

Charity registration number 1052262

Company registration number 02959482 (England and Wales)

COMMUNITY SUSTAINABILITY SERVICES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

COMMUNITY SUSTAINABILITY SERVICES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs P Blyth
Mr D Cleghorn
Mrs G Lawson

Charity number

1052262

Company number

02959482

Registered office

Unit 13c, Southwick Ind. Estate
North Hylton Road
Southwick
Sunderland
Tyne & Wear
SR5 3TX

Auditor

Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
England
NE2 1TJ

Bankers

Lloyds Bank PLC
54 Fawcett Street
Sunderland
Tyne & Wear
SR1 1ST

COMMUNITY SUSTAINABILITY SERVICES

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COMMUNITY SUSTAINABILITY SERVICES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

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 2024.

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 Memorandum and Articles, 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 2023 to 31st March 2024 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.

How the Charity's activities deliver 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 2024**

Achievements and performance

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.

CSS has been trying to increase its awareness to those in most need within our community, to let people know that we are here and can help them. A website has been created and this will hopefully attract more people to the services that we have to offer. This includes awareness for SCFS Contracts Ltd, the trading subsidiary of CSS. Any surplus funds from SCFS Contracts are passed to the charity to help with its running costs.

Furniture Restoration Workshop

The workshop, based in Thorney Close, provided 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 could 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.

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 works we complete within this service enable customers to remain in their own homes and consequently maintain their independence. 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 2024

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, while responsibility for the day to day operational and financial aspects of the Charity is delegated to the Chief Executive Officer.

Related Parties

The Charity 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.

Financial review

After a couple of challenging years with reported losses, the charity this year is pleased to report a small surplus in funds. The majority of the surplus is restricted for particular activities, however the unrestricted funds has seen a surplus.

The charity would like to thank The TSG Foundation for their donation of £10,000 which was contributed to help improve the computer systems at CSS, and to help bring working systems up to date.

Reserves policy

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 £86,525 of which £48,648 are held in unrestricted funds and £37,877 in restricted funds. 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 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 2024

Plans for the Future

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

CSS has started working with Gentoo by providing beds to children of their tenants, free of charge. This helps towards reducing child poverty, as we firmly believe that no child should go without a bed. This project is open to all Gentoo tenants and we hope to expand it to other landlords and housing associations where there is a need.

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 moving forward with plans to improve our marketing by using Search Engine Optimisation to increase awareness and source new customers for all services.

The Charity will focus on "Northern Inspired Furniture", a project of CSS. The plan is to increase sales online of non-essential items, which in turn will bring income in to ensure that the prices of essential items are kept at a low and affordable price for those most in need.

The Thorney Close site's logistics will be analysed and a business case put together to see if it is beneficial for the charity and its beneficiaries to close the site and bring everything in to one location. Due to better transport and travel options now, as well as online sales, it is no longer as imperative as it once was to have presence in the north and south of the city.

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:

Mrs P Blyth

Mr D Cleghorn

Mrs G Lawson

COMMUNITY SUSTAINABILITY SERVICES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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 three Trustees.

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.

COMMUNITY SUSTAINABILITY SERVICES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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.

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

P. V. Blyth

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Mrs P Blyth

Trustee

Dated: 3.12.24

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 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure, 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

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 auditor's 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

9 December 2024
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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 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	78,294	-	78,294	51,315	-	51,315
<u>Charitable activities</u>							
Provision of services to the disadvantaged and vulnerable	4	-	446,867	446,867	-	365,926	365,926
Other trading activities	5	33,551	-	33,551	40,678	-	40,678
Investments	6	1,946	-	1,946	323	-	323
Total income		<u>113,791</u>	<u>446,867</u>	<u>560,658</u>	<u>92,316</u>	<u>365,926</u>	<u>458,242</u>
Expenditure on:							
<u>Raising funds</u>							
Trading costs	7	<u>100,054</u>	<u>-</u>	<u>100,054</u>	<u>89,161</u>	<u>-</u>	<u>89,161</u>
<u>Charitable activities</u>							
Provision of services to the disadvantaged and vulnerable	8	<u>3,789</u>	<u>408,990</u>	<u>412,779</u>	<u>4,896</u>	<u>366,627</u>	<u>371,523</u>
Total expenditure		<u>103,843</u>	<u>408,990</u>	<u>512,833</u>	<u>94,057</u>	<u>366,627</u>	<u>460,684</u>
Net income/(expenditure) and movement in funds		9,948	37,877	47,825	(1,741)	(701)	(2,442)
Reconciliation of funds:							
Fund balances at 1 April 2023		<u>38,700</u>	<u>-</u>	<u>38,700</u>	<u>40,441</u>	<u>701</u>	<u>41,142</u>
Fund balances at 31 March 2024		<u>48,648</u>	<u>37,877</u>	<u>86,525</u>	<u>38,700</u>	<u>-</u>	<u>38,700</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

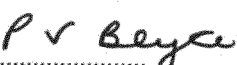
BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14		80		198
Investments	15		60		60
			<u>140</u>		<u>258</u>
Current assets					
Stocks	16	4,604		4,172	
Debtors	17	129,306		11,985	
Cash at bank and in hand		147,631		175,028	
		<u>281,541</u>		<u>191,185</u>	
Creditors: amounts falling due within one year	19	(195,156)		(152,743)	
Net current assets			<u>86,385</u>		<u>38,442</u>
Total assets less current liabilities			<u>86,525</u>		<u>38,700</u>
Income funds					
Restricted funds	23		37,877		-
Unrestricted funds - general			48,648		38,700
			<u>86,525</u>		<u>38,700</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 3.12.2024.



 Mrs P Blyth
 Trustee

Company Registration No. 02959482

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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 or grantors 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 2024

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 2024

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 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	78,294	51,315
Donations and gifts		
Cash donations	1,094	814
Management charges	75,700	43,500
Inman Charity Trustees Limited	-	5,000
Other	1,500	2,001
	78,294	51,315

4 Income from charitable activities

	Restricted funds 2024 £	Restricted funds 2023 £
Provision of services to the disadvantaged and vulnerable		
Other income	446,867	365,926

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	33,551	40,678

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	1,946	323

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other trading activities		
Other trading activities	40,646	43,535
Staff costs	59,290	45,274
Depreciation and impairment	118	352
	<u>100,054</u>	<u>89,161</u>

8 Expenditure on charitable activities

	Provision of services to the disadvantaged and vulnerable 2024 £	Provision of services to the disadvantaged and vulnerable 2023 £
Direct costs		
Staff costs	108,699	139,835
Motor expenses	23,957	23,991
Accountancy	1,060	1,000
Audit fees	4,266	3,795
Direct costs	<u>122,372</u>	<u>80,588</u>
	260,354	249,209
Share of support and governance costs (see note 9)		
Support	152,412	122,213
Governance	13	101
	<u>412,779</u>	<u>371,523</u>
Analysis by fund		
Unrestricted funds	3,789	4,896
Restricted funds	<u>408,990</u>	<u>366,627</u>
	<u>412,779</u>	<u>371,523</u>

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Support costs allocated to activities

	2024 £	2023 £
Staff costs	98,824	70,540
Depreciation	-	2,200
Rent, rates and water	14,631	13,069
Insurance	10,736	10,139
Light and heat	12,595	13,849
Telephone	4,827	4,442
Printing, postage and stationary	1,894	1,441
Sundry expenses	4,291	4,436
Bad debt	177	-
Repairs and maintenance	3,637	620
Training and travel	659	698
Bank charges	141	779
Governance costs	13	101

	<u>152,425</u>	<u>122,314</u>
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Analysed between:

Provision of services to the disadvantaged and vulnerable	<u>152,425</u>	<u>122,314</u>
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10 Net movement in funds

	2024 £	2023 £
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The net movement in funds is stated after charging/(crediting):

Depreciation of owned tangible fixed assets	<u>118</u>	<u>2,552</u>
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11 Trustees

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

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Managerial	2	2
Administration	3	3
Other staff	5	4
Total	<u>10</u>	<u>9</u>

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Employees

(Continued)

Employment costs	2024 £	2023 £
Wages and salaries	244,654	235,878
Social security costs	17,760	16,323
Other pension costs	4,399	3,448
	<u>266,813</u>	<u>255,649</u>

Key management personnel received remuneration of £40,614 (2023: £40,816).

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

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2023	27,445	20,565	18,181	55,106	121,297
At 31 March 2024	27,445	20,565	18,181	55,106	121,297
Depreciation and impairment					
At 1 April 2023	27,440	20,406	18,154	55,099	121,099
Depreciation charged in the year	-	118	-	-	118
At 31 March 2024	27,440	20,524	18,154	55,099	121,217
Carrying amount					
At 31 March 2024	<u>5</u>	<u>41</u>	<u>27</u>	<u>7</u>	<u>80</u>
At 31 March 2023	<u>5</u>	<u>159</u>	<u>27</u>	<u>7</u>	<u>198</u>

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2023 & 31 March 2024	60
Carrying amount	
At 31 March 2024	60
At 31 March 2023	60

16 Stocks

	2024 £	2023 £
Finished goods and goods for resale	4,604	4,172

17 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	116,875	583
Prepayments and accrued income	12,431	11,402
	129,306	11,985

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Subsidiaries

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
SCFS (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 £
SCFS (Contracts) Limited	886	24,756

19 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	31,429	24,312
Trade creditors	23,539	21,474
Amounts owed to fellow group undertakings	12,034	10,905
Other creditors	1,103	384
Accruals and deferred income	127,051	95,668
	<u>195,156</u>	<u>152,743</u>

20 Retirement benefit schemes

Defined contribution schemes	2024 £	2023 £
Charge to profit or loss in respect of defined contribution schemes	<u>4,399</u>	<u>3,448</u>

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

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	38,700	113,791	(103,843)	48,648
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	40,441	92,316	(94,057)	38,700

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	80	-	80
Investments	60	-	60
Current assets/(liabilities)	48,508	37,877	86,385
	48,648	37,877	86,525
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	198	-	198
Investments	60	-	60
Current assets/(liabilities)	38,442	-	38,442
	38,700	-	38,700

COMMUNITY SUSTAINABILITY SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Handy Person and Minor Alteration	-	446,867	(408,990)	37,877
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Handy Person and Minor Alteration	-	365,926	(365,926)	-
Vehicle Fund	701	-	(701)	-
	701	365,926	366,627	-

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.

24 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:

	2024 £	2023 £
Within one year	31,464	31,464
Between two and five years	5,244	31,464
	36,708	62,928

25 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).