



FINANCIAL STATEMENTS AND ANNUAL REPORT

Company Registration 5820675

Charity Registration 1124248

**For the Financial Year
To 31st May 2022**

Registered Office: 3 Tresillian Street, Plymouth PL4 0QP

Contact: Robbie Nairn OBE, Chief Executive

Telephone: 01752 227447

e-mail: admin@eldertreebefriending.co.uk

website: www.eldertreeplymouth.co.uk

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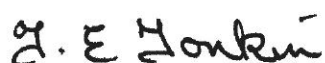
Introduction

This reporting period covers the last 2 months of the government mandated COVID Lockdown that ended 1 August and our gradual return to delivering 'face to face' support and group activity. This was punctuated with several unplanned breaks and short time disruption caused by the Omicron flare up.

To say it has been a challenging time understates the competing demands on our staff and volunteers who have been outstanding throughout. They have responded to every challenge magnificently at a time when our statutory partners had in the main retreated to remote working. This was particularly evident when we received 83 complex referrals on day 1 after lockdown was lifted.

Throughout the COVID epidemic we have been at the forefront of Plymouth's efforts to support the most vulnerable and frail members of our communities and this will continue to be where our main efforts will continue to be directed in the future.

The coming year will present a different set of challenges and we will continue to develop and target our offer to older people in Plymouth. We will concentrate our energies and work progressively with the Local Authority and other Statutory Partners to support our beneficiaries through the emerging cost of living crisis but I have absolutely no doubt that our core ethos and social values will shine as brightly as ever and our charity will continue to go from strength to strength.



Irene Tonkin
Chairperson

LEGAL AND ADMINISTRATIVE DETAILS AS AT 31st MAY 2022

Chair	Irene Tonkin - Founder
Company Secretary (Non Exec)	Robbie Nairn OBE
Directors	Annie Harris Diane Gavin Barbara James Maureen Perilli Sally Parkes Jane Pawson Elliot Malone
Chief Executive	Robbie Nairn OBE
Operations Manager	Louise Barnes
Business Manager	Fraser Ball
Project Staff	Denise Collinson Susan Miller Paula Hocking Sharon Kitcher Adrian Cable Donna Marshall Hazel White Tracey O'Halloran Stacey Fowler Lorraine Wilkinson Chantal Bracey Trevor Priest Marcella Finazzi Marie Nethercott Carole Elliot Lesley Morton Lucy Kitcher Martha Scholfield Joanne Packham Pheobe Cleaver Phil Griffin Yvonne Sullivan Holly Macnamara Nadine Ball Tonia Cleaver Keely Lynn Karen Parkinson Vicky Kimberley
Registered Office	3 Tresillian Street Plymouth PL4 0QP
Company Registration	5820675
Charity Registration	1124248
Independent Examiner	Sharon Soady Payroll and Bookkeeping Services
Bankers	Co-operative Bank PLC PO Box 250 Delft Street SKELMERSDALE N8 6WT

Report of the Management Board

The Trustees present their report for the financial year to 31st May 2022

Charitable Object:

The Company is governed by its Memorandum and Articles of Association. These state that the Company's main object is:

'To assist, comfort and guide older people who may be in distress by reason of poverty, ill-health, loneliness, social isolation or any other cause; to promote, encourage and foster any objects which may be for the common good of older people resident within Plymouth and the surrounding area'.

Principal Activities:

Post the lifting of the Pandemic Lockdown on 1 August 2021 we delivered 88 weekly activities in 45 separate locations across the city including 5 Extra Care Settings and supporting over 1650 beneficiaries. The principal weekly activities of the Charity were:

- 'One to One' Volunteer Befriending for 94 socially isolated older people in their homes
- 2 weekly Lunch Clubs and an Older Men's Supper Club
- 10 Coffee and Advice 'drop ins'
- 1 Cardio Fit Classes
- 47 Dance Exercise and Movement and Tai Chi Classes and Advice Drop Ins
- 6 Strength and Balance Groups
- 16 Active Men's Groups
- 2 Silver Surfer IT Classes
- 2 Community Choirs
- 2 Craft Groups

Up to 1 June 2021, a large proportion of our beneficiaries were shielding and reengaging with them post lockdown has been a gradual process of confidence building and encouragement. By the end of September, all our activities were back to normal and crucially, they were conducted 'face to face'. Our biggest challenge has been the avalanche of referrals from our statutory partners and other VCSE agencies that they had

accumulated over the lockdown months. This was effectively cleared by the end of October when a level of normality was restored.

Description of the Company's Organisation:

The Company is run by a Board of Trustees and is supported by 175 volunteers and 31 paid staff: the Chief Executive, Projects Manager, Business Manager and 28 Project and Support Workers.

Trustees Interests:

No Trustee has a beneficial interest in the Company.

Trustees Responsibilities:

The Trustees are responsible for the Company in line with the relevant legislation for companies limited by guarantee and registered charities. They oversee the activities of the charity against a robust Assurance and Governance Framework and conduct routine Assurance and Governance visits and report their findings formally to the Management Board.

Inaugural General Meeting:

The Elder Tree Ltd was incorporated on 17 May 2006 but it was entitled to an exemption under Section 249A (2) of the Companies Act 1985. The Company started trading on 1 June 2008 and held its Inaugural General Meeting on 23 July 2008.

Meeting of the Board of Trustees

Tuesday 27 July 2021

Tuesday 31 August 2021

Tuesday 5 October 2021

Tuesday 23 November 2021

Tuesday 25 January 2022

Tuesday 29 March 2022

Tuesday 31 May 2022

In Addition, individuals Trustees conducted Governance and Assurance checks on the following dates:

Financial Assurance	16 September 2021	2 March 2022
Contract Assurance	18 November 2021	14 May 2022
Active Volunteers	27 October 2021	3 May 2022
Referral Pathway	25 October 2021	13 April 2022

HR Systems and Security	16 November 2021	16 May 2022
Evaluation	18 October 2021	31 March 2022
Active Lives	7 October 2021	28 April 2022
Active Men	4 November 2021	31 March 2022
Policies and Procedures	10 November 2021	
Digital Platform	20 November 2021	7 April 2022

Employees and Volunteers

Company staff and volunteers are recruited and employed in accordance with our Equality and Recruitment policies.

Trustees:

The Board of the Elder Tree Ltd is made up of 8 Trustees who reflect the communities and beneficiaries we serve; two of the Trustees are also Beneficiaries and one is a Volunteer Befriender.

The original Trustees were elected in 2006 for a three year term. The Trustees currently under review after the end of their 3 year term are Barbara James and Annie Harris and their future tenure with the charity will be determined at the 27 September 2022 Management Board meeting.

Irene Tonkin - Chair (2023)
Maureen Perilli (2023)
Barbara James (2022)
Diane Gavin (2023)
Sally Parkes (2024)
Annie Harris (2022)
Jane Pawson (2023)
Elliot Malone (2024)

Befriending Developments

The COVID era has challenged every aspect of our ethos and core values and it is to our immense credit that we have adapted our service support model to every eventuality and obstacle that the pandemic has presented. This has coincided with the final development and commissioning of a bespoke Digital Platform that has enabled our project teams to work remotely and the charity to operate 'cashless'.

Our programmes that specifically support Men and Dementia and MCI sufferers were extremely challenging to sustain remotely during the

Pandemic but they are both moving ahead at pace and increasing their reach and influence in every locality in the city.

The Strength and Balance programme delivered in partnership with the Clinical Commissioning Group and Livewell Southwest have been hugely successful and we are now conducting a pilot in the Western Locality CCG delivering groups at Tavistock, Ivybridge and Kingsbridge.

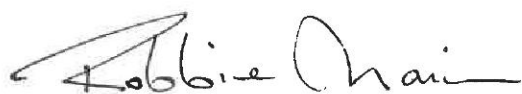
Amazingly, the Volunteering Programme sustained high numbers of volunteers throughout Lockdown and we are indebted to the commitment and dedication of this very special group of people. As well as supporting the 88 Activity Groups we deliver every week they befriend 96 of our more isolated and frail beneficiaries in their homes.

The delivery of social inclusion in 5 Extra Care locations has become a key element in sustaining the wellbeing of over 200 residents and will be vital over the next 12 months as the Personal Care Provider grapples with staff recruitment and retention. This is also the case in the Non Dom Care Support programme that we deliver for challenging elderly individuals in their homes and the likelihood is that this service will grow over the coming months.

The real challenge that we now face is the exponential growth in older people who need our support. On average we receive 60+ referrals every month through our Web based portal. Increasingly, we are dealing with people in the 50 to 65 age range. Many have long term medical and mental health conditions, are vulnerable and socially isolated and living alone due to their personal circumstances.

Finally, we expect to sign off a 12 month extension to the three contracts we hold with Plymouth City Council on extending Befriending Support and Extra Care contracts that are due to end on 30 September 2022.

A very challenging year ahead of us and that will stretch our resources to the limit.

A handwritten signature in black ink, appearing to read 'Robbie Nairn', with a stylized flourish at the end.

Robbie Nairn OBE
Chief Executive

Finance for the Year Ending 31st May 2022

Income

For this year our Befriending Support, Social Inclusion and Non-Dom Care Support Contracts with Plymouth City Council ("PCC") have generated income totalling £563,415. As in previous years, these contracts provide our largest amount of income from a single funder and represent just under 70% of the total income figure.

Since our groups and activities re-opened following the Covid-19 lockdowns, we have been able to generate income of £63,892, up from the previous year's figure of £11,575. Our business model is unchanged and means this income subsidises running costs but is not intended to recover the full costs of each group. Income attributed to our growing Non-Dom Care Support activities is to reimburse us for shopping expenditure so results in a zero net gain. Volunteers remain vital in helping to run and support our services.

Following a trial period, we have rolled out card readers to our project workers and most of the income generated from our groups is now paid directly into our bank account. Aside from being more secure, we have also benefitted from the time savings in not having to administer a large volume of coins.

Our collaboration partnership with Sporting Memories Network entered its third and final year and under this agreement we earned grant income of £34,490.

This year we have also received a further £28,312 from the National Lottery Community Fund flowing from the final instalments of our "Befriending Extend" grant and another £28,447 in relation to our "Active Men" grant.

Incorporating accruals, our service level agreement with Livewell Southwest generated income of £47,012 which included a separate commission of £9,000 relating to our Strength and Balance programme. This programme also earned a further £20,000 by providing classes commissioned by the NHS Devon Clinical Commissioning Group.

As this financial period also covered the last few months of the Covid-19 lockdown, we continued to receive financial aid of £2,814 from the Government's Job Retention Scheme towards the wages of a shielding employee. To help prevent the transmission of Covid-19 within our care settings, we also received a total of £5,477 in Infection Control grants.

A staff member's 12-month sponsorship by the Rank Foundation's "Time to Shine" Programme came to an end but including a travel bursary, our last payment was £8,113. We also received a Household Grant of £4,000 to support our beneficiaries with regard to food and essentials over the winter period and were very grateful to receive donations totalling £2,102. By assisting with student placements, we were reimbursed £1,856.

A proportion of our unrestricted funds have been reinvested in a CAF Bank Fixed Rate Saver Account for another 12-month period with an enhanced interest rate. At

the end of the financial year, this had realised interest of £328.72 and to maximise our return going forward, interest is to be paid on an annual basis.

Overall and in spite of some challenging times, our income has increased by over £100,000 this year due in part to our activities returning to pre-pandemic levels.

Expenditure

Wages and On Costs represent our biggest expenditure and in line with our increasing activities, we recruited 7 new members of staff to increase our capacity and to replace 4 who left us during the year. Additionally, increased working hours were given to some staff and sessional workers were employed to conduct some groups. In order to recognise staff for their efforts during the difficult Covid-19 pandemic, the Trustees decided to award staff members a 3% pay rise. For the last few remaining months when it was in operation, we also received a contribution from the Government's Job Retention Scheme.

As our groups and activities returned to pre-Covid levels and some new groups have been introduced, associated costs such as venue rent, food and staff travel expenses show large rises compared to last year's figures. We have also seen certain venues increase their rental charges.

With more reliance on communications to enable remote access to our database or to enable our new card readers to accept payments, costs for telephones and mobile data have increased by over 20%. At the end of the financial year, a review was being undertaken to identify if these costs could be reduced.

Office running costs this year have increased due mostly to refurbishment work at 3 Tresillian Street to convert an unused kitchen into further office space. Other costs however for equipment, payroll and our database expenses have remained largely unchanged.

As our turnover has exceeded a certain threshold, the underwriting criteria of our insurers has changed. As a result, we are now assessed as being a larger charity and so our annual insurance premiums have gone up by over 10%.

Compared to last year, our expenditure including support costs and overheads have increased significantly but this was expected as we emerged back to normality from Covid lockdowns. Our budget lines are consistently reviewed at Board level and will remain carefully managed to ensure we operate efficiently against our monthly predicted Forecast of Outturn statements.

In Year Profit

Our in-year profit for this financial period is £93,411. The balance of our accounts and cash in hand is £371,807. Unrestricted funds of just over £75,000 remain on deposit in our CAF Bank Fixed Rate Saver account and the remaining balance is held in our main Co-Operative Bank account of which £273,528 is restricted and £22,739 unrestricted.

Future Financial Plan

We anticipate an additional extension to our long-term Befriending Support, Social Inclusion and Non-Dom Care Support Contracts with PCC that should last until September 2023. We will be seeking a further renewal beyond this date.

The remuneration we receive as a result of our PCC contracts continues to represent Elder Tree's core funding. Now that our collaboration partnership with Sporting Memories Network and National Lottery "Befriending Extend" grant have ended, this core funding will allow us the flexibility to seek replacement or other funding opportunities if necessary.

While the Covid-19 pandemic is now largely behind us, we are monitoring the current cost of living crisis as undoubtedly it will have an impact on our operations. We have already experienced increased energy costs either directly or indirectly via increased venue rents and will keep how we conduct our business under review to minimise its financial impact.

Contingency Plans

There has been a renewed and constant demand for our services since we emerged from the Covid-19 lockdowns and we believe this is likely to grow. By keeping our operations under review, we aim to maintain a lean resource model to be able to deliver all of our services and activities. We value partnership working with both statutory and non-statutory organisations mostly within Plymouth and if needed to support any new initiative or activity, we will generate additional funds.

Our unrestricted funds are there to meet any deficits not covered by income in any one year and to enable the Charity to continue to operate in the event of a major withdrawal of external funding. The Charity considers it prudent to establish reserves to support 3 months of trading, with a view to working towards 6 months.

In the event of our contracts with PCC are not renewed, we would be given 6 months' notice of cancellation and we have an operating plan in place should this happen.

THE ELDER TREE LTD

Profit and Loss account and Statement of financial activities for the year ended 31st May 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants & Other Income	3	68,487	743,936	812,423	703,245
Interest receivable		329		329	577
Total incoming resources		<u>68,816</u>	<u>743,936</u>	<u>812,752</u>	<u>703,822</u>
Resources expended					
Cost of generating funds	4	47,439	0	47,439	40,117
<i>Charitable activities</i>					
Project application	5		644,466	644,466	561,277
Governance costs	6	475	26,961	27,436	27,071
Total resources expended		<u>47,914</u>	<u>671,427</u>	<u>719,341</u>	<u>628,465</u>
Net income resources being net movement in funds					
		20,902	72,509	93,411	75,357
<i>Reconciliation of funds</i>					
Total funds brought forward		76,902	201,019	277,921	277,921
Total funds carried forward		97,804	273,528	371,332	

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

THE ELDER TREE LTD

Balance Sheet as at 31st May 2022

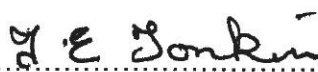
Notes	2022	2021
	£	£
Current assets		
Cash at bank and in hand	371,807	278,396
Creditors: amounts falling due within one year 7	(475)	(475)
Net current assets	371,332	277,921
Net assets	<u>371,332</u>	<u>277,921</u>
General	97,804	76,902
Restricted funds	273,528	201,019
	<u>371,332</u>	<u>277,921</u>

The directors are satisfied that the company is entitled to exemption under section 477 of the Companies Act 2006 relating to small companies and that no member or members have requested the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps proper accounting records which comply with Section 386 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirement of Section 394 and 395 and which otherwise comply with the requirements of Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small company's regime of the Companies Act 2006 and in accordance with the Financial Reporting Standard for smaller entities effective April 2008.

These financial statements were approved by the directors and authorised for issue on the date below and signed on their behalf by:

Signed.......... Dated

I Tonkin – Chairperson for the Elder Tree Ltd

Signed....... Dated

A Harris – Director of the Elder Tree

THE ELDER TREE LTD

Notes to the Accounts for the year ended 31st May 2022

1 Accounting policies

Accounting convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities effective April 2008 and follow the recommendation in accounting and reporting by charities.

Grants are recognised in the Statement of Financial Activities in the period to which they relate. The SOFA distinguished between unrestricted and restricted funds.

Resources expended are recognised in the period in which they are incurred and include attributable VAT which cannot be recovered. Wherever possible these expenses are allocated to the particular activity to which they relate. However, certain costs are apportioned on a basis which is an estimate of the amount attributable to each activity. Charitable activities undertaken are analysed in Note 5 and Support Costs and their allocation are taken into consideration. Governance Costs are disclosed in Note 6.

Depreciation is provided to write off the costs of each asset over its expected useful life which in all cases is estimated to be four years. Items of equipment are capitalised where the purchase price exceeds £2000.

Taxation. Based on information provided to HM Revenue & Customs they have confirmed that for tax purposes The Elder Tree Ltd is a charitable Company and therefore exempt from corporation tax.

Pensions cost. The charity makes payment in line with recommendations by the government into an employee's workplace pension schemes. The annual contributions payable are charged to the Statement of Financial Activities, in accordance with FRS17.

Critical Accounting Estimates and Areas of Judgment Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

Restricted funds Restricted funds are to be used for the specific purpose laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds Unrestricted funds consist of funds which the charity may use for its purposed at its discretion. It is the policy of the charity to ensure availability of adequate funds for present and future liabilities and in the event of a change in income circumstances.

- 2 **Legal status of the charity** The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1

THE ELDER TREE LTD

Notes to the Accounts for the year ending 31st May 2022

3 Incoming resources from activities to further the charity's objectives

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
	£	£	£
Supporting People		563,415	563,415
NL – Community Fund		56,759	56,759
Project Income Generated	65,205		65,205
Livewell S.W.		47,012	47,012
Sporting Memories		34,490	34,490
NHS Devon CCG		20,000	20,000
Rank Foundation		8,113	8,113
PCC – ICF Grants		5,477	5,477
PCC – Household Grant		4,000	4,000
HMRC/Furlough		2,814	2,814
Donations	2,102		2,102
University of Plymouth		1,256	1,256
EDF Energy	673		673
PCC – Polling Station	450		450
Well Connected		400	400
PDSE/Dental Students		200	200
Amazon Smile Programme	57		57
	<u>68,487</u>	<u>743,936</u>	<u>812,423</u>

The restricted income was in respect of all of our Befriending Projects

THE ELDER TREE LTD

Notes to the Accounts for the year ended 31st May 2022

4 Cost of generating funds

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
	£	£	£
Staff Costs	45,557		45,557
Stationery/Telephone Etc.	1,882		1,882
	<u>47,439</u>		<u>47,439</u>

5 Charitable activities: Project applications

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
	£	£	£
Staff Costs		468,294	468,294
Project Expenditure		32,930	32,930
Rent		32,150	32,150
Office Costs/Equipment		14,370	14,370
Training		3,583	3,583
Staff Travel		3,541	3,541
Telephone/Internet		2,939	2,939
Insurance		2,341	2,341
Volunteer Expenses		1,950	1,950
Database/Website		1,032	1,032
Others		418	418
Memberships		35	35
		<u>563,583</u>	<u>563,583</u>
Support costs and overheads (see note 6)		80,883	80,883
		<u>644,466</u>	<u>644,466</u>

Applied to all Elder Tree Befriending Projects

THE ELDER TREE LTD

Notes to the Accounts for the year ended 31st May 2022

6 Support costs and overheads

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Staff Costs		102,105	102,105
Insurance		2,341	2,341
Telephone/Internet		1,723	1,723
Office Costs		1,374	1,374
Database/Website		201	201
Travel		100	100
Rent		0	0
Independent Review	475		475
	<u>475</u>	<u>107,844</u>	<u>108,319</u>
Apportioned:			
Support Costs (5)		80,883	80,883
Governance	<u>475</u>	<u>26,961</u>	<u>27,436</u>
	<u>475</u>	<u>107,844</u>	<u>108,319</u>

Governance has been calculated as 25% of the total support costs on the basis of time spent together with the whole costs of the review.

7 Creditors: amount falling due within one year to include auditor's remuneration

Creditors: 475

8 Related Parties

No expenses were reimbursed to any of the trustees

THE ELDER TREE LTD

12.9.2022

Reviewers Report

Independent Review Report
To the Trustees of the Elder Tree Ltd

I have reviewed the accounts of the Elder Tree Ltd in order to assist you to fulfil your duties under the Companies Act 2006 for the year ended 31 May 2022 which comprise the Profit and Loss Account, the Balance Sheet and related notes.

Responsibilities of the Trustees

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's trustees consider that a full audit is not required for the year (under section 43 (2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed. It is my responsibility to examine the Accounts (under section 43 (3) (a) of the 1993 Act) and to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners (under section 43 (7) (b) of the 1993 Act) and to state whether particular matters have come to my attention.

Independent Examiners Report

For the Financial year ended 31 May 2022 the company was entitled to exemption from audit under Section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to small company's regime of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

There is strong evidence throughout the accounts of the Trustees regular involvement to adhere to the Governance of the Financial Affairs.

The information given in the trustees report is consistent with the accounts.



Sharon Soady MAAT/MIP
Independent Review