

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
OSEL ENTERPRISES LIMITED**

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

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 2023. 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 Limited 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 Limited is managed by a board of Trustees 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 Limited, has continued to offer outstanding services during a challenging cost of living crisis year. 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. New customers are trying out taster days at Way Forward and continue to enjoy our unique programme of activity at the centre or they can chose bespoke/person centred one to one support in the community. We are planning to extend our services at Way Forward from the end of March 2023, we will be focusing on independence/transition skills and active ageing sessions. Due to the local government reducing their respite offer for adults with learning disabilities we are looking into purchasing our own respite premises for 2023-2024.

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. Referral numbers are increasing and we are looking at adding to the team in 2023 if the uplift continues. 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 has been created to offer employers return to work employment advice and support.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Wight Crystal has updated 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 are looking forward to new and existing events in 2023 and looking forward to a busy summer.

Wight Crystal is working with a local provider to improve and add a shopping basket option to their website, the updated website will display new images of products and it will encourage customers to shop online.

Turnover and profit have continued to grow, Osel will be spending some reserves this year to improve existing services and is planning to offer a respite service. Osel is planning to add and update some of the day centre areas: new kitchen, utility and sensory room, IT Suite and move the administration office into the new unit, remove the staff room from Wight Crystal to make an additional storage area and decorate to make the head office more inviting.

Tracey Hill - Chief Executive Officer - Osel Enterprises Ltd

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.

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 the cost-of-living crisis and the continual 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 staff creates opportunities for development, which in turn encourages 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 cost-of-living crisis and the inevitable tightening of local and national funding for people with Learning Disabilities and Mental Ill Health.

Financial review

Financial position

Total income for the year was £1,311,534 including £1,065,546 from unrestricted activities and £245,988 from restricted activities. Total expenditure in the year was £1,222,579 including £1,013,424 from unrestricted activities and £209,155 from restricted activities. This resulted in a total operating surplus of £88,955 consisting of a deficit of £52,122 in respect of unrestricted activities and a surplus £36,833 in respect of restricted activities.

Principal funding sources

Principal sources of income are:

- Sales of Wight Crystal products
- Funding from NHS for services
- Income from provision of support services

These incomes are generated and used to support the objectives of the charity as noted above.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 £583,191 and are £436,037 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.

As noted in the accounts, the charity has purchased freehold property after the year end of £305,000 which was committed to before the year end.

Challenges/Risks

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 crises 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 attendance figures and are attracting new customers and have offered more independent/transition sessions. The tightening of budgets is causing daily challenges and we are having to review our administrative head count regularly.

Wight Crystal water has introduced glass bottles to its product offer, giving the customer more choice. Wight Crystal still operate a next day weekday service and have managed to retain good stock levels to maximise demand.

Working Towards Wellbeing has increasing referral numbers and we have received additional funding from the NHS ICB and the DWP for the 2022/23 period. The NHS are struggling to recruit mental health therapists, this will impact the Working Towards Wellbeing service during 2023-2024.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Future plans

Way Forward

Way Forward continues to grow and is planning more residential and day trips during 2023 & 2024. 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 2022 will increase again in April 2023 due to the minimum wage increases. The local authority only reviews increased service provider rates when the customer has a care review (one review each year); if the customers support needs have not changed, the IW Council will not increase their existing budget.

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.

The charity has also purchased a new building as detailed in the notes to the accounts for respite services and intend that this will provide a new additional income source to the charity in years to come.

Wight Crystal

Wight Crystal had a good year and continued to grow both turnover and profit, good stocks were prepared early 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 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.

Objectives

During 2022-2023 we continued to recover from the pandemic, getting back in touch with customers and referrals to see if we could encourage engagement. The response has been very positive and we increased turnover in all enterprises. Osel will continue to review our working practices through routine reviews or by incident, using good practice ideas from like businesses and we will continually improve our services.

Continual cut-back with budgets at the IW Council has made Way Forward look at our service model and change our focus. We are looking for respite premises because the IW Council are cutting down on daily sessions and targeting independence and transition skills because this will lower dependency on the family.

Wight Crystal has added to their product offer with a glass range and will look at new product areas to keep attracting new customers.

Working Towards Wellbeing are seeing an increase in referrals due to the increases in mental ill health since the pandemic and will monitor employment advisor's workloads to see if we need an addition to the team sooner than planned.

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 who runs the charity on a day to day basis.

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.

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
M Reed - appointed 6 November 2023

Auditors

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

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

Solicitors

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

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
FOR THE YEAR ENDED 31 MARCH 2023**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 7 December 2023 and signed on the board's behalf by:

D L Holmes - Trustee

Opinion

We have audited the financial statements of OSEL Enterprises Limited (the 'charitable company') for the year ended 31 March 2023 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 the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

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.

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

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

14 December 2023

OSEL ENTERPRISES LIMITED
**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	14,112	5,000	19,112	8,959
Charitable activities					
Wight Crystal	4	388,179	-	388,179	286,770
Way Forward		661,253	-	661,253	516,745
Working Towards Wellbeing		-	240,987	240,987	231,162
Investment income	3	2,002	1	2,003	2,048
Other income		-	-	-	17,454
Total		<u>1,065,546</u>	<u>245,988</u>	<u>1,311,534</u>	<u>1,063,138</u>
EXPENDITURE ON					
Charitable activities					
Wight Crystal	5	309,369	-	309,369	285,299
Way Forward		688,794	-	688,794	526,083
Working Towards Wellbeing		15,132	209,155	224,287	187,123
Living Well		129	-	129	189
Total		<u>1,013,424</u>	<u>209,155</u>	<u>1,222,579</u>	<u>998,694</u>
NET INCOME		52,122	36,833	88,955	64,444
Transfers between funds	17	5,000	(5,000)	-	-
Net movement in funds		57,122	31,833	88,955	64,444
RECONCILIATION OF FUNDS					
Total funds brought forward		526,069	114,837	640,906	576,462
TOTAL FUNDS CARRIED FORWARD		<u>583,191</u>	<u>146,670</u>	<u>729,861</u>	<u>640,906</u>

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	90,136	67,915
CURRENT ASSETS			
Stocks	13	65,978	46,110
Debtors	14	111,250	106,658
Cash at bank and in hand		<u>503,126</u>	<u>465,251</u>
		680,354	618,019
CREDITORS			
Amounts falling due within one year	15	(40,629)	(45,028)
NET CURRENT ASSETS		<u>639,725</u>	<u>572,991</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		729,861	640,906
NET ASSETS		<u>729,861</u>	<u>640,906</u>
FUNDS	17		
Unrestricted funds		583,191	526,069
Restricted funds		<u>146,670</u>	<u>114,837</u>
TOTAL FUNDS		<u>729,861</u>	<u>640,906</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 7 December 2023 and were signed on its behalf by:

D L Holmes - Trustee

OSEL ENTERPRISES LIMITED
**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>89,921</u>	<u>62,421</u>
Net cash provided by operating activities		<u>89,921</u>	<u>62,421</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(63,299)	(23,953)
Sale of tangible fixed assets		9,250	1,700
Interest received		<u>2,003</u>	<u>2,048</u>
Net cash used in investing activities		<u>(52,046)</u>	<u>(20,205)</u>
Change in cash and cash equivalents in the reporting period		<u>37,875</u>	<u>42,216</u>
Cash and cash equivalents at the beginning of the reporting period		<u>465,251</u>	<u>423,035</u>
Cash and cash equivalents at the end of the reporting period		<u>503,126</u>	<u>465,251</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	88,955	64,444
Adjustments for:		
Depreciation charges	36,557	27,936
Profit on disposal of fixed assets	(4,730)	(1,700)
Interest received	(2,003)	(2,048)
(Increase)/decrease in stocks	(19,868)	16,093
Increase in debtors	(4,591)	(54,623)
(Decrease)/increase in creditors	(4,399)	12,319
Net cash provided by operations	<u>89,921</u>	<u>62,421</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	465,251	37,875	503,126
	<u>465,251</u>	<u>37,875</u>	<u>503,126</u>
Total	<u>465,251</u>	<u>37,875</u>	<u>503,126</u>

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.

Key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending on a number of factors. Factors affecting the lives of assets include technological innovation and maintenance programmes.

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.

1. ACCOUNTING POLICIES - continued

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
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.

Financial instruments

The charity only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and debt instruments are subsequently measured at amortised cost.

Judgements in applying accounting policies

In preparing these financial statements the trustees have made the following judgements:

Determining whether income is restricted or unrestricted. These decisions depend upon whether the donor has given the income subject to certain terms or conditions which impose a restriction in trust law.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	<u>19,112</u>	<u>8,959</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>2,003</u>	<u>2,048</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Sales	Wight Crystal	373,209	271,151
Access to Work Income	Wight Crystal	15,000	15,604
Travel & expenses reimbursed by client	Wight Crystal	(30)	-
Grants	Wight Crystal	-	15
Sales	Way Forward	790	3,556
Support contracts	Way Forward	614,687	466,956
Access to Work Income	Way Forward	6,583	7,202
Travel & expenses reimbursed by client	Way Forward	28,074	20,625
Grants	Way Forward	-	15,867
Activities income	Way Forward	11,112	32
Miscellaneous income	Way Forward	7	2,507
Grants	Working Towards Wellbeing	<u>240,987</u>	<u>231,162</u>
		<u>1,290,419</u>	<u>1,034,677</u>

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

	2023	2022
	£	£
NHS Hampshire IOW ICB (Working Towards Wellbeing)	112,584	112,584
NHS Talking Therapies EA	103,650	88,847
NHS Talking Therapies Data Collection	7,200	12,164
Infection control grant	-	15,000
SSP covid rebate	-	896
Family support service	<u>17,553</u>	<u>17,553</u>
	<u>240,987</u>	<u>247,044</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Wight Crystal	306,944	2,425	309,369
Way Forward	684,478	4,316	688,794
Working Towards Wellbeing	223,317	970	224,287
Living Well	129	-	129
	<u>1,214,868</u>	<u>7,711</u>	<u>1,222,579</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	780,200	666,625
Rent	46,012	45,527
Rates & water	3,805	3,124
Insurance	10,217	14,553
Light & heat	17,602	14,319
Telephone and computer costs	31,906	16,101
Postage, stationery & marketing	3,429	1,960
Advertising	4,571	3,185
Sundries	-	442
Wight Crystal cost of sales	122,422	93,581
Client expenses	48,454	33,632
Staff training	6,782	2,442
Establishment expenses	2,326	1,854
Repairs & renewals	47,075	27,751
Bank & other financial charges	3,092	3,118
Motor & travel	36,727	17,080
Bad debts & provision written back	131	474
Legal & professional fees	375	4,229
General administration expenses	8,262	4,190
Staff clothing	873	283
Equipment hire	-	2,513
Health, safety & welfare	8,723	5,371
Allotment expenses	57	237
Donations to others	-	364
Depreciation	36,557	27,936
Loss on sale of assets	(4,730)	(1,700)
	<u>1,214,868</u>	<u>989,191</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. SUPPORT COSTS

	Governance costs
	£
Wight Crystal	2,425
Way Forward	4,316
Working Towards Wellbeing	970
	<u>7,711</u>

8. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	7,711	5,551
Depreciation - owned assets	36,558	27,936
Other operating leases	46,012	45,527
Surplus on disposal of fixed assets	<u>(4,730)</u>	<u>(1,700)</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	709,760	609,335
Social security costs	54,908	44,169
Other pension costs	15,532	13,121
	<u>780,200</u>	<u>666,625</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

10. STAFF COSTS - continued

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

	2023	2022
OSEL - full time	1	1
Wight Crystal - full time	4	4
Wight Crystal - part time	3	3
Way Forward - full time	18	18
Way Forward - part time	4	4
Working Towards Wellbeing - full time	6	7
Working Towards Wellbeing - part time	<u>1</u>	<u>-</u>
	<u>37</u>	<u>37</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: £50,885

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	8,454	505	8,959
Charitable activities			
Wight Crystal	286,770	-	286,770
Way Forward	516,745	-	516,745
Working Towards Wellbeing	2,515	228,647	231,162
Investment income	2,048	-	2,048
Other income	<u>17,454</u>	<u>-</u>	<u>17,454</u>
Total	<u>833,986</u>	<u>229,152</u>	<u>1,063,138</u>
EXPENDITURE ON			
Charitable activities			
Wight Crystal	285,299	-	285,299
Way Forward	526,083	-	526,083
Working Towards Wellbeing	203	186,920	187,123
Living Well	<u>189</u>	<u>-</u>	<u>189</u>
Total	<u>811,774</u>	<u>186,920</u>	<u>998,694</u>
NET INCOME	22,212	42,232	64,444
Transfers between funds	12,830	(12,830)	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Net movement in funds	35,042	29,402	64,444
RECONCILIATION OF FUNDS			
Total funds brought forward	491,027	85,435	576,462
TOTAL FUNDS CARRIED FORWARD	<u>526,069</u>	<u>114,837</u>	<u>640,906</u>

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Recipes £	Totals £
COST					
At 1 April 2022	331,212	32,435	109,425	9,000	482,072
Additions	30,700	9,609	22,990	-	63,299
Disposals	-	-	(14,275)	-	(14,275)
At 31 March 2023	<u>361,912</u>	<u>42,044</u>	<u>118,140</u>	<u>9,000</u>	<u>531,096</u>
DEPRECIATION					
At 1 April 2022	313,477	25,433	67,447	7,800	414,157
Charge for year	12,307	4,200	18,851	1,200	36,558
Eliminated on disposal	-	-	(9,755)	-	(9,755)
At 31 March 2023	<u>325,784</u>	<u>29,633</u>	<u>76,543</u>	<u>9,000</u>	<u>440,960</u>
NET BOOK VALUE					
At 31 March 2023	<u>36,128</u>	<u>12,411</u>	<u>41,597</u>	<u>-</u>	<u>90,136</u>
At 31 March 2022	<u>17,735</u>	<u>7,002</u>	<u>41,978</u>	<u>1,200</u>	<u>67,915</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. STOCKS

	2023	2022
	£	£
Raw materials & finished goods	42,073	26,988
Water cooler stocks	23,905	19,122
	<u>65,978</u>	<u>46,110</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	94,866	92,728
Other debtors	9,010	7,010
VAT	1,373	-
Prepayments and accrued income	6,001	6,920
	<u>111,250</u>	<u>106,658</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	14,244	20,430
Social security and other taxes	11,326	11,395
VAT	-	2,177
Other creditors	5,730	2,766
Accrued expenses	9,329	8,260
	<u>40,629</u>	<u>45,028</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	90,136	-	90,136	67,915
Current assets	533,684	146,670	680,354	618,019
Current liabilities	(40,629)	-	(40,629)	(45,028)
	<u>583,191</u>	<u>146,670</u>	<u>729,861</u>	<u>640,906</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	470,237	50,936	5,000	526,173
Theatre Fund	2,576	1,286	-	3,862
Customer's New Kitchen	256	(100)	-	156
Contingency Fund	53,000	-	-	53,000
	<u>526,069</u>	<u>52,122</u>	<u>5,000</u>	<u>583,191</u>
Restricted funds				
Working Towards Wellbeing	113,370	31,833	-	145,203
Asdan	962	-	-	962
Mini Bus	-	5,000	(5,000)	-
Festival fund from Asda	505	-	-	505
	<u>114,837</u>	<u>36,833</u>	<u>(5,000)</u>	<u>146,670</u>
TOTAL FUNDS	<u>640,906</u>	<u>88,955</u>	<u>-</u>	<u>729,861</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,063,358	(1,012,422)	50,936
Theatre Fund	2,188	(902)	1,286
Customer's New Kitchen	-	(100)	(100)
	<u>1,065,546</u>	<u>(1,013,424)</u>	<u>52,122</u>
Restricted funds			
Working Towards Wellbeing	240,988	(209,155)	31,833
Mini Bus	5,000	-	5,000
	<u>245,988</u>	<u>(209,155)</u>	<u>36,833</u>
TOTAL FUNDS	<u>1,311,534</u>	<u>(1,222,579)</u>	<u>88,955</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS - continued

Comparatives for 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
	<u>491,027</u>	<u>22,212</u>	<u>12,830</u>	<u>526,069</u>
Restricted funds				
Working Towards Wellbeing	84,473	41,727	(12,830)	113,370
Asdan	962	-	-	962
Festival fund from Asda	-	505	-	505
	<u>85,435</u>	<u>42,232</u>	<u>(12,830)</u>	<u>114,837</u>
TOTAL FUNDS	<u>576,462</u>	<u>64,444</u>	<u>-</u>	<u>640,906</u>

Comparative 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
	<u>229,152</u>	<u>(186,920)</u>	<u>42,232</u>
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 2023

17. MOVEMENT IN FUNDS - continued

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

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	487,574	73,148	(34,549)	526,173
Theatre Fund	2,576	1,286	-	3,862
Customer's New Kitchen	322	(100)	(66)	156
Allotment Fund	555	-	(555)	-
Contingency Fund	-	-	53,000	53,000
	<u>491,027</u>	<u>74,334</u>	<u>17,830</u>	<u>583,191</u>
Restricted funds				
Working Towards Wellbeing	84,473	73,560	(12,830)	145,203
Asdan	962	-	-	962
Mini Bus	-	5,000	(5,000)	-
Festival fund from Asda	-	505	-	505
	<u>85,435</u>	<u>79,065</u>	<u>(17,830)</u>	<u>146,670</u>
TOTAL FUNDS	<u>576,462</u>	<u>153,399</u>	<u>-</u>	<u>729,861</u>

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	1,897,344	(1,824,196)	73,148
Theatre Fund	2,188	(902)	1,286
Customer's New Kitchen	-	(100)	(100)
	<u>1,899,532</u>	<u>(1,825,198)</u>	<u>74,334</u>
Restricted funds			
Working Towards Wellbeing	469,635	(396,075)	73,560
Mini Bus	5,000	-	5,000
Festival fund from Asda	505	-	505
	<u>475,140</u>	<u>(396,075)</u>	<u>79,065</u>
TOTAL FUNDS	<u>2,374,672</u>	<u>(2,221,273)</u>	<u>153,399</u>

Designated Funds

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

17. MOVEMENT IN FUNDS - continued

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.

Transfers between funds

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

£5,000 has been transferred to the general fund from the restricted fund representing grant received to purchase a mini bus. The asset is used for general charitable purposes.

18. CAPITAL COMMITMENTS

	2023	2022
	£	£
Contracted but not provided for in the financial statements	<u>305,000</u>	<u>-</u>

At the year end the trustees have committed to purchase freehold property which completed in June 2023.

19. OTHER FINANCIAL COMMITMENTS

The charitable company has commitments under non-cancellable operating leases for property of £59,643 and for plant and machinery of £8,651.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

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