

Charity Registration No. 1096822

Company Registration No. 04625597 (England and Wales)

CHERRYTREE SUPPORT SERVICES LIMITED
UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

CHERRYTREE SUPPORT SERVICES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|--|
| Directors | Steve Walker (Chair) Jon Dunn John Fuller Janice Hoole Liz Murray Jon Smith Peter Stubbs Lynne Urpeth |
| Secretary | Jon Smith |
| Charity number | 1096822 |
| Company number | 04625597 |
| Principal address | Mickley Lane Totley Sheffield S17 4HE |
| Registered office | Mickley Lane Totley Sheffield S17 4HE |
| Independent Examiner | Sutton McGrath Hartley 5 Westbrook Court Sharrow Vale Road Sheffield S11 8YZ |
| Bankers | Royal Bank of Scotland PLC 5 Church Street Sheffield S1 1HE |

CHERRYTREE SUPPORT SERVICES LIMITED

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CHERRYTREE SUPPORT SERVICES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and accounts for the year ended 31 March 2022.

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 75% for Mickley Lane (2020-21 – 80%) and 93% for Granville Road (2020-21 – 95%). The relatively low rate for Mickley Lane was due primarily to the safe zone of four rooms which reduced capacity at the site by 14% when empty. This was reserved for residents testing positive for COVID-19 and was in place throughout the year. The company achieved a 91% rate of moving young people into their own accommodation in a positive manner or reuniting them with their families (2020-21 – 96%).

A new Home & Health Worker started in April 2021 for a fixed term of a year, using the six months' deferred income ringfenced in the previous year's Homeless Link grant, followed by a matching amount from Cherrytree. This role provides much needed support to young people moving from the company's accommodation to their own properties, both before and after the move.

Financial review

The decrease of £61,295 in fund balances resulted in restricted funds of £828 and unrestricted funds of £113,825 at the year end. Within unrestricted funds, £83,564 has been set aside as a designated fund by the directors, leaving general unrestricted funds of £30,261.

It has been 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. In the event of a significant drop in funding, it was felt that this policy would enable the directors to continue the company's current activities while considering ways in which additional funds may be raised. At the balance sheet date, fund balances had dropped to a level equivalent to around two months' running costs, following the company's challenging year. Now the Mickley Lane site has returned to full capacity, the directors aim to achieve something close to a breakeven position during 2022-23, which would stabilise the company during the difficult economic climate.

The company's main funding sources are Sheffield City Council's Supporting People Grant and rents paid by the Benefits Agency for residents 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. The contract was renewed with effect from 1 April 2022 for a period of five years.

The company continued to receive financial support from Cherrytree, which provided additional resources when necessary, including funding to extend the fixed term of the Home & Health Worker post from 1 October 2021.

CHERRYTREE SUPPORT SERVICES LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

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 (Chair)
Jon Dunn
John Fuller
Janice Hoole
Bill Hui (to 17 February 2022)
Liz Murray
Jon Smith
Peter Stubbs (to 16 April 2022)
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

Following the early promise shown by the new Home & Health Worker, Cherrytree agreed to extend its support by providing funding for another two years, extending the arrangement to 31 March 2024. After the challenging financial year experienced by the company, the directors are looking for a period of stability now Mickley Lane has returned to full capacity. A budget just below breakeven has been agreed for 2022-23, helped by an increase of £4,000 per year in the support provided by Cherrytree.

CHERRYTREE SUPPORT SERVICES LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

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.



Jon Smith (Secretary and Treasurer)

Date

19/7/22

CHERRYTREE SUPPORT SERVICES LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE MEMBERS OF CHERRYTREE SUPPORT SERVICES LIMITED

FOR THE YEAR END 31 MARCH 2022

I report on the accounts of the company for the year ended 31 March 2022, 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 386 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 Hartley
5 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

Date: 09/04/2022

CHERRYTREE SUPPORT SERVICES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2021-22 £ | Total 2020-21 £ |
|--|-------|---------------------------------------|--|--------------------------|-----------------------|-----------------------|
| <u>Income and endowments from:</u> | | | | | | |
| Charitable activities | 3 | 586,383 | 0 | 59,417 | 645,800 | 700,477 |
| Investments | 4 | 16 | 0 | 0 | 16 | 80 |
| Donations and other income | 5 | 2,892 | 0 | 0 | 2,892 | 2,095 |
| Total income | | 589,291 | 0 | 59,417 | 648,708 | 702,652 |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 6 | 650,171 | 0 | 59,832 | 710,003 | 701,624 |
| Total resources expended | | 650,171 | 0 | 59,832 | 710,003 | 701,624 |
| Net incoming / (outgoing) resources before transfers | | (60,880) | 0 | (415) | (61,295) | 1,028 |
| Gross transfers between funds | | 31,844 | (31,844) | 0 | 0 | 0 |
| Net income / (expenditure) for the year / net movement in funds | | (29,036) | (31,844) | (415) | (61,295) | 1,028 |
| Fund balances at 1 April 2021 | | 59,297 | 115,408 | 1,243 | 175,948 | 174,920 |
| Fund balances at 31 March 2022 | | 30,261 | 83,564 | 828 | 114,653 | 175,948 |

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

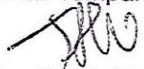
AS AT 31 MARCH 2022

| | | 31 March 2022 | | 31 March 2021 | |
|---|-------|-----------------|----------------|-----------------|----------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 11 | | 998 | | 1,498 |
| Current assets | | | | | |
| Debtors | 13 | 21,056 | | 20,885 | |
| Cash at bank and in hand | | 119,185 | | 189,397 | |
| | | <u>140,241</u> | | <u>210,282</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(26,586)</u> | | <u>(35,832)</u> | |
| Net current assets | | | 113,655 | | 174,450 |
| Total assets less current liabilities | | | <u>114,653</u> | | <u>175,948</u> |
| Income funds | | | | | |
| Restricted funds | 15 | | 828 | | 1,243 |
| Unrestricted funds: | | | | | |
| Designated funds | 16 | 83,564 | | 115,408 | |
| General unrestricted funds | | <u>30,261</u> | | <u>59,297</u> | |
| | | | 113,825 | | 174,705 |
| | | | <u>114,653</u> | | <u>175,948</u> |

The accounts were approved by the Directors on 4 July 2022.

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: 19/7/22

Company registration number: 04625597

CHERRYTREE SUPPORT SERVICES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

| | | 2021-22 | 2020-21 |
|---|------|----------|---------|
| | Note | £ | £ |
| Cash flows from operating activities | | | |
| Cash absorbed by operations | 20 | (70,228) | (451) |
| Investing activities | | | |
| Interest received | | 16 | 80 |
| Net cash generated from investing activities | | 16 | 80 |
| Net decrease in cash and cash equivalents | | (70,212) | (371) |
| Cash and cash equivalents at beginning of year | | 189,397 | 189,768 |
| Cash and cash equivalents at end of year | | 119,185 | 189,397 |

CHERRYTREE SUPPORT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022

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 |
|----------------|----------------------|

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 2022

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 2022

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 2022

3 Charitable activities

| | 2021-22 | 2020-21 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Supporting People Grant | 314,604 | 316,663 |
| Residents' rents | 10,932 | 9,742 |
| Benefits Agency rents | 260,847 | 260,060 |
| Cherrytree grants | 51,167 | 83,587 |
| Homeless Link grant | 8,250 | 30,425 |
| | 645,800 | 700,477 |

For the year ended 31 March 2022

| | |
|------------------------------|----------------|
| Unrestricted funds - general | 586,313 |
| Restricted funds | 59,417 |
| | 645,800 |

For the year ended 31 March 2021

| | |
|------------------------------|----------------|
| Unrestricted funds – general | 599,188 |
| Restricted funds | 101,289 |
| | 700,477 |

The Supporting People Grant funds the provision of housing to those who need support.

Cherrytree grants contribute towards the costs of a project worker, counselling and residents' activities on an ongoing basis, and the Home & Health Worker post from 1 October 2021.

Homeless Link awarded a grant to support income loss and costs arising from COVID-19, an element of which was deferred to fund the Home & Health Worker until 30 September 2021.

4 Investments

| | 2021-22 | 2020-21 |
|---------------------|----------------|----------------|
| | £ | £ |
| Interest receivable | 16 | 80 |

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 2022

5 Donations and other income

| | 2021-22 | 2020-21 |
|----------------------------|----------------|----------------|
| | £ | £ |
| Donations and other income | 2,892 | 2,095 |

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

6 Charitable activities

| | 2021-22 | 2020-21 |
|--|----------------|----------------|
| | £ | £ |
| Staff costs | 375,433 | 379,382 |
| Depreciation | 500 | 500 |
| Motor vehicle expenses | 4,733 | 4,206 |
| Repairs, renewals and maintenance | 34,202 | 31,818 |
| Light, heat and cleaning | 105,112 | 90,002 |
| Rates and insurance | 13,436 | 8,489 |
| Staff training | 1,600 | 3,144 |
| Rental of properties | 47,216 | 44,554 |
| Homeless Link system | 4,765 | 4,674 |
| PTS expenses | (10,740) | 14,122 |
| Skills initiative | 17,292 | 15,103 |
| | 593,549 | 595,994 |
| Share of governance costs (see note 7) | 116,454 | 105,630 |
| | 710,003 | 701,624 |

In the prior year £101,703 of expenditure on charitable activities related to restricted funds.

7 Support costs

| | 2021-22 | 2020-21 | Basis of allocation |
|-----------------------------------|----------------|----------------|----------------------------|
| | £ | £ | |
| Staff costs | 88,065 | 83,279 | Governance |
| Independent examiner's fee | 2,640 | 2,640 | Governance |
| Postage, stationery and telephone | 16,984 | 12,092 | Governance |
| Computing costs | 8,765 | 7,619 | Governance |
| | 116,454 | 105,630 | |

CHERRYTREE SUPPORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

8 Independent examiner's remuneration

The analysis of independent examiner's remuneration is as follows

Fees payable to the examiner:

| | 2021-22 | 2020-21 |
|--|----------------|----------------|
| | £ | £ |
| Independent examination of the annual accounts | 2,640 | 2,640 |

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:

| | 2021-22 | 2020-21 |
|----------------|----------------|----------------|
| | Number | Number |
| Managerial | 1 | 1 |
| Administrative | 1 | 1 |
| Project work | 15 | 16 |
| | <u>17</u> | <u>18</u> |

Employment costs

| | 2021-22 | 2020-21 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 427,228 | 425,272 |
| Social security costs | 30,142 | 30,831 |
| Other pension costs | 6,128 | 6,558 |
| | <u>463,498</u> | <u>462,661</u> |

During the year there were 6 part time staff (2020-21 - 6).

The estimate of the equivalent number of full-time staff is 15 employees (2020-21 - 15).

As in 2020-21, 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 2022

11 Tangible fixed assets

| | Motor vehicles £ |
|------------------------------------|---------------------------------|
| Cost | |
| At 1 April 2021 | 29,100 |
| At 31 March 2022 | <u>29,100</u> |
| Depreciation and impairment | |
| At 1 April 2021 | 27,602 |
| Depreciation charged in the year | 500 |
| At 31 March 2022 | <u>28,102</u> |
| Carrying amount | |
| At 31 March 2022 | 998 |
| At 31 March 2021 | <u>1,498</u> |

12 Financial instruments

| | 2021-22 £ | 2020-21 £ |
|---|----------------------|----------------------|
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 9,201 | 17,619 |

13 Debtors

| | 2021-22 £ | 2020-21 £ |
|--|----------------------|----------------------|
| Amounts falling due within one year | | |
| Other debtors | 4,327 | 8,530 |
| Amounts owed by Cherrytree | 4,874 | 1,209 |
| Prepayments and accrued income | 11,855 | 11,146 |
| | <u>21,056</u> | <u>20,885</u> |

14 Creditors

| | 2021-22 £ | 2020-21 £ |
|--|----------------------|----------------------|
| Amounts falling due within one year | | |
| Accruals and deferred income | 26,586 | 35,832 |

There were no accruals relating to deferred income at 31 March 2022. At 31 March 2021, £8,250 was received in advance from Homeless Link and deferred.

CHERRYTREE SUPPORT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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 1 April 2021 | Incoming resources | Resources expended | Balance at 31 March 2022 |
| | £ | £ | £ | £ |
| Cherrytree fund | 0 | 51,167 | (51,167) | 0 |
| Motor vehicle fund | 1,243 | 0 | (415) | 828 |
| Homeless Link fund | 0 | 8,250 | (8,250) | 0 |
| | 1,243 | 59,417 | (59,832) | 828 |

| | Movement in funds - previous year | | | |
|--------------------|-----------------------------------|-----------------------|-----------------------|-----------------------------|
| | Balance at 1 April 2020 | Incoming resources | Resources expended | Balance at 31 March 2021 |
| | £ | £ | £ | £ |
| 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> |

The Cherrytree fund contributes towards the cost of a project worker, counselling and residents' activities on an ongoing basis, and the Home & Health Worker post from 1 October 2021.

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

In 2020-21, Homeless Link awarded a grant of £38,675 to support costs and income loss arising from the COVID-19 pandemic. £8,250 of this was deferred to match the first six months' costs of the Home & Health Worker post, for which recruitment had been delayed until 2021-22.

CHERRYTREE SUPPORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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 1 April 2021 | Incoming resources | Resources expended | Transfers | Balance at 31 March 2022 |
| | £ | £ | £ | £ | £ |
| Major repairs fund | 115,408 | 0 | 0 | (31,844) | 83,564 |
| | <u>115,408</u> | <u>0</u> | <u>0</u> | <u>(31,844)</u> | <u>83,564</u> |
| Movement in funds - previous year | | | | | |
| | Balance at 1 April 2020 | Incoming resources | Resources expended | Transfers | Balance at 31 March 2021 |
| | £ | £ | £ | £ | £ |
| Major repairs fund | 102,408 | 0 | 0 | 13,000 | 115,408 |
| | <u>102,408</u> | <u>0</u> | <u>0</u> | <u>13,000</u> | <u>115,408</u> |

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 2022

17 Analysis of net assets between funds

| Current year | Unrestricted funds | Designated funds | Restricted funds | Total |
|--|---------------------------|-------------------------|-------------------------|----------------|
| | £ | £ | £ | £ |
| Fund balances at 31 March 2022 are represented by: | | | | |
| Tangible assets | 170 | 0 | 828 | 998 |
| Net current assets | 30,091 | 83,564 | 0 | 113,655 |
| | <u>30,261</u> | <u>83,564</u> | <u>828</u> | <u>114,653</u> |
| Previous 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> |

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:

| | 2021-22 | 2020-21 |
|-----------------|----------------|----------------|
| | £ | £ |
| Within one year | 0 | 22,800 |

19 Related party transactions

Included within debtors (note 13) is £4,874 (2020-21: £1,209) 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 £51,167 (2020-21 - £83,587) 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 (2020-21 - £18,000). Miscellaneous expenditure totalling £200 (2020-21 - £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 2022

| | | |
|---|-----------------|----------------|
| 20 Cash generated from operations | | |
| | 2021-22 | 2020-21 |
| | £ | £ |
| Surplus/(deficit) for the year | (61,295) | 1,028 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (16) | (80) |
| Depreciation and impairment of tangible fixed assets | 500 | 500 |
| Movements in working capital: | | |
| (Increase)/decrease in debtors | (171) | 10,043 |
| Increase/(decrease) in creditors | (9,246) | (11,942) |
| Cash absorbed by operations | (70,228) | (451) |