

REGISTERED COMPANY NUMBER: 02225130 (England and Wales)
REGISTERED CHARITY NUMBER: 1007947

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
OSEL ENTERPRISES LIMITED**

Bright Brown Limited
Chartered Accountants
Statutory Auditor
Exchange House
St. Cross Lane
Newport
Isle of Wight
PO30 5BZ

OSEL ENTERPRISES LIMITED

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FOR THE YEAR ENDED 31 MARCH 2022**

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OSEL ENTERPRISES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and principle activity

Osel Enterprises Ltd is an inclusive, outstanding support, education and learning service based on the Isle of Wight. Established to provide work for people with disabilities, Osel Enterprises continues to work with people encouraging independence and promoting community groups, offering ASDAN education, arranging volunteering and working with local employers to offer paid employment opportunities.

Osel Enterprises Ltd is managed by a board of Directors who live on the Isle of Wight and are actively involved in the local community.

Public benefit

The trustees have paid due regard to the guidance from the Charity Commission regarding public benefit and what activities the charity should undertake within this. The charity seeks to operate within the community, offering employment, education and person-centred support to people with a learning disability or people recovering from mental health issues.

STRATEGIC REPORT

Achievement and performance

Manager's Report

I am proud to say that Osel Enterprises Ltd, in the last year is looking forward and it has continued to offer outstanding services during a challenging trading period. Our ethos is to inspire people with disabilities and referrals recovering from mental health issues to play a full part in their local community and to ensure that the support and products we provide continues to meet customer/funding requirements by listening to them and acting upon their feedback.

Way Forward offers one of the best Learning Disability Day centres on the Island; offering person-centred support either in the centre or in the community that encourages progression, independence and positive outcomes. We are beginning to see a lot of new customers trying out taster days at Way Forward and existing customers returning after the lockdown period.

Working Towards Wellbeing continues to expand its services due to excellent job retention/employment results, phone meetings are still popular and we are offering face to face meetings in community settings. Due to the reliance on the NHS and the DWP funding, Working Towards Wellbeing is applying for other funding sources to help secure its future. An employer's service will be created to offer employers return to work employment advice and support.

OSEL ENTERPRISES LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Wight Crystal has continually changed its product offer to reflect the changed public attitude towards single use plastics. Our customers are offered a selection of recycled, recyclable, biodegradable and compostable products but we remain alert to changing consumer trends.

Lowering costs by working more efficiently and not replacing staff has helped Wight Crystal fulfil its orders on time and in full. We welcomed the return of planned regular events and will plan increased stock holding levels for a busier, hotter summer.

Wight Crystal has ordered a new glass bottling machine and will plan installation during the winter months of 2022. This machine will give Wight Crystal a much-needed boost in turnover and the new product will attract a new premium customer.

Osel has stabilised its services and is planning a list of repair and renewal jobs that were put on hold due to the pandemic. The turnover and profit will grow to allow the charity to invest and to help secure its future, the long-term aim is to own property.

Tracey Hill - Chief Executive Officer - Osel Enterprises Ltd

OSEL ENTERPRISES LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance

Financial results

Again, the charity enjoyed a successful but inevitably challenging year, with new customers and referrals joining Way Forward, Wight Crystal and Working Towards Wellbeing. New funding opportunities encouraged the mental health service to expand, telephone services were introduced where face to face appointments were impossible.

The charity enjoys an enviable reputation for delivering quality support, always exceeding the expectation of its service users. Putting money back into our services and the continual development of our staff, despite the challenges of two Covid lockdowns and the tightening of local budgets, Osel has continued to operate safely. Currently we employ 37 people and have utilised the governments funding schemes wherever possible. We have an excellent, stable workforce, valuing our people creates opportunities for development, which in turn helps secure long service. Recognising our talented team members has helped stabilise all three enterprises and produces outstanding results.

Osel Enterprises Ltd is determined to continually improve its services, products, and internal working practices. We strive to stay ahead of the competition and to be an efficient forward-thinking charity that stands out from all other social enterprises on the Island.

We expect the coming months and full year to be challenging because of the aftermath of Covid and the inevitable tightening of local and national funding for people with Learning Disabilities. Increased funding for Mental Health Services is expected due to the additional people with mental ill health due to the pandemic.

Osel uses a number of key performance indicators in order to measure performance which are set out below:

Net surplus has increased to a healthy 6.06% this year compared to 0.64% in the previous year. This reflects the fact that income has seen a recovery as there was less disruption to activities caused by COVID-19 pandemic restrictions this year compared to the previous year. Net surplus has not yet recovered to pre-pandemic 2020 levels (7.83%), however with all COVID-19 restrictions now lifted and all activities resuming, this is expected to improve for the 2022/2023 financial year.

The year-end raw material and finish stock balance as a percentage of revenue has dropped notably to 9.41% this year compared to 14.71% in the previous year. Year-end watercooler stock as a % of revenue also dropped to 6.67% this year compared to 15.92% in the previous year. Stock levels were high in the previous year due to the disruption in trading activity caused by the COVID-19 pandemic meaning that excess stock built up. Given the costs associated with holding excess stock, this a promising trend. Indeed, these percentages were 9.74% for raw material and finished stock and 10.57% for water cooler stock in the 2019/2020 financial year and so improvements have been made compared to pre-pandemic levels.

Only two employees resigned during the year with resignations as a % of total staff dropping to 5.41% this year compared to 8.82% in the previous year. This is a positive trend and historically low when compared to previous years. Three employees left for other reasons which as a % of total staff was 8.11% which is again a reduction compared to 8.82% in the previous year. All 5 staff that left during the year were from Way Forward which historically has the highest level of staff turnover. This is mostly due to the number of staff employed in this area being on short term contracts.

STRATEGIC REPORT

Financial review

Reserves policy

The trustees consider that the unrestricted funds, which are the free reserves of the charity, should be maintained at a level which equates to approximately four months expenditure.

The current level of unrestricted reserves are £526,069 and are £402,322 after excluding fixed assets and designated funds which means the charity is in line with the policy and the trustees will continue to monitor the funds levels to ensure this is maintained.

Total income for the year was £1,063,138 including £833,986 from unrestricted activities and £229,152 from restricted activities. Total expenditure in the year was £998,694 including £811,774 from unrestricted activities and £186,920 from restricted activities. This resulted in a total operating surplus of £64,444 consisting of a deficit of £22,212 in respect of unrestricted activities and a surplus £42,232 in respect of restricted activities.

Challenges

A constant changing environment is making everyday life at Osel Enterprises Ltd harder for staff, customers and referrals. New ways of working, thinking outside of the box and coping with exhausting and emotional shift patterns is an essential skill that has helped us survive during an unstable trading period.

We have experienced a tightening of social services budgets for new and existing Way Forward customers and we offered more crisis support due to the pressures of residential homes reducing their respite offer or closing their doors. We work closely with the Isle of Wight Council learning disability team, and customers families/carers to try to prevent crisis but due to the current environment crisis is inevitable.

Way Forward is back to normal (pre-covid) attendance figures and are attracting new customers. Working Towards Wellbeing is busy with referrals but the NHS are struggling to recruit mental health therapists, this will impact the service during 2022-2023.

Wight Crystal water is slowly returning to pre-covid figures and are hoping for a hot summer to boost sales. Wight Crystal still operate a next day weekday service and have managed to retain good stock levels to maximise demand.

The Mental Health Employment Service has increasing referral numbers and we have received increased funding from the CCG and the DWP for 2020/21.

OSEL ENTERPRISES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Future plans

Way Forward

Way Forward continues to grow and is planning the return of day and residential trips during 2022 & 2023. Funding successes has continued to support the enterprise as the IOW Council budget constraints are beginning to have an impact on the service.

Way Forward support prices increased in April 2021 will increase again in April 2022 due to the minimum wage increases. The local authority only review service provider rates when the customer has a care review, in can take up to a year to start collecting the increased rates.

The need to lower overhead costs is being investigated and the accounts administration team are using new techniques to reduce invoice processing time and to improve accuracy.

Wight Crystal

Wight Crystal had a hard time recovering from the Pandemic, we are focussing on building good stocks ready for a busy summer period. Components availability, price increases and a delay in getting the new bottling machine has been challenging but we are determined to grow this enterprise to help support our other vital services.

Working Towards Wellbeing

Working Towards Wellbeing continues to receive a high number of referrals from the NHS. We are hoping to expand our services by offering an Employers service, this will make the service less dependent on the NHS and the DWP for funding.

The board would like to place on record its thanks to all its excellent staff but with particular praise going to our Chief Executive Officer, Tracey Hill. As in previous years, Tracey has risen to the extraordinary challenges faced in these difficult times and remains the driving force behind our ongoing success.

David Holmes - Chairman

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Trustees, organisation and management

The business of the charitable company is managed by the board of trustees; the number of trustees is not subject to a maximum. The trustees hold adhoc meetings but the Chairman in particular also has constant weekly contact with the chief executive officer.

Prospective directors/trustees are initially approached by a member of the board, prior to such nomination being proposed at a board meeting, and subject to such proposal receiving the support of the board, the proposed new trustee is then invited to join the board and following his/her acceptance is fully briefed as to charity matters and it's aims and objectives at the first board meeting which he/she attends. There are no formal policies or procedures for the induction and training of trustees.

The arrangements and setting of pay levels of key management personnel are dealt with in trustee meetings from time to time and a number of factors are used to make the decision such as charity performance, employee performance and general economic factors at the time of the review. The overall performance of the charity and how it achieves its charitable objectives is the usual benchmark of the review and therefore major factor of the pay discussions is the financial and non-financial outcomes, achieved or not, during the relevant period.

OSEL ENTERPRISES LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02225130 (England and Wales)

Registered Charity number
1007947

Registered office
7 Daish Way
Dodnor Industrial Estate
Newport
Isle of Wight
PO30 5XJ

Trustees
C P Boswell
D L Holmes
C A Dennett

Auditors
Bright Brown Limited
Chartered Accountants
Statutory Auditor
Exchange House
St. Cross Lane
Newport
Isle of Wight
PO30 5BZ

Bankers
HSBC
101 St James Street
Newport
Isle of Wight
PO30 1HX

Solicitors
Eldridges
Avenue House
Avenue Road
Freshwater
Isle of Wight
PO40 9UZ

OSEL ENTERPRISES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Osel Enterprises Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity SORP
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In so far as each of the persons who was a trustee at the date of approving this report is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

The auditors, Bright Brown Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12/12/2022 and signed on the board's behalf by:



.....
D L Holmes - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OSEL ENTERPRISES LIMITED**

Qualified opinion

We have audited the financial statements of OSEL Enterprises Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have audited the financial statements of OSEL Enterprises Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Basis for qualified opinion

The accounts to 31 March 2021 were not audited, and we did not attend the stocktake for the 2021 year end. Therefore, we have been unable to obtain sufficient evidence of existence or completeness of stock, valued at £62,203 held at the start of the year.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OSEL ENTERPRISES LIMITED**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Other Matters

No audit was required or carried out for the year to 31 March 2021 and so the corresponding figures are unaudited.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OSEL ENTERPRISES LIMITED**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company, the principal risks are that of management override of controls, potential fraud in revenue recognition, potential diversion of cash income. The engagement team considered these risks and audit procedures were undertaken as follows:

- Discussions with management regarding the ability to override controls and review of processes in place to confirm no override had occurred.
- Extension of sample sizes relating to revenue recognition.
- The audit team remained aware of the possibility of the diversion of cash income during the course of the audit.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment or intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Stevens A.C.A. (Senior Statutory Auditor)
for and on behalf of Bright Brown Limited
Chartered Accountants
Statutory Auditor
Exchange House
St. Cross Lane
Newport
Isle of Wight
PO30 5BZ

Date: 13/12/2022

OSEL ENTERPRISES LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	8,454	505	8,959	5,457
Charitable activities					
Wight Crystal		286,770	-	286,770	203,058
Way Forward		516,745	-	516,745	308,781
Working Towards Wellbeing		2,515	228,647	231,162	176,867
Living Well		-	-	-	9,443
Investment income	3	2,048	-	2,048	3,006
Other income		17,454	-	17,454	127,594
Total		833,986	229,152	1,063,138	834,206
EXPENDITURE ON					
Charitable activities					
	5				
Wight Crystal		285,299	-	285,299	235,447
Way Forward		526,083	-	526,083	438,346
Working Towards Wellbeing		203	186,920	187,123	145,577
Living Well		189	-	189	9,472
Total		811,774	186,920	998,694	828,842
NET INCOME		22,212	42,232	64,444	5,364
Transfers between funds	17	12,830	(12,830)	-	-
Net movement in funds		35,042	29,402	64,444	5,364
RECONCILIATION OF FUNDS					
Total funds brought forward		491,027	85,435	576,462	571,098
TOTAL FUNDS CARRIED FORWARD		526,069	114,837	640,906	576,462

The notes form part of these financial statements

OSEL ENTERPRISES LIMITED

**BALANCE SHEET
31 MARCH 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	67,915	71,898
CURRENT ASSETS			
Stocks	13	46,110	62,203
Debtors	14	106,658	52,035
Cash at bank and in hand		<u>465,251</u>	<u>423,035</u>
		618,019	537,273
CREDITORS			
Amounts falling due within one year	15	(45,028)	(32,709)
NET CURRENT ASSETS		<u>572,991</u>	<u>504,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		640,906	576,462
NET ASSETS		<u>640,906</u>	<u>576,462</u>
FUNDS	17		
Unrestricted funds		526,069	491,027
Restricted funds		<u>114,837</u>	<u>85,435</u>
TOTAL FUNDS		<u>640,906</u>	<u>576,462</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12/12/2022 and were signed on its behalf by:



.....
D L Holmes - Trustee

The notes form part of these financial statements

OSEL ENTERPRISES LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>62,421</u>	<u>48,095</u>
Net cash provided by operating activities		<u>62,421</u>	<u>48,095</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(23,953)	(24,702)
Sale of tangible fixed assets		1,700	3,500
Interest received		<u>2,048</u>	<u>3,006</u>
Net cash used in investing activities		<u>(20,205)</u>	<u>(18,196)</u>
Change in cash and cash equivalents in the reporting period		<u>42,216</u>	<u>29,899</u>
Cash and cash equivalents at the beginning of the reporting period		<u>423,035</u>	<u>393,136</u>
Cash and cash equivalents at the end of the reporting period		<u><u>465,251</u></u>	<u><u>423,035</u></u>

The notes form part of these financial statements

OSEL ENTERPRISES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	64,444	5,364
Adjustments for:		
Depreciation charges	27,936	24,565
Profit on disposal of fixed assets	(1,700)	(3,500)
Interest received	(2,048)	(3,006)
Decrease in stocks	16,093	1,130
(Increase)/decrease in debtors	(54,623)	31,470
Increase/(decrease) in creditors	12,319	(7,928)
Net cash provided by operations	<u>62,421</u>	<u>48,095</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>423,035</u>	<u>42,216</u>	<u>465,251</u>
	<u>423,035</u>	<u>42,216</u>	<u>465,251</u>
Total	<u>423,035</u>	<u>42,216</u>	<u>465,251</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company is registered in England and Wales and is limited by guarantee. The financial statements are presented in Sterling, which is the functional currency of the charitable company. There are no material uncertainties about the charity's ability to continue. The charity constitutes a public benefit entity as defined by FRS 102.

Income

Voluntary Income

Donations are recognised in the Statement of Financial Activities once the charitable company has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably, this is generally upon receipt of the donation.

Investment Income

Interest receivable is recognised over the period it is accrued except where there are conditions imposed that must be met before interest is received. Where this is the case the income is recognised once the conditions have been met.

Charitable Activities

Income from trading activities is recognised, net of VAT and all other sales taxes when the goods are delivered or services are provided.

Grants are recognised when unconditional entitlement to the income is passed to the charitable company. Where there are performance related terms and conditions that must be met before unconditional entitlement passes to the charitable company, the income is recognised once it is highly probable that these will be met. Where no such conditions exist the income is recognised when it is received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

The only costs not already directly attributed to an activity are governance costs. These have been apportioned evenly between the non-restricted activities of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	- Straight line over 4 or 5 years
Fixtures and fittings	- Straight line over 4 or 5 years

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Motor vehicles	- Straight line over 4 or 5 years
Recipes	- Straight line over 5 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

The value of finished goods is calculated by using hourly labour rates divided by number of products in a set, plus the value of raw materials. Overheads of production are not factored into the valuation formulae.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>8,959</u>	<u>5,457</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>2,048</u>	<u>3,006</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
Sales	Wight Crystal	271,151	185,975
CDG income	Wight Crystal	15,604	17,083
Grants	Wight Crystal	15	-
Sales	Way Forward	3,556	2,837
Support contracts	Way Forward	466,956	272,101
CDG income	Way Forward	7,202	5,224
Travel & expenses reimbursed by client	Way Forward	20,625	9,120
Grants	Way Forward	15,867	19,011
Activities income	Way Forward	32	88
Miscellaneous income	Way Forward	2,507	400
Grants	Working Towards Wellbeing	231,162	176,867
Grants	Living Well	-	9,443
		<u>1,034,677</u>	<u>698,149</u>

Grants received, included in the above, are as follows:

	2022 £	2021 £
IOW NHS CCG (Working towards wellbeing)	112,584	112,583
Age Concern IW (Living Well)	-	9,443
NHS IOW EA (IAPT Scheme)	88,847	73,284
NHS IOW Data Collection	12,164	(9,000)
Isle of Wight Council	-	14,886
Island Roads	-	4,125
Infection control grant	15,000	-
SSP covid rebate	896	-
Family support service	17,553	-
	<u>247,044</u>	<u>205,321</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Wight Crystal	283,504	1,795	285,299
Way Forward	520,719	5,364	526,083
Working Towards Wellbeing	184,786	2,337	187,123
Living Well	182	7	189
	<u>989,191</u>	<u>9,503</u>	<u>998,694</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	666,625	587,265
Rent	45,527	45,737
Rates & water	3,124	1,898
Insurance	14,553	11,103
Light & heat	14,319	7,691
Telephone and computer costs	16,101	14,319
Postage, stationery & marketing	1,960	2,526
Advertising	3,185	-
Sundries	442	-
Wight Crystal cost of sales	93,581	51,426
Client expenses	33,632	12,715
Staff training	2,442	1,211
Establishment expenses	1,854	670
Repairs & renewals	27,751	19,649
Bank & other financial charges	3,118	2,945
Motor & travel	17,080	21,765
Bad debts & provision written back	474	733
Legal & professional fees	4,229	4,710
General administration expenses	4,190	3,944
Staff clothing	283	396
Equipment hire	2,513	1,965
Health, safety & welfare	5,371	11,936
Allotment expenses	237	775
Donations to others	364	300
Depreciation	27,936	24,565
Loss on sale of assets	<u>(1,700)</u>	<u>(3,500)</u>
	<u>989,191</u>	<u>826,744</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

7. SUPPORT COSTS

	Governance costs
	£
Wight Crystal	1,795
Way Forward	5,364
Working Towards Wellbeing	2,337
Living Well	<u>7</u>
	<u>9,503</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	5,551	-
Depreciation - owned assets	27,936	24,565
Other operating leases	45,527	45,737
Surplus on disposal of fixed assets	<u>(1,700)</u>	<u>(3,500)</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	609,335	541,384
Social security costs	44,169	34,149
Other pension costs	<u>13,121</u>	<u>11,732</u>
	<u>666,625</u>	<u>587,265</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2022	2021
OSEL - full time	1	1
Wight Crystal - full time	4	3
Wight Crystal - part time	3	4
Way Forward - full time	18	16
Way Forward - part time	4	5
Working Towards Wellbeing - full time	7	5
	<u>37</u>	<u>34</u>

No employees received emoluments in excess of £60,000.

Key personnel employed during the year were as follows:

Job Role	Total compensation
Chief Executive Officer:	£47,678

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,457	-	5,457
Charitable activities			
Wight Crystal	203,058	-	203,058
Way Forward	289,770	19,011	308,781
Working Towards Wellbeing	-	176,867	176,867
Living Well	-	9,443	9,443
Investment income	2,558	448	3,006
Other income	<u>127,594</u>	<u>-</u>	<u>127,594</u>
Total	<u>628,437</u>	<u>205,769</u>	<u>834,206</u>
EXPENDITURE ON			
Charitable activities			
Wight Crystal	235,447	-	235,447
Way Forward	432,951	5,395	438,346
Working Towards Wellbeing	-	145,577	145,577
Living Well	-	9,472	9,472
Total	<u>668,398</u>	<u>160,444</u>	<u>828,842</u>
NET INCOME/(EXPENDITURE)	(39,961)	45,325	5,364

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Transfers between funds	<u>14,125</u>	<u>(14,125)</u>	-
Net movement in funds	(25,836)	31,200	5,364
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>516,863</u>	<u>54,235</u>	<u>571,098</u>
TOTAL FUNDS CARRIED FORWARD	<u>491,027</u>	<u>85,435</u>	<u>576,462</u>

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Recipes £	Totals £
COST					
At 1 April 2021	326,370	31,314	112,523	9,000	479,207
Additions	4,842	1,121	17,990	-	23,953
Disposals	-	-	<u>(21,088)</u>	-	<u>(21,088)</u>
At 31 March 2022	<u>331,212</u>	<u>32,435</u>	<u>109,425</u>	<u>9,000</u>	<u>482,072</u>
DEPRECIATION					
At 1 April 2021	306,447	23,323	71,539	6,000	407,309
Charge for year	7,030	2,110	16,996	1,800	27,936
Eliminated on disposal	-	-	<u>(21,088)</u>	-	<u>(21,088)</u>
At 31 March 2022	<u>313,477</u>	<u>25,433</u>	<u>67,447</u>	<u>7,800</u>	<u>414,157</u>
NET BOOK VALUE					
At 31 March 2022	<u>17,735</u>	<u>7,002</u>	<u>41,978</u>	<u>1,200</u>	<u>67,915</u>
At 31 March 2021	<u>19,923</u>	<u>7,991</u>	<u>40,984</u>	<u>3,000</u>	<u>71,898</u>

OSEL ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. STOCKS

	2022	2021
	£	£
Raw materials & finished goods	26,988	29,868
Water cooler stocks	<u>19,122</u>	<u>32,335</u>
	<u>46,110</u>	<u>62,203</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	92,728	38,250
Other debtors	7,010	6,750
VAT	-	326
Prepayments and accrued income	<u>6,920</u>	<u>6,709</u>
	<u>106,658</u>	<u>52,035</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	20,430	19,679
Social security and other taxes	11,395	7,237
VAT	2,177	-
Other creditors	2,766	3,733
Accrued expenses	<u>8,260</u>	<u>2,060</u>
	<u>45,028</u>	<u>32,709</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Fixed assets	67,915	-	67,915	71,898
Current assets	490,304	127,715	618,019	537,273
Current liabilities	<u>(32,150)</u>	<u>(12,878)</u>	<u>(45,028)</u>	<u>(32,709)</u>
	<u>526,069</u>	<u>114,837</u>	<u>640,906</u>	<u>576,462</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	487,574	22,212	(39,549)	470,237
Theatre Fund	2,576	-	-	2,576
Customer's New Kitchen	322	-	(66)	256
Allotment Fund	555	-	(555)	-
Contingency Fund	-	-	53,000	53,000
	491,027	22,212	12,830	526,069
Restricted funds				
Working Towards Wellbeing	84,473	41,727	(12,830)	113,370
Asdan	962	-	-	962
Festival fund from Asda	-	505	-	505
	85,435	42,232	(12,830)	114,837
TOTAL FUNDS	<u>576,462</u>	<u>64,444</u>	<u>-</u>	<u>640,906</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	833,986	(811,774)	22,212
Restricted funds			
Working Towards Wellbeing	228,647	(186,920)	41,727
Festival fund from Asda	505	-	505
	229,152	(186,920)	42,232
TOTAL FUNDS	<u>1,063,138</u>	<u>(998,694)</u>	<u>64,444</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	513,262	(39,579)	13,891	487,574
Theatre Fund	2,989	(7)	(406)	2,576
Customer's New Kitchen	322	-	-	322
Allotment Fund	290	(375)	640	555
	<u>516,863</u>	<u>(39,961)</u>	<u>14,125</u>	<u>491,027</u>
Restricted funds				
Working Towards Wellbeing	43,476	31,638	9,359	84,473
Asdan	1,471	(509)	-	962
Living Well	9,288	71	(9,359)	-
Way Forward Kitchen	-	4,125	(4,125)	-
Way Forward Minibus	-	10,000	(10,000)	-
	<u>54,235</u>	<u>45,325</u>	<u>(14,125)</u>	<u>85,435</u>
TOTAL FUNDS	<u>571,098</u>	<u>5,364</u>	<u>-</u>	<u>576,462</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	628,037	(667,616)	(39,579)
Theatre Fund	-	(7)	(7)
Allotment Fund	400	(775)	(375)
	<u>628,437</u>	<u>(668,398)</u>	<u>(39,961)</u>
Restricted funds			
Working Towards Wellbeing	177,215	(145,577)	31,638
Asdan	-	(509)	(509)
Living Well	9,543	(9,472)	71
Way Forward Kitchen	4,125	-	4,125
Workforce Capacity Fund	4,886	(4,886)	-
Way Forward Minibus	10,000	-	10,000
	<u>205,769</u>	<u>(160,444)</u>	<u>45,325</u>
TOTAL FUNDS	<u>834,206</u>	<u>(828,842)</u>	<u>5,364</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	513,262	(17,367)	(25,658)	470,237
Theatre Fund	2,989	(7)	(406)	2,576
Customer's New Kitchen	322	-	(66)	256
Allotment Fund	290	(375)	85	-
Contingency Fund	-	-	53,000	53,000
	516,863	(17,749)	26,955	526,069
Restricted funds				
Working Towards Wellbeing	43,476	73,365	(3,471)	113,370
Asdan	1,471	(509)	-	962
Living Well	9,288	71	(9,359)	-
Way Forward Kitchen	-	4,125	(4,125)	-
Way Forward Minibus	-	10,000	(10,000)	-
Festival fund from Asda	-	505	-	505
	54,235	87,557	(26,955)	114,837
TOTAL FUNDS	<u>571,098</u>	<u>69,808</u>	<u>-</u>	<u>640,906</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,462,023	(1,479,390)	(17,367)
Theatre Fund	-	(7)	(7)
Allotment Fund	400	(775)	(375)
	1,462,423	(1,480,172)	(17,749)
Restricted funds			
Working Towards Wellbeing	405,862	(332,497)	73,365
Asdan	-	(509)	(509)
Living Well	9,543	(9,472)	71
Way Forward Kitchen	4,125	-	4,125
Workforce Capacity Fund	4,886	(4,886)	-
Way Forward Minibus	10,000	-	10,000
Festival fund from Asda	505	-	505
	434,921	(347,364)	87,557
TOTAL FUNDS	<u>1,897,344</u>	<u>(1,827,536)</u>	<u>69,808</u>

Designated Funds

The theatre fund is donations towards and income generated from productions of various shows put on by Way Forward.

The contingency fund is a redundancy reserve fund to protect the services funded by NHS/DWP and the Isle of Wight council.

The allotment fund is used when funds or donations are received from local companies for the allotment.

Restricted Funds

Working Towards Wellbeing is an employment service for people recovering from mental health conditions; the service provides support for referrals to retain or gain employment.

The Asdan fund is both an award scheme and accreditation network, providing educational opportunities for young people, helping learners develop their personal and social skills through its award programmes and qualifications.

Way Forward Kitchen relates to a one-off restricted grant to fund the installation of a new kitchen at the Way Forward site.

The festival fund from Asda is used to help finance a festival or party at Way Forward to celebrate customers returning to the center after COVID-19. The fund had to be used to help charities recover from the lockdown period and to help reduce increased anxiety levels.

17. MOVEMENT IN FUNDS - continued

Transfers between funds

The following transfers have been made between funds during the year:

£53,000 has been transferred to the contingency designated fund from the general fund representing redundancy reserve funds to protect the services funded by NHS/DWP and the Isle of Wight council.

Other smaller transfers have been made between the general fund and the designated funds at the trustees' discretion.

18. OTHER FINANCIAL COMMITMENTS

The charitable company has commitments under non-cancellable operating leases for property of £61,385 and for plant and machinery of £11,065.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

OSEL ENTERPRISES LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	8,959	5,457
Investment income		
Deposit account interest	2,048	3,006
Charitable activities		
Sales	274,707	188,812
Support contracts	466,956	272,101
CDG income	22,806	22,307
Travel & expenses reimbursed by client	20,625	9,120
Grants	247,044	205,321
Activities income	32	88
Miscellaneous income	2,507	400
	<u>1,034,677</u>	<u>698,149</u>
Other income		
Job retention scheme income	<u>17,454</u>	<u>127,594</u>
Total incoming resources	1,063,138	834,206
EXPENDITURE		
Charitable activities		
Staff costs	609,335	541,384
Social security	44,169	34,149
Pension costs	13,121	11,732
Rent	45,527	45,737
Rates & water	3,124	1,898
Insurance	14,553	11,103
Light & heat	14,319	7,691
Telephone and computer costs	16,101	14,319
Postage, stationery & marketing	1,960	2,526
Advertising	3,185	-
Sundries	442	-
Wight Crystal cost of sales	93,581	51,426
Client expenses	33,632	12,715
Staff training	2,442	1,211
Establishment expenses	1,854	670
Repairs & renewals	27,751	19,649
Carried forward	925,096	756,210

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OSEL ENTERPRISES LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Charitable activities		
Brought forward	925,096	756,210
Bank & other financial charges	3,118	2,945
Motor & travel	17,080	21,765
Bad debts & provision written back	474	733
Legal & professional fees	4,229	4,710
General administration expenses	4,190	3,944
Staff clothing	283	396
Equipment hire	2,513	1,965
Health, safety & welfare	5,371	11,936
Allotment expenses	237	775
Donations to others	364	300
Depreciation of tangible fixed assets	27,936	24,565
(Profit)/loss on sale of tangible fixed assets	(1,700)	(3,500)
	<u>989,191</u>	<u>826,744</u>
Support costs		
Governance costs		
Auditors' remuneration	5,551	-
Accountancy	3,952	1,798
Independent examiners	-	300
	<u>9,503</u>	<u>2,098</u>
Total resources expended	<u>998,694</u>	<u>828,842</u>
Net income	<u>64,444</u>	<u>5,364</u>

This page does not form part of the statutory financial statements

