

Charity Registration No. 1096822

Company Registration No. 04025597 (England and Wales)

**CHERRYTREE SUPPORT SERVICES LIMITED**  
**UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# **CHERRYTREE SUPPORT SERVICES LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Directors</b>	Steve Walker (Chair); Jon Duan John Fuller Janice Hoole Bill Hui Liz Murray; Jon Smith Peter Stubbs; Lynne Urpeth
<b>Secretary</b>	Jon Smith
<b>Charity number</b>	1096822
<b>Company number</b>	04825697
<b>Principal address</b>	Mickley Lane Totley Sheffield S17 4HE
<b>Registered office</b>	Mickley Lane Totley Sheffield S17 4HE
<b>Independent Examiner</b>	Sutton McGrath Hartley 5 Westbrook Court Sharrow Vale Road Sheffield S11 8YZ
<b>Bankers</b>	Royal Bank of Scotland PLC 5 Church Street Sheffield S1 1HE

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# **CHERRYTREE SUPPORT SERVICES LIMITED**

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# CHERRYTREE SUPPORT SERVICES LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2021

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The directors present their report and accounts for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the company's Memorandum and Articles of Association, 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 2015)".

#### Objectives and activities

The company's objectives are to:

- provide a safe place for homeless single young people to live;
- provide support and life skills training;
- help young people re-establish their lives and move either into their own accommodation or back to their family home.

The company meets its objectives by offering accommodation, support and in-house counselling. Accommodation comprises a twenty-bed hostel on Mickley Lane in the Sheffield suburb of Totley and an eight-room house on Granville Road, near the city centre. The directors recognise their responsibilities by ensuring that the company continues to provide a service of public benefit and to this end, refer to Charity Commission guidelines.

#### Achievements and performance

During the year, occupancy rates were 80% for Mickley Lane (2019-20 – 90%) and 95% for Granville Road (2019-20 – 93%). These were remarkably high rates under the difficult circumstances created by COVID-19, which began to affect the country just before the start of the financial year. In particular, a safe zone of four rooms at Mickley Lane was created in June 2020 to accommodate residents who had tested positive, which reduced capacity at the site by 14% when empty. The company achieved a 96% rate of moving young people into their own accommodation in a positive manner or reuniting them with their families (2019-20 – 79%).

The company hosted the Personal Transitions Service (PTS) in partnership with the Mayday Trust until the service was discontinued on 31 December 2020. This service provided counselling and mentoring to young people prior to their assignment to accommodation, and a separate and independent source of support thereafter.

#### Financial review

The increase of £1,028 in fund balances resulted in restricted funds of £1,243 and unrestricted funds of £174,705 at the year end. Within unrestricted funds, £115,408 has been set aside as a designated fund by the directors, leaving general unrestricted funds of £59,297.

It is the policy of the company that unrestricted funds and those designated for a specific use should be maintained at a level equivalent to at least three months' running costs. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. At the balance sheet date, the level of reserves held met this criterion.

The company's main funding sources are Sheffield City Council's Supporting People Grant and rents paid by the Benefits Agency for tenants in the company's accommodation. The principal risk to the company is the loss of the contract with the Council. In order to mitigate this risk, the company ensures that the service provided to young people is a positive experience, covering their needs through a dedicated team of professionally trained staff. Staff maintained the service throughout this most difficult of years, adapting to many rapidly changing circumstances associated with COVID-19. The company continued to receive financial support from Cherrytree, which provided additional resources when necessary, and received a grant from the COVID-19 Homelessness Response Fund provided by Homeless Link to help adapt and develop services in light of the pandemic.

# CHERRYTREE SUPPORT SERVICES LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2021

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### Structure, governance and management

The company is limited by guarantee (charity registration number: 1096822 and company registration number: 04625597). It is governed by the Memorandum and Articles of Association.

Trustees and directors who served during the period were:

Steve Walker  
Jon Dunn  
John Fuller  
Janice Hoole  
Bill Hui  
Liz Murray  
Jon Smith  
Peter Stubbs  
Lynne Urpeth

None of the directors have any beneficial interest in the company.

The members of the company may by ordinary resolution appoint any individual to fill any vacancy in the directorship. All directors must retire at each Annual General Meeting but are eligible for re-election. Induction and training of new directors is undertaken by the company secretary and existing directors.

The board of directors considers and formulates the company's policies. It is also responsible for the actual management of the company, making or altering rules and regulations and authorising expenditure. The directors have delegated the day to day management of the company to the Chief Executive Officer. The directors review pay rates annually. The directors have assessed the major risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

Cherrytree (registered charity number: 232351) is the sole member of Cherrytree Support Services Limited. Cherrytree pays grants to Cherrytree Support Services Limited.

### Reference and administrative details

The principal office of Cherrytree Support Services Limited is Cherrytree, Mickley Lane, Totley, Sheffield, S17 4HE. The company number is 04625597 and the charity registration number is 1096822.

Details of the directors that served during the year and the delegation of day to day management of the company are provided under the heading 'Structure, governance and management' above.

### Future plans

In March 2020, the company developed a business continuity plan designed to maintain its services during the COVID-19 pandemic. This focussed on measures to enhance the safety of residents and staff, and deal appropriately with those showing symptoms of the virus. The company's services evolved throughout the year in line with changes in government guidance and will continue to do so into the future. Although restrictions are expected to be gradually lifted throughout 2021, it is likely to be another challenging year. Reduced occupancy due partly to the continuing safe zone at Mickley Lane will have an adverse effect on income, and staff costs will increase following a pay review to recognise excellent work under difficult circumstances and pay salaries comparable with rates at similar organisations. It is planned to recruit to a new Home & Health Worker post for a fixed term of a year, using the six months' funding ringfenced in the Homeless Link grant, with the rest contributed by the company, supported by Cherrytree as necessary.

# CHERRYTREE SUPPORT SERVICES LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2021

### Asset cover for funds

Note 17 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the company's obligations on a fund by fund basis.

### Statement of directors' responsibilities

The directors, who also act as trustees for the charitable activities of Cherrytree Support Services Limited, are responsible for preparing the directors' report and annual accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

The directors are responsible for the maintenance and integrity of the company and financial information included on its website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The directors' report was approved by the Board of Directors.



Joe Smith (Secretary and Treasurer)

Date: 31/7/21

# **CHERRYTREE SUPPORT SERVICES LIMITED**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE MEMBERS OF CHERRYTREE SUPPORT SERVICES LIMITED**

#### **FOR THE YEAR END 31 MARCH 2021**

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages five to seven.

#### **Responsibilities and basis of report**

As the charity's trustees (and also the directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.


Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 388 of the Companies Act 2006; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the 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; or
4. that there is further information needed for a proper understanding of the accounts.

#### **Independent examiner's statement**

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.



Jonathon Dickens ACA  
Sutton McGrath Hatley  
5 Westbrook Court  
Sparrow Vale Road  
Sheffield  
S11 8YZ

Date: 9/7/2021

# CHERRYTREE SUPPORT SERVICES LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2020-21 £	Total 2019-20 £
<b><u>Income and endowments from:</u></b>						
Charitable activities	3	599,188	0	101,289	700,477	708,940
Investments	4	80	0	0	80	380
Donations and other income	5	2,096	0	0	2,096	7,396
<b>Total income</b>		<b>601,363</b>	<b>0</b>	<b>101,289</b>	<b>702,652</b>	<b>716,716</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	6	599,921	0	101,703	701,624	764,480
<b>Total resources expended</b>		<b>599,921</b>	<b>0</b>	<b>101,703</b>	<b>701,624</b>	<b>764,480</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>1,442</b>	<b>0</b>	<b>(414)</b>	<b>1,028</b>	<b>(47,764)</b>
Gross transfers between funds		(13,000)	13,000	0	0	0
<b>Net income / (expenditure) for the year / net movement in funds</b>		<b>(11,558)</b>	<b>13,000</b>	<b>(414)</b>	<b>1,028</b>	<b>(47,764)</b>
Fund balances at 1 April 2020		70,855	102,408	1,657	174,920	222,684
<b>Fund balances at 31 March 2021</b>		<b>59,297</b>	<b>115,408</b>	<b>1,243</b>	<b>175,948</b>	<b>174,920</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

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



# CHERRYTREE SUPPORT SERVICES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	31 March 2021		31 March 2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,498		1,998
<b>Current assets</b>					
Debtors	13	20,886		30,928	
Cash at bank and in hand		189,397		189,768	
		210,282		220,696	
<b>Creditors: amounts falling due within one year</b>	14	(35,832)		(47,774)	
<b>Net current assets</b>			174,450		172,922
<b>Total assets less current liabilities</b>			175,948		174,920
<b>Income funds</b>					
Restricted funds	15		1,243		1,657
Unrestricted funds:					
Designated funds	16	115,408		102,408	
General unrestricted funds		59,297		70,855	
			174,705		173,263
			175,948		174,920


The accounts were approved by the Directors on 5 July 2021.

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

  
Jon Smith (Secretary and Treasurer)

Date: 8/7/21

Company registration number 04625597

**CHERRYTREE SUPPORT SERVICES LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2020-21 £	£	2019-20 £	£
<b>Cash flows from operating activities:</b>					
Cash absorbed by operations	20		(451)		(28,037)
<b>Investing activities:</b>					
Interest received			80		380
<b>Net cash generated from investing activities</b>			<u>80</u>		<u>380</u>
<b>Net decrease in cash and cash equivalents</b>			(371)		(27,657)
Cash and cash equivalents at beginning of year			189,768		217,425
<b>Cash and cash equivalents at end of year</b>			<u>189,397</u>		<u>189,768</u>

# CHERRYTREE SUPPORT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

#### Company information

Cherrytree Support Services Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Mickley Lane, Totley, Sheffield, S17 4HE.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts 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 accounts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are part of unrestricted reserves, but have been set aside by the directors for a specific purpose.

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 accounts.

#### 1.4 Incoming resources

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants are credited to revenue when receivable. They are considered receivable when the conditions for receipt of the grant are deemed, by the directors, to have been met.

Rents are credited to revenue when receivable.

Interest on funds held on deposit is included when receivable and this is normally upon notification of the interest paid or payable by the bank.

No income is shown net of expenditure.

# CHERRYTREE SUPPORT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

#### 1.5 Resources expended

All expenditure is accounted for on an accruals basis.

Costs relating directly to the objects of the company, or support costs, are treated as costs in the furtherance of the company's objects.

Governance costs include expenditure for compliance and management of the company.

#### 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.

The policy is not to capitalise items below a cost of £1,000.

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:

Motor vehicles	25% Reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/ (expenditure) for the year.

It is the policy of the company not to capitalise furniture and equipment as this is deemed to be a maintenance cost and as such, is charged to expenditure.

#### 1.7 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).

#### 1.8 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.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company'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.

**CHERRYTREE SUPPORT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/ (expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/ (expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.10 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.

# **CHERRYTREE SUPPORT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. These contributions are invested separately from the company's assets.

#### **1.12 Value Added Tax**

Value Added Tax is not recoverable by the company and as such is included in the relevant costs in the Statement of Financial Activities.

#### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to expenditure on a straight-line basis over the term of the relevant lease.

### **2 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the directors 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.

# CHERRYTREE SUPPORT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Charitable activities

	2020-21 £	2019-20 £
Supporting People grants	316,663	317,493
Residents' rents	9,742	10,164
Benefits Agency rents	260,060	289,366
Cherrytree grants	83,587	91,918
Homeless Link grant	30,425	0
	<u>700,477</u>	<u>708,940</u>
 For the year ended 31 March 2021		
Unrestricted funds - general	599,188	
Restricted funds	<u>101,289</u>	
	<u>700,477</u>	
 For the year ended 31 March 2020		
Unrestricted funds - general	617,022	
Restricted funds	<u>91,918</u>	
	<u>708,940</u>	

Supporting People grants fund the provision of housing to those who need support.

Cherrytree grants cover the cost of a project worker, a counsellor and residents' activities on an ongoing basis, and the PTS project until it was discontinued on 31 December 2020.

Homeless Link awarded a grant to support income loss and costs arising from COVID-19.

### 4 Investments

	2020-21 £	2019-20 £
Interest receivable	80	380

In the prior year, all investment income related to unrestricted funds.

**CHERRYTREE SUPPORT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**5 Donations and other income**

	2020-21	2019-20
	£	£
Donations and other income	2,095	7,396

In the prior year, all donations and other income related to unrestricted funds.

**6 Charitable activities**

	2020-21	2019-20
	£	£
Staff costs	379,382	371,371
Depreciation	500	666
Motor vehicle expenses	4,206	4,946
Repairs, renewals and maintenance	31,818	98,393
Light, heat and cleaning	90,002	90,267
Rates and insurance	8,489	10,382
Staff training	3,144	1,330
Rental of properties	44,554	48,507
Homeless Link system	4,674	4,664
PTS expenses	14,122	9,648
General expenses	0	906
Skills initiative	15,103	20,074
	595,994	661,154
Share of governance costs (see note 7)	105,630	103,326
	701,624	764,480

In the prior year £147,106 of expenditure on charitable activities related to restricted funds.

**7 Support costs**

	2020-21	2019-20	Basis of allocation
	£	£	
Staff costs	83,279	81,520	Governance
Independent examiner's fee	2,640	2,760	Governance
Postage, stationery and telephone	12,092	16,122	Governance
Computing costs	7,619	2,924	Governance
	105,630	103,326	



**CHERRYTREE SUPPORT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8: Independent examiner's remuneration**

The analysis of examiner's remuneration is as follows

<b>Fees payable to the examiners:</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Independent examination of the annual accounts:	2,640	2,640
Audit fee of the annual accounts:	0	120

**9: Directors**

None of the directors (or anyone connected with them) received any remuneration, benefits or expenses from the company during the year. Directors' indemnity insurance cover is included in the overall insurance premiums paid.

**10: Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2020-21</b>	<b>2019-20</b>
	<b>Number</b>	<b>Number</b>
Managerial	1	1
Administrative	1	1
Project work	16	16
	<u>18</u>	<u>18</u>

**Employment costs**

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Wages and salaries	425,272	418,149
Social security costs	30,831	28,250
Other pension costs	6,558	6,492
	<u>462,661</u>	<u>452,891</u>

During the year there were 6 part time staff (2019-20 - 8).

The estimate of the equivalent number of full-time staff is 15 employees (2019-20 - 13).

As in 2019-20, no employee received remuneration of £60,000 or more.

**CHERRYTREE SUPPORT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**11 Tangible fixed assets**

	Motor vehicles £
<b>Cost</b>	
At 1 April 2020	29,100
At 31 March 2021	<u>29,100</u>
<b>Depreciation and impairment</b>	
At 1 April 2020	27,102
Depreciation charged in the year	500
At 31 March 2021	<u>27,602</u>
<b>Carrying amount</b>	
At 31 March 2021	1,498
At 31 March 2020	<u>1,998</u>

**12 Financial instruments**

	2020-21 £	2019-20 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	17,619	24,362

**13 Debtors**

	2020-21 £	2019-20 £
<b>Amounts falling due within one year</b>		
Other debtors	8,530	17,702
Amounts owed by Cherrytree	1,209	6,660
Prepayments and accrued income	11,148	6,566
	<u>20,885</u>	<u>30,928</u>

**14 Creditors**

	2020-21 £	2019-20 £
<b>Amounts falling due within one year</b>		
Accruals and deferred income	35,832	47,774

Accruals includes an amount totalling £22,358 (2020 - £24,344) relating to deferred income, which is for income received in advance from Supporting People and Homeless Link.

# CHERRYTREE SUPPORT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 15 Restricted funds

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

	Movement in funds - current year			Balance at 31 March 2021
	Balance at 1 April 2020	Incoming resources	Resources expended	
	£	£	£	£
Cherrytree fund	0	83,587	(83,587)	0
Motor vehicle fund	1,657	0	(414)	1,243
Homeless Link fund	0	30,425	(30,425)	0
	<u>1,657</u>	<u>114,012</u>	<u>(114,426)</u>	<u>1,243</u>

	Movement in funds - previous year			Balance at 31 March 2020
	Balance at 1 April 2019	Incoming resources	Resources expended	
	£	£	£	£
Cherrytree fund	0	88,642	(88,642)	0
Motor vehicle fund	2,209	0	(552)	1,657
Mickley Lane refurbishment fund	54,636	3,276	(57,912)	0
	<u>56,845</u>	<u>91,918</u>	<u>(147,106)</u>	<u>1,657</u>

The Cherrytree fund provides for the cost of a project worker, a counsellor and residents' activities on an ongoing basis. The fund also covered the PTS project from 1 June 2018 to 31 December 2020.

The vehicle fund contributes to the cost of an all-purpose vehicle for the transportation of residents during their activities.

Homeless Link awarded a grant of £38,675 to support costs and income loss arising from the COVID-19 pandemic. At the balance sheet date, £8,250 was deferred to match six months' costs of a new post for which recruitment had been delayed until the next financial year.

# CHERRYTREE SUPPORT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 16 Designated funds

The income fund of the company represents the following designated fund which has been set aside out of the unrestricted fund by the trustees for specific purposes:

	Movement in funds - current year				Balance at 31 March 2021
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	
	£	£	£	£	
Major repairs fund	102,408	0	0	13,000	115,408
	102,408	0	0	13,000	115,408

	Movement in funds - previous year				Balance at 31 March 2020
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	
	£	£	£	£	
Major repairs fund	105,131	0	0	(2,723)	102,408
	105,131	0	0	(2,723)	102,408

The major repairs fund was established to recognise that major repairs to the property occur over extended periods and a fund should be set aside to meet these costs as and when required.

# CHERRYTREE SUPPORT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 17 Analysis of net assets between funds

Current year	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	255	0	1,243	1,498
Net current assets	59,042	115,408	0	174,450
	<u>59,297</u>	<u>115,408</u>	<u>1,243</u>	<u>175,948</u>
Previous year	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2020 are represented by:				
Tangible assets	341	0	1,657	1,998
Net current assets	70,514	102,408	0	172,922
	<u>70,855</u>	<u>102,408</u>	<u>1,657</u>	<u>174,920</u>

### 18 Operating lease commitments

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

	2020-21 £	2019-20 £
Within one year	22,800	0

### 19 Related party transactions

Included within debtors (note 13) is £11,209 (2020: £6,660) owed by Cherrytree. Cherrytree Support Services Limited is a company limited by guarantee and Cherrytree is the sole member. If the company is dissolved, Cherrytree promises to pay £1 towards the cost of dissolution and the liabilities incurred by the company while Cherrytree is a member.

During the year, Cherrytree Support Services Limited received grants of £83,587 (2019-20: £91,918) from Cherrytree to meet its charitable expenditure costs. The company pays Cherrytree rent for the use of Mickley Lane via Target, which in the year amounted to £18,000 (2019-20: £18,000). Miscellaneous expenditure totalling £200 (2019-20: £200) was paid by Cherrytree on behalf of Cherrytree Support Services Limited.

Consolidated accounts have not been prepared as the trustees of Cherrytree do not believe they direct the operations of this company.

**CHERRYTREE SUPPORT SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****20 Cash generated from operations**

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	1,028	(47,764)
Adjustments for:		
Investment income recognised in statement of financial activities	(80)	(380)
Depreciation and impairment of tangible fixed assets	500	666
Movements in working capital:		
(Increase)/decrease in debtors	10,043	(4,472)
Increase/(decrease) in creditors	(11,942)	23,913
<b>Cash absorbed by operations</b>	<b>(451)</b>	<b>(28,037)</b>