its success based on the number of service users helped, the feedback forms and reports received back from service users and targets being hit, and in some cases exceeded, within the relevant services.

The Charity is a public benefit entity. The trustees have had regard to the Charity Commission's guidance on public benefit.

The main activities and who the Charity helps are described below.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.





# **COMMUNITY SUSTAINABILITY SERVICES**

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

---

### **Furniture Stores**

The Charity operates out of two premises across the city, each making a valuable contribution to the Charity's overall purpose and values.

The first is based in Southwick on the North side of the River Wear and the second is in Thorney Close, on the South side of the River Wear.

The furniture stores exist to make affordable, quality furniture available to those most in need in our community. The Charity collects donated furniture and passes it on to service users, for a small charge, ensuring that the furniture is of good quality and is re-usable.

Volunteers help within the furniture stores by offering their free time to assist with serving customers and administration work. CSS and its board of trustees are very grateful for the amount of time which is donated to the charity throughout the year.

During the reporting period, the Covid-19 pandemic had a considerable effect on the charity. Due to nationwide and local lockdowns, there were fewer visitors to the stores, and even upon re-opening people were still very wary about being out in public.

When under lockdown, the service was still made available for emergency cases for Sunderland City Council and Gentoo, as well as other registered social landlords.

### **Furniture Restoration Workshop**

The workshop at Thorney Close provides training and volunteering opportunities and supported placements for the long term unemployed, people with disabilities and people with mental health problems. Within the furniture restoration workshop service users and volunteers learn how to restore furniture and can acquire basic craft skills.

The workshop provides therapeutic learning; it allows the service users to obtain new skills through stress free training whilst they work.

The workshop was used less than usual this year due to the lockdowns, shielding and self-isolations, however with Covid-19 restrictions lifting, the plan is to hopefully bring people back to the workshop to support them especially with regards to social isolation and anxiety which has increased during the period of the pandemic, especially to those who relied on the workshop as a place to reduce their social isolation prior to Covid-19 lockdowns.

### **Handyperson and Minor Alterations Service**

After providing a Handyperson and Minor Alterations (HPMA) Service on behalf of Sunderland Care and Support during the five-year period between 2008 and 2013, a tender application was submitted, and the decision was made to award the new contract to the Charity in 2013.

The contract awarded was initially for three years running from July 2013 to June 2016. The contract was subsequently extended, and the current extension is envisaged to end in March 2021, pending any further extensions.

The HPMA service provides handyperson, gardening and minor alteration works on the homes of service users who are elderly or vulnerable within the city. The service is accessed via referral only. The HPMA contract has targets set at the start of each contractual period. CSS is proud to state that all targets set are met and exceeded.



# **COMMUNITY SUSTAINABILITY SERVICES**

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

---

### **Achievements and performance**

#### **Financial review**

Due to the lockdowns and closures imposed upon the charity relating to the Covid-19 pandemic, the charity sustained a loss during the reporting period. The trustees and management have been streamlining the services and reducing costs where possible to ensure the future sustainability of the charity.

A lot of groundwork was put into the creation of a Multi-Purpose Hub which was to be located at the Thorney Close site. The aim was to apply for funding to create this social hub, a place for neighbours and visitors to come together to meet and shape the Thorney Close hub into a social place with activities that would benefit local residents and events running to aid their local community. Due to the lockdown and uncertainty around social gatherings, the project has been put on hold until a) the charity can apply for funds within this theme and b) the rules on socialising etc have been relaxed enough so that the works that are required can be completed in the way we initially projected.

The Company has continued with its policy of maintaining reserves at a level approximating no more than six months unrestricted expenditure of the service.

The reserves held at the end of the reporting period are £84,383 in unrestricted funds.

This is in-line with the Charity's reserves policy and designated funds supplement for the financial year.

#### **Risks**

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Directors are responsible for assessing the major risks to which the Company is exposed, and for establishing systems to mitigate those risks. They have considered risks which could have a negative effect on the Company's ability to pursue its aims, both in terms of the likelihood of their occurring and the probable impact of such events. Risks identified include legal compliance, insurance, financial loss, continuity of personnel, accidents, property, IT and general governance. The Directors continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

#### **Financial Statements**

Company Law requires the Directors to prepare financial statements for each financial year, which gives a fair view of the statement of affairs of the Company and of the surplus for that year. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts 1985 to 2006.



# COMMUNITY SUSTAINABILITY SERVICES

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

---

The charity will continue to provide the Handyperson and Minor Alterations service on behalf of Sunderland Care and Support for the extended period.

The charity will submit a bid application for the new HPMa contract when the tender proposal has been released.

The trustees and CEO are continuously working on initiatives in order to secure the future sustainability of the charity post Covid-19. This will include looking at the mechanisms of how the charity currently operates, any changes that could be made to ensure the continuity of services as well as systems and new ways of working which will be beneficial for the charity and its service users.

The Charity will continue to seek funding for the core business to enable it to carry out the much-needed work that it does.

The Charity will concentrate more on creating a larger social media presence to allow it to reach a wider audience.

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

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Charity is a company Limited by Guarantee and was incorporated on the 17 August 1994. The Charity is registered as a charity under the Charities Act 1960 and was registered on 25 January 1996. The Charity is governed by its Memorandum and Articles of Association.

The Board of Trustees, whose members are Directors for the purpose of the Companies Act 2006, has overall responsibility for the direction, management and control of the Company and meets six times per year. The responsibility for the day to day operational and financial aspects of the Company has been delegated to the Chief Executive Officer.

The Trustees aim is to ensure that they apply best practice and that they comply with the Charity Commission's guidelines.

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:

Mr GH Parr  
Mrs PV Blyth  
Mr T Bowen  
Mr D Cleghorn  
Mrs G Lawson

Application to become a Trustee is by means of personal invitation from the existing Trustees, who take into account the relevant skills and experience of those invited.

New Trustees are invited to attend an induction for half a day at the charity in order to familiarise themselves with all aspects of the charity.

The induction covers the following:

- The obligations of the Trustees
- The Memorandum and Articles of Association
- The history of the charity
- The services that the charity offers
- The trading subsidiary company
- The current financial position of the company
- Future plans



# COMMUNITY SUSTAINABILITY SERVICES

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

---

Community Sustainability Services (formerly known as Sunderland Community Furniture Service) has a Board consisting of at least five Trustees. The Charity also has a Company Secretary who sits in on meetings but has no voting rights.

The Directors have overall responsibility for the direction, management and control of the Charity and meet 6 times per year while responsibility for the day to day operational and financial aspects of the Charity is delegated to the Chief Executive Officer.

The Charity also operates a wholly owned subsidiary Company, SCFS Contracts Ltd, which carries out gardening, handyperson, decorating and metal fabrication work but on a non-subsidised basis. During the coming year it is anticipated that the Company will expand further by offering new and additional services to businesses as well as continuing to offer a much-valued service to domestic customers. Any profit accruing to the Company is pledged to the Charity.

### Statement of trustees' responsibilities

The trustees, who are also the directors of Community Sustainability Services for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

The auditors, Robson Laidler, have indicated that they are willing to be re-appointed at the forthcoming Annual General Meeting.

### Disclosure of Information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.





## COMMUNITY SUSTAINABILITY SERVICES

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

---

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

*P. V. Blyth*

.....  
Mrs PV Blyth

Trustee

Dated: 19.10.21.....



# COMMUNITY SUSTAINABILITY SERVICES

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF COMMUNITY SUSTAINABILITY SERVICES

---

#### Opinion

We have audited the financial statements of Community Sustainability Services (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.



# COMMUNITY SUSTAINABILITY SERVICES

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF COMMUNITY SUSTAINABILITY SERVICES

---

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant.

The laws and regulations which are considered to be significant to the entity relate to health and safety. Discussions are held with management to determine whether any breaches have occurred as well as legal expenditure being scrutinised for any evidence of non-compliance.

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



## COMMUNITY SUSTAINABILITY SERVICES


### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF COMMUNITY SUSTAINABILITY SERVICES

---

##### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael T Moran (FCA) (Senior Statutory Auditor)**  
for and on behalf of Robson Laidler Accountants Limited

26/10/2021

**Statutory Auditor**

Fernwood House  
Fernwood Road  
Jesmond  
Newcastle Upon Tyne  
Tyne and Wear  
England  
NE2 1TJ





## COMMUNITY SUSTAINABILITY SERVICES

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	28,619	-	28,619	72,253	3,000	75,253
<b>Charitable activities</b>							
Provision of services to the disadvantaged and vulnerable	4	2,125	291,851	293,976	2,998	216,947	219,945
Other trading activities	5	18,812	-	18,812	60,683	-	60,683
Investments	6	29	-	29	563	-	563
<b>Total income</b>		<b>49,585</b>	<b>291,851</b>	<b>341,436</b>	<b>136,497</b>	<b>219,947</b>	<b>356,444</b>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
Other trading activities	7	80,642	-	80,642	141,031	-	141,031
<b>Charitable activities</b>							
Provision of services to the disadvantaged and vulnerable	8	5,458	298,062	303,520	15,112	244,031	259,143
<b>Total charitable expenditure</b>		<b>5,458</b>	<b>298,062</b>	<b>303,520</b>	<b>15,112</b>	<b>244,031</b>	<b>259,143</b>
<b>Total resources expended</b>		<b>86,100</b>	<b>298,062</b>	<b>384,162</b>	<b>156,143</b>	<b>244,031</b>	<b>400,174</b>
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(36,515)</b>	<b>(6,211)</b>	<b>(42,726)</b>	<b>(19,646)</b>	<b>(24,084)</b>	<b>(43,730)</b>
Fund balances at 1 April 2020		116,099	11,010	127,109	135,745	35,094	170,839
<b>Fund balances at 31 March 2021</b>		<b>79,584</b>	<b>4,799</b>	<b>84,383</b>	<b>116,099</b>	<b>11,010</b>	<b>127,109</b>

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



# COMMUNITY SUSTAINABILITY SERVICES

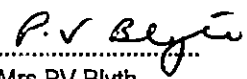
## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		7,204		12,884
Investments	13		60		60
			<u>7,264</u>		<u>12,944</u>
<b>Current assets</b>					
Stocks	14	4,172		4,599	
Debtors	15	10,541		45,888	
Cash at bank and in hand		185,067		130,104	
		<u>199,780</u>		<u>180,591</u>	
<b>Creditors: amounts falling due within one year</b>	16	(122,661)		(66,426)	
Net current assets			77,119		114,165
<b>Total assets less current liabilities</b>			<u>84,383</u>		<u>127,109</u>
<b>Income funds</b>					
Restricted funds	17		4,799		11,010
Unrestricted funds - general			79,584		116,099
			<u>84,383</u>		<u>127,109</u>

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 19/01/2021

  
.....  
Mrs PV Blyth  
Trustee

Company Registration No. 02959482



# COMMUNITY SUSTAINABILITY SERVICES

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	21		55,458		(24,344)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(524)		-	
Investment income received		29		563	
<b>Net cash (used in)/generated from investing activities</b>			(495)		563
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			54,963		(23,781)
Cash and cash equivalents at beginning of year			130,104		153,885
<b>Cash and cash equivalents at end of year</b>			<u>185,067</u>		<u>130,104</u>



# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

### 1 Accounting policies

#### Charity information

Community Sustainability Services is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 13c, Southwick Ind. Estate, North Hylton Road, Southwick, Sunderland, Tyne & Wear, SR5 3TX.

#### 1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 charity 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.

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 charity.

#### 1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.





# COMMUNITY SUSTAINABILITY SERVICES

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

### 1 Accounting policies

(Continued)

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income from charitable trading activity is accounted for when earned.

Investment income is included when receivable.

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

#### 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:

Leasehold improvements	10% straight line basis
Fixtures and fittings	15% straight line basis
Equipment	33% straight line basis
Motor vehicles	20% straight line basis

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

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity 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).



# COMMUNITY SUSTAINABILITY SERVICES

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

---

### 1 Accounting policies

(Continued)

#### 1.9 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 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.

#### 1.10 Cash and cash equivalents

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

#### 1.11 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

#### 1.12 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 1.13 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Retirement benefits

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

### 2 Critical accounting estimates and judgements

In the application of the charity'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.



# COMMUNITY SUSTAINABILITY SERVICES

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

### 3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	28,619	72,253	3,000	75,253
<b>Donations and gifts</b>				
Cash donations	1,144	6,551	-	6,551
Management charges	23,700	35,450	-	35,450
The 29th May 1961 Charitable Trust	-	-	3,000	3,000
Inman Charity Trustees Limited	-	5,000	-	5,000
COVID 19 grants	3,775	25,252	-	25,252
	28,619	72,253	3,000	75,253

### 4 Charitable activities

	Provision of services to the disadvantaged and vulnerable 2021 £	Provision of services to the disadvantaged and vulnerable 2020 £
Other income	293,976	219,945
<b>Analysis by fund</b>		
Unrestricted funds - general	2,125	2,998
Restricted funds	291,851	216,947
	293,976	219,945



# COMMUNITY SUSTAINABILITY SERVICES

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

### 5 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Other trading activity income	18,812	60,683

### 6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	29	563

### 7 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Other trading activities</u>		
Other trading activities	44,586	53,650
Staff costs	35,693	82,703
Depreciation and impairment	363	4,678
Other trading activities	80,642	141,031
	<u>80,642</u>	<u>141,031</u>





# COMMUNITY SUSTAINABILITY SERVICES

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

### 8 Charitable activities

	Provision of services to the disadvantaged and vulnerable 2021 £	Provision of services to the disadvantaged and vulnerable 2020 £
Staff costs	64,216	23,818
Motor expenses	13,234	14,324
Accountancy	1,000	1,000
Audit fees	3,245	3,045
Direct costs	51,886	58,615
	<u>133,581</u>	<u>100,802</u>
Share of support costs (see note 9)	168,857	157,701
Share of governance costs (see note 9)	1,082	640
	<u>303,520</u>	<u>259,143</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	5,458	15,112
Restricted funds	298,062	244,031
	<u>303,520</u>	<u>259,143</u>



# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	133,815	-	133,815	117,733	-	117,733
Depreciation	5,841	-	5,841	5,842	-	5,842
Rent, rates and water	14,704	-	14,704	14,835	-	14,835
Insurance	2,648	-	2,648	2,606	-	2,606
Light and heat	1,776	-	1,776	1,387	-	1,387
Telephone	5,817	-	5,817	5,894	-	5,894
Printing, postage and stationery	1,173	-	1,173	1,497	-	1,497
Sundry expenses	373	-	373	1,036	-	1,036
Motor expenses	-	-	-	2,052	-	2,052
Repairs and maintenance	1,991	-	1,991	1,909	-	1,909
Training and travel	425	-	425	2,588	-	2,588
Bank charges	294	-	294	322	-	322
Legal and professional	-	1,082	1,082	-	640	640
	<u>168,857</u>	<u>1,082</u>	<u>169,939</u>	<u>157,701</u>	<u>640</u>	<u>158,341</u>
Analysed between						
Charitable activities	<u>168,857</u>	<u>1,082</u>	<u>169,939</u>	<u>157,701</u>	<u>640</u>	<u>158,341</u>

### 10 Trustees

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



## COMMUNITY SUSTAINABILITY SERVICES

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

#### 11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Managerial	1	1
Administration	2	2
Other staff	6	7
Total	9	10

Employment costs	2021 £	2020 £
Wages and salaries	218,702	208,437
Social security costs	12,663	13,316
Other pension costs	2,359	2,501
	233,724	224,254

Key management personnel received remuneration of £40,668 (2020 : £40,679).

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



# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 12 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	27,445	20,565	17,657	55,106	120,773
Additions	-	-	524	-	524
At 31 March 2021	27,445	20,565	18,181	55,106	121,297
<b>Depreciation and impairment</b>					
At 1 April 2020	27,440	19,861	17,481	43,107	107,889
Depreciation charged in the year	-	189	322	5,693	6,204
At 31 March 2021	27,440	20,050	17,803	48,800	114,093
<b>Carrying amount</b>					
At 31 March 2021	5	515	378	6,306	7,204
At 31 March 2020	5	704	176	11,999	12,884

### 13 Fixed asset investments

	Unlisted investments
	£
<b>Cost or valuation</b>	
At 1 April 2020 & 31 March 2021	60
<b>Carrying amount</b>	
At 31 March 2021	60
At 31 March 2020	60

The investment relates to the purchase of 100% of the issued share capital of SCFS (Contracts) Limited for £60. SCFS (Contracts) Limited is a company registered in England and Wales (Company number 04300961), its principal activity being that of general building work, maintenance and recycling.

#### Aggregate capital and reserves

	2021	2020
	£	£
SCFS (Contracts) Limited	22,227	21,153

#### Profit and (loss) for the year

	2021	2020
	£	£
SCFS (Contracts) Limited	1,074	1,035

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information for the company as an individual entity.





## COMMUNITY SUSTAINABILITY SERVICES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

---

**14 Stocks**

	2021 £	2020 £
Finished goods and goods for resale	4,172	4,599

**15 Debtors**

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	177	-
Other debtors	21	5,105
Prepayments and accrued income	10,343	40,783
	10,541	45,888

**16 Creditors: amounts falling due within one year**

	2021 £	2020 £
Other taxation and social security	13,881	3,600
Trade creditors	11,586	16,617
Amounts owed to fellow group undertakings	16,573	16,639
Other creditors	670	957
Accruals and deferred income	79,951	28,613
	122,661	66,426



# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 17 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:

	Movement in funds			Movement in funds			
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
The Sobell Foundation	3,190	-	(1,595)	1,595	-	(1,595)	-
Handy Person and Minor Alteration	18,610	215,949	(234,190)	369	291,851	(292,220)	-
Vehicle Fund	12,997	-	(4,099)	8,898	-	(4,099)	4,799
ESF Community Grant	297	(1)	(148)	148	-	(148)	-
Gentoo	-	1,000	(1,000)	-	-	-	-
Tutor Fund	-	3,000	(3,000)	-	-	-	-
	<u>35,094</u>	<u>219,948</u>	<u>(244,032)</u>	<u>11,010</u>	<u>291,851</u>	<u>(298,062)</u>	<u>4,799</u>

In a prior period the Sobell Foundation provided a grant of £10,000 towards the capital cost of a new van and associated costs. The balance at the year end of £nil (2020: £1,595) is in respect of the net book value of the van in the accounts at 31 March 2021.

The Handyperson and Minor Alterations (HPMA) funds relate to a three year service contract to provide handyperson and minor alterations services to the disadvantaged and vulnerable within Sunderland. The contract has specific targets that are to be met.

The contractual amount relates to salaries of the handypersons, administration staff, management charges, materials for providing the service and a contribution towards the overheads.

The Vehicle Fund relates to monies received from the funders below to purchase new vehicles for use within the charity. The balance at the year end relates to the net book value of the vans purchased.

- The ACT Foundations balance at 31 March 2021 £949 (£5,000 funding received in earlier years)
- The Albert Hunt Foundation balance at 31 March 2021 £949 (£5,000 funding received in earlier years)
- Sir John Priestman Charity Trust balance at 31 March 2021 £2,901 (£8,000 received in earlier years)

The Tutors fund relates to monies received of £3,000 from The 29th May 1961 Charitable Trust towards the salary of a tutor at Thorney Close.

The ESF Community Grant was for the provision of pre foundation training courses for the disadvantaged and vulnerable. The balance of £nil (2020: £149) relates to the net book value of a computer purchased.



# COMMUNITY SUSTAINABILITY SERVICES

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

### 18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	2,405	4,799	7,204	2,242	10,642	12,884
Investments	60	-	60	60	-	60
Current assets/ (liabilities)	77,119	-	77,119	113,797	368	114,165
	<u>79,584</u>	<u>4,799</u>	<u>84,383</u>	<u>116,099</u>	<u>11,010</u>	<u>127,109</u>

### 19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	<u>-</u>	<u>9,042</u>

### 20 Related party transactions

During the year Community Sustainability Services received from SCFS (Contracts) Limited amounts relating to management charges of £23,700 (2020: £35,450) and were charged direct costs of £40,511 (2020: £46,140) from SCFS (Contracts) Limited. At 31 March 2021 Community Sustainability Services owed SCFS (Contracts) Limited the sum of £16,573 (2020: £16,639).

Mr G H Parr, a director of SCFS (Contracts) Limited is also a trustee/director within Community Sustainability Services.

SCFS (Contracts) Limited is a wholly owned subsidiary of Community Sustainability Services.



## COMMUNITY SUSTAINABILITY SERVICES

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

---

21	Cash generated from operations	2021 £	2020 £
	Deficit for the year	(42,726)	(43,730)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(29)	(563)
	Depreciation and impairment of tangible fixed assets	6,204	10,520
	Movements in working capital:		
	Decrease in stocks	427	296
	Decrease/(increase) in debtors	35,347	(7,623)
	Increase in creditors	56,235	16,756
	<b>Cash generated from/(absorbed by) operations</b>	<u>55,458</u>	<u>(24,344)</u>
22	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		

