

Charity registration number 01052262

Company registration number 02959482 (England and Wales)

**COMMUNITY SUSTAINABILITY SERVICES**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# COMMUNITY SUSTAINABILITY SERVICES

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs PV Blyth Mr T Bowen Mr D Cleghorn Mrs G Lawson Ms J Brown	(Appointed 21 June 2022)
<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	

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# COMMUNITY SUSTAINABILITY SERVICES

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# COMMUNITY SUSTAINABILITY SERVICES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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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 2022. 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).

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 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).

#### **Objectives and activities**

The principal activity of the Charity for the year 1st April 2021 to 31st March 2022 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.



# **COMMUNITY SUSTAINABILITY SERVICES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2022**

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### **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 aftermath of the Covid-19 pandemic had a considerable effect on the charity. Upon re-opening of the stores we found that people were still very wary about being out in public.

CSS has been trying to develop its awareness to those in most need within our community to let people know that we are here and can help them.

### **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 has seen a return of participants, although it has been a slow return. The workshop was used less than usual this year due to the aftermath of the pandemic with people still either shielding or self-isolating. With the restrictions being fully lifted we have seen some of our former participants return to the workshop where we can support them, especially with regards to social isolation and anxiety which had increased during the period of the pandemic.

### **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 contract ended in September 2021.

A new contract was published in 2021 and CSS applied via the council's rigorous procurement service. We were very proud to be awarded the new contract and the start date was October 2021. This is a five-year contract which will help provide some stability and sustainability to the charity meaning CSS can build for the future.

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 2022

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### ***Governance and Internal Control***

The Directors have overall responsibility for the direction, management and control of the Charity and meet generally every 2 to 3 months. Responsibility for the day to day operational and financial aspects of the Charity is delegated to the Chief Executive Officer.

### ***Related Parties***

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.

# COMMUNITY SUSTAINABILITY SERVICES

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

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### Achievements and performance

#### Financial review

The charity sustained a loss during the reporting period. This was expected as the economic stability of CSS and other groups within the third sector has seen a hit, mainly due to lockdowns and the slow return back to normality. 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 was put on hold until a) the charity could apply for funds within this theme and b) the rules on socialising etc had been relaxed enough so that the works that are required can be completed in the way we initially projected. The hub is still very much something CSS would like to pursue and further tweaks to the idea are being made. Funding will be sought to help with the opening of this new project.

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

The free reserves held at the end of the reporting period are £37,631 in unrestricted funds.

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

#### Risks

The Trustees have 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/trustees are responsible for assessing the major risks to which the Charity 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 2022

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

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.

CSS will be updating their website to help increase the market awareness of the charity. This should hopefully bring in more donations of furniture, advertise the services on offer to people who are harder to reach, as well as increasing awareness of SCFS Contracts and its services. The website will then be used alongside social media and advertising budgets will be switched from paper print to internet advertising.

### **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 typically every 2 to 3 months. 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 (Resigned 21 December 2021)

Mrs PV Blyth

Mr T Bowen

Mr D Cleghorn

Mrs G Lawson

Ms J Brown (Appointed 21 June 2022)

# COMMUNITY SUSTAINABILITY SERVICES

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

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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 (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 every 2 to 3 months 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

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## **COMMUNITY SUSTAINABILITY SERVICES**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE YEAR ENDED 31 MARCH 2022***

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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 2022***

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

**Mrs PV Blyth**

Trustee

Dated: 22 November 2022

# COMMUNITY SUSTAINABILITY SERVICES

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF COMMUNITY SUSTAINABILITY SERVICES

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#### Opinion

We have audited the financial statements of Community Sustainability Services (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and 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 Financial Reporting Standard 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 2022 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 for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, 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

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#### **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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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**

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#### **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 BA FCA (Senior Statutory Auditor)**  
**for and on behalf of Robson Laidler Accountants Limited**

28 November 2022

#### **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 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
	Notes					
<b>Income from:</b>						
Donations and legacies	3	31,918	-	31,918	28,619	28,619
<u>Charitable activities</u>						
Provision of services to the disadvantaged and vulnerable	4	1,990	303,106	305,096	2,125	293,976
Other trading activities	5	35,966	-	35,966	18,812	18,812
Investments	6	14	-	14	29	29
<b>Total income</b>		<u>69,888</u>	<u>303,106</u>	<u>372,994</u>	<u>49,585</u>	<u>341,436</u>
<b>Expenditure on:</b>						
<u>Raising funds</u>						
Other trading activities	7	80,380	-	80,380	80,642	80,642
<u>Charitable activities</u>						
Provision of services to the disadvantaged and vulnerable	8	28,651	307,204	335,855	5,458	303,520
<b>Total charitable expenditure</b>		<u>28,651</u>	<u>307,204</u>	<u>335,855</u>	<u>5,458</u>	<u>303,520</u>
<b>Total expenditure</b>		<u>109,031</u>	<u>307,204</u>	<u>416,235</u>	<u>86,100</u>	<u>384,162</u>
<b>Net expenditure for the year/ Net movement in funds</b>		(39,143)	(4,098)	(43,241)	(36,515)	(42,726)
Fund balances at 1 April 2021		<u>79,584</u>	<u>4,799</u>	<u>84,383</u>	<u>116,099</u>	<u>127,109</u>
<b>Fund balances at 31 March 2022</b>		<u>40,441</u>	<u>701</u>	<u>41,142</u>	<u>4,799</u>	<u>84,383</u>

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 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,750		7,204
Investments	13		60		60
			<u>2,810</u>		<u>7,264</u>
<b>Current assets</b>					
Stocks	15	4,172		4,172	
Debtors	16	49,148		10,541	
Cash at bank and in hand		153,558		185,067	
		<u>206,878</u>		<u>199,780</u>	
<b>Creditors: amounts falling due within one year</b>	17	(168,546)		(122,661)	
Net current assets			<u>38,332</u>		<u>77,119</u>
<b>Total assets less current liabilities</b>			<u>41,142</u>		<u>84,383</u>
<b>Income funds</b>					
Restricted funds	18		701		4,799
Unrestricted funds - general			40,441		79,584
			<u>41,142</u>		<u>84,383</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 22 November 2022

Mrs PV Blyth  
Trustee

Company Registration No. 02959482

# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 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, 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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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. 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 2022

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### 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 accounting 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 the statement of financial activities.

#### 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 2022

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### 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 2022

### 3 Donations and legacies

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Donations and gifts	31,918	28,619
<b>Donations and gifts</b>		
Cash donations	317	1,144
Management charges	30,600	23,700
COVID 19 grants	-	3,775
Other	1,001	-
	<u>31,918</u>	<u>28,619</u>

### 4 Charitable activities

	<b>Provision of services to the disadvantaged and vulnerable 2022 £</b>	<b>Provision of services to the disadvantaged and vulnerable 2021 £</b>
Other income	305,096	293,976
Analysis by fund		
Unrestricted funds - general	1,990	2,125
Restricted funds	303,106	291,851
	<u>305,096</u>	<u>293,976</u>

### 5 Other trading activities

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Other trading activity income	35,966	18,812



# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 6 Investments

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Interest receivable	14	29

### 7 Raising funds

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Other trading activities		
Other trading activities	46,138	44,586
Staff costs	33,890	35,693
Depreciation and impairment	352	363
	<u>80,380</u>	<u>80,642</u>
Other trading activities	80,380	80,642
	<u>80,380</u>	<u>80,642</u>

# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 8 Charitable activities

	Provision of services to the disadvantaged and vulnerable 2022 £	Provision of services to the disadvantaged and vulnerable 2021 £
Staff costs	74,140	64,216
Motor expenses	16,126	13,234
Accountancy	1,000	1,000
Audit fees	3,505	3,245
Direct costs	58,632	51,886
	<u>153,403</u>	<u>133,581</u>
Share of support costs (see note 9)	182,439	168,857
Share of governance costs (see note 9)	13	1,082
	<u>335,855</u>	<u>303,520</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	28,651	5,458
Restricted funds	307,204	298,062
	<u>335,855</u>	<u>303,520</u>

# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 9 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	128,431	-	128,431	133,815	133,815
Depreciation	4,099	-	4,099	5,841	5,841
Rent, rates and water	15,000	-	15,000	14,704	14,704
Insurance	9,996	-	9,996	2,648	2,648
Light and heat	9,985	-	9,985	1,776	1,776
Telephone	4,488	-	4,488	5,817	5,817
Printing, postage and stationery	2,678	-	2,678	1,173	1,173
Sundry expenses	4,189	-	4,189	373	373
Repairs and maintenance	561	-	561	1,991	1,991
Training and travel	2,085	-	2,085	425	425
Bank charges	927	-	927	294	294
Legal and professional	-	13	13	-	1,082
	<u>182,439</u>	<u>13</u>	<u>182,452</u>	<u>168,857</u>	<u>169,939</u>
Analysed between Charitable activities	<u>182,439</u>	<u>13</u>	<u>182,452</u>	<u>168,857</u>	<u>169,939</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 2022

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### 11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Managerial	1	1
Administration	2	2
Other staff	6	6
	<hr/>	<hr/>
Total	9	9
	<hr/>	<hr/>

Employment costs	2022 £	2021 £
Wages and salaries	219,731	218,702
Social security costs	14,011	12,663
Other pension costs	2,719	2,359
	<hr/>	<hr/>
	236,461	233,724
	<hr/>	<hr/>

Key management personnel received remuneration of £40,699 (2021: £40,668).

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 2022

### 12 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2021	27,445	20,565	18,181	55,106	121,297
At 31 March 2022	27,445	20,565	18,181	55,106	121,297
<b>Depreciation and impairment</b>					
At 1 April 2021	27,440	20,053	17,803	48,800	114,096
Depreciation charged in the year	-	177	175	4,099	4,451
At 31 March 2022	27,440	20,230	17,978	52,899	118,547
<b>Carrying amount</b>					
At 31 March 2022	5	335	203	2,207	2,750
At 31 March 2021	5	515	378	6,306	7,204

### 13 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2021 & 31 March 2022	60
<b>Carrying amount</b>	
At 31 March 2022	60
At 31 March 2021	60

The investment relates to the purchase of 100% of the issued share capital of SCFS (Contracts) Limited.

# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 14 Subsidiaries

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
SCFC (Contracts) Limited	England and Wales	General building work, maintenance and recycling	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
SCFC (Contracts) Limited	570	22,797

### 15 Stocks

	2022 £	2021 £
Finished goods and goods for resale	4,172	4,172

### 16 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	36,706	177
Other debtors	2,770	21
Prepayments and accrued income	9,672	10,343
	49,148	10,541

### 17 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	20,358	13,881
Trade creditors	15,276	11,586
Amounts owed to fellow group undertakings	20,412	16,573
Other creditors	521	670
Accruals and deferred income	111,979	79,951
	168,546	122,661

# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 18 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£	£	£	£
The Sobell Foundation	1,595	-	(1,595)	-	-	-	-
Handy Person and Minor Alteration	369	291,851	(292,220)	-	303,106	(303,106)	-
Vehicle Fund	8,898	-	(4,099)	4,799	-	(4,098)	701
ESF Community Grant	148	-	(148)	-	-	-	-
	<u>11,010</u>	<u>291,851</u>	<u>(298,062)</u>	<u>4,799</u>	<u>303,106</u>	<u>(307,204)</u>	<u>701</u>

#### The Handyperson and Minor Alterations (HPMA) fund

This fund relates 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

This fund relates to monies received from funders 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.

#### 19 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	2,049	701	2,750	2,405	4,799	7,204
Investments	60	-	60	60	-	60
Current assets/(liabilities)	38,332	-	38,332	77,119	-	77,119
	<u>40,441</u>	<u>701</u>	<u>41,142</u>	<u>79,584</u>	<u>4,799</u>	<u>84,383</u>

# COMMUNITY SUSTAINABILITY SERVICES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 20 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:

	2022 £	2021 £
Within one year	26,220	-
Between two and five years	68,172	-
	<u>94,392</u>	<u>-</u>

#### 21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).