HEALTHWORKS NEWCASTLE

England & Wales · Charity number 1040370

Details

Other names	WEST END HEALTH RESOURCE CENTRE
Status	Registered
Legal form	Charitable company
Company number	02952583
Registered	1994-08-25
Register	View on the Charity Commission register

Contact

Address	Health Resource Centre Adelaide Terrace Newcastle upon Tyne NE4 8BE
Phone	01912724244
Email	enquiries@hwn.org.uk
Website	https://www.healthworksne.org.uk/

Activities

Objects: TO PRESERVE, PROTECT AND IMPROVE THE HEALTH AND LIFE OUTCOMES OF COMMUNITIES ACROSS THE NORTH EAST REGION OF ENGLAND.

Activities: To preserve and protect the good health of the community in Newcastle upon Tyne in particular by the establishment of a Health Resource Centre in that area

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** NEWCASTLE-UPON-TYNE
- Durham
- Gateshead
- Hartlepool
- Newcastle Upon Tyne City
- North Tyneside
- Northumberland
- South Tyneside
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,449,715	£2,385,914	£1,625,092	81
2024-03-31	£2,511,430	£2,460,090	£1,561,291	89
2023-03-31	£2,148,444	£2,114,248	£2,036,253	80
2022-03-31	£1,681,716	£1,709,291	£2,002,057	84
2021-03-31	£1,608,076	£1,540,915	£2,029,632	81

Trustees

Name	Role	Appointed
Joel Hanoch Marks	Chair	2017-12-12
Ben Cody Porter		2026-01-27
Claire Welsh		2024-09-24
DR Patricia Anne Cresswell		2018-02-22
Debra Lagun		2020-01-28
Dr Gavin Daniel Tempest		2025-05-20
Dr Omar Al-Janabi		2025-10-07
Jonathan Rafael Sabarre		2020-01-28
Michelle Elizabeth Henderson		2021-11-23
Thomas George Richards		2025-05-20

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HEALTHWORKS NEWCASTLE

England & Wales - Charity number 1040370

Accounts

FINANCE REPORT 2024-25

Healthworks

Healthworks
the community health charity

Legal Information

Registered charity name: Healthworks Newcastle

Charity registration number: 1040370

Company registration number: 02952583

Registered office: Health Resource Centre, Adelaide Terrace, Newcastle upon Tyne, NE4 8BE

External Auditor: Kinnair Associates Limited, Aston House, Redburn Road, Newcastle upon Tyne, NE5 1NB

Bankers: Barclays Bank plc, Leicester, LE87 2BB

Legal Advisor: Muckle LLP, Time Central, 32 Gallowgate, Newcastle upon Tyne, NE1 4BF

Trustees: J H Marks, P A Cresswell, C F B Burton, D Creighton, M E Henderson, D Lagun, J R Sabarre, and C Welsh

Contents

2 to 9	Report of the Trustees (incorporating Directors' Report)
10	Statement of Trustees' responsibilities
11 to 15	Independent Auditor's Report to the Members of Healthworks Newcastle
16 to 17	Statement of Financial Activities, incorporating income and expenditure account
18	Statement of Financial Position
19	Statement of Cash Flows
20 to 31	Notes to the financial statements

Report of the Trustees (incorporating Directors' Report)

Objectives and activities

Healthworks Newcastle (trading as Healthworks) is a charity constituted as a company limited by guarantee (registered charity number 1040370 and registered company number 02952583). It is therefore subject to charity, trust, and company law. This Report of the Trustees therefore incorporates the Directors' Report required under the regulations of the Companies Act.

The Kings Fund defines health inequalities as "*avoidable, unfair and systematic differences in health between different groups of people*"[1]. Our long-term aim is to end health inequalities that exist between people who live in the North East of England and the rest of the United Kingdom.

We are governed by a Memorandum and Articles of Association which sets out our charitable purpose:

To preserve, protect and improve the health and life outcomes of communities across the North East region of England.

This charitable purpose informs our stated aim which is:

Supporting people of all ages to live longer, healthier and happier lives.

We work to achieve this stated aim – within the scope of our charitable purpose – through the following activities undertaken by three separate teams:

- **Health Improvement.** Activities undertaken by the team include:
  - Social prescribing services for adults on behalf of Primary Care Networks across Newcastle (ended 31 December 2024);
  - Community Health Trainers to support change behaviour interventions to help reduce the health risks from obesity and type 2 diabetes (ended 31 March 2025);
  - Waiting Well services to offer targeted support to patients waiting for surgery in the North East;
  - Tobacco Dependency service to help reduce smoking instances amongst hospital in-patients;
  - Physical activity sessions to support people with fall prevention, chronic joint pain, or rehabilitation following cardiac episodes; and
  - Carrying out NHS Health Checks to help identify people at higher risk of chronic health issues who may need clinical support (ended 31 July 2024).

- **Health Promotion.** Activities undertaken by the team include:
  - Cancer Awareness services on behalf of Northern Cancer Alliance to promote early identification and reduce the risk of developing lifestyle cancers;
  - Support for families including healthy nutrition sessions, group activities for carers and infants, and school holiday activity sessions.
  - Best Start service to provide antenatal and breastfeeding information, supporting women from conception to birth and enabling people to make informed choices about how to feed their baby;

[1] https://www.kingsfund.org.uk/insight-and-analysis/long-reads/what-are-health-inequalities

Report of the Trustees (incorporating Directors' Report) continued

Objectives and activities continued

- Providing Royal Society for Public Health accredited training to improve nutrition awareness; and
- Supporting the DWP Mid-Life MOT pilot in the North East through provision of bespoke training sessions designed to support making healthy choices (ended 30 June 2024).

- **ZoneWorks (ended 31 August 2024).** Activities undertaken by the team include:
  - Provision of a pilot service funded by school improvement in Newcastle that aimed to improve attendance and attainment through targeted support;
  - Social prescribing services on behalf of Primary Care Networks across Newcastle that were specifically targeted at young people who are at risk of dropping out of the school system; and
  - A programme of research in partnership with North East Wellbeing to promote the ZoneWorks model using the academic led measured outcomes from the services.

We also carry out primary purpose trading in addition to the above charitable activities. This trading is primary purpose because:

- Our pre-school is embedded within our Health Promotion team and provides a service to families who often have additional needs within our early years setting;
- Our gyms and exercise classes are embedded within our Health Improvement team and provides a service to clients who are less likely to attend a commercial gym due to their particular needs; and
- Our rental of premises is predominantly to other charitable organisations who are partnered with us and whose charitable purpose is closely aligned to our own.

Our Trustees have had regard to the Charity Commission's guidance on public benefit.

Our activities deliver public benefit by:

- Increasing the understanding and recognition of the wider social determinants of health;
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset-based approach);
- Providing local access to regular exercise via high quality, low price community gyms and classes;
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities;
- Supporting people to access the services most appropriate to them which are available in the city;
- Recruiting and training a local workforce, investing in upskilling local people;
- Offering a range of volunteering opportunities for local people;
- Achieving a wide reach into communities traditionally seen as 'hard to reach' through the support and co-ordination of local volunteers who reflect their community;
- Buying from local suppliers and producers wherever possible, investing in the local economy;
- Linking into city-wide networks to share good practice and avoid duplication; and
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

Report of the Trustees (incorporating Directors' Report) continued

Objectives and activities continued

Our charity does not make any material social investments or grants. We were supported by 93 volunteers (2023/24: 37) who donated a total of 4,226 hours of their time (2023/24: 3,220). These volunteers predominantly worked in support of our Best Start service, and on a volunteer project funded by the North of Tyne Combined Authority.

Achievements and performance

We are proud of our achievements this year. Some of our highlights across our teams include:

- 18,022 people accessed our services and 7,804 were referred to our targeted programmes;
- 1,709 support telephone and video support calls were made to individuals, equating to 724 hours of remote lifestyle support;
- 235 individual eligible NHS and workplace Health Checks were completed to spot early signs of stroke, kidney disease, heart disease, type 2 diabetes, and dementia;
- 2,940 active members in both of our accessible community gyms;
- 92% of Staying Steady completers showed improvement in the TUG Functional test (by 40% on average);
- 71% of Staying Steady completers showed improvement in the Sit to Stand Functional test (by 41% on average);
- 1.13 average improvement in 4-point balance test demonstrates progress in the ability to maintain stability and balance;
- 98% of clients reported they had achieved their Goals, across a range of Health and Wellbeing projects;
- 82% of all clients improved their perceived State of Health by 22% on average (measured by EQ-VAS);
- 98% of all clients improved their Quality of Life (measured by EQ-5D);
- 98% of clients asked would Highly Recommend the programmes to friends and family;
- We participated in 196 Awareness events attended by 7,440 people. 48% of those attending resided in the lowest 30% areas of deprivation.
- 62 people completed the Cancer Champion Courses. 98% found the course informative and useful;
- 98% of those that attended Cancer Awareness events reported that they are now likely to attend a screening appointment;
- 318 meetings with local businesses to promote key Cancer awareness messages;
- 499 individuals accessed our Stop Smoking service and were given 1-2-1 support to set their Quit date;
- Of the people accessing our Stop Smoking service, 67% of all clients successfully quit smoking at 4 weeks;
- 69% of those that quit smoking continued to be smoke free at 12 weeks;
- 56% of people living in the most deprived arears (IMD 1 & 2) set a quit date (*N.B. around 1 in 4 adults in the most deprived areas smoke compare to 1 in 10 in the least deprived*);
- 91% of clients have increased their physical activity levels (based on GPPAQ);
- A total of 1,006kg weight loss was reported between 237 clients;
- A total of 93cm lost from waist measurements with an average loss of 4.42cm per client;
- 131 unique people reduced their BMI to a healthy range, with an average BMI reduction of 2.39;
- Our Best Start Team supported 926 new breastfeeding women and families;
- 'Breastfeeding Mams' has 3,500 followers on Facebook and 772 on Instagram;

Report of the Trustees (incorporating Directors' Report) continued

Achievements and performance continued

- Our 'Breastfeeding Mams Newcastle' dedicated social media support pages and Facebook groups provide real-time support, information and guidance to families and enable ongoing interaction with peers;
- 84 families were provided with pregnancy support from practitioners and/or volunteers;
- 4 Breastfeeding Social sessions per week across Newcastle. Accessed by 479 unique people 2,193 times;
- 62 children attended our pre-school 5,215 times between them;
- 159 children with visual impairment and their families became part of the Healthworks family this year;
- 1,215 children and 213 adults learned the power of a healthy smile, thanks to our Health Promotion team;
- Engaged with 252 individuals and 8 partners in our New Tyne West partnership;
- With 1,950 unique participants, our family activities drew a remarkable 10,667 visits; and
- We continue to develop a range of digital family resources which are accessible to families and workers for free – these included family activity eBooks, play and learn videos and family cooking activities.

Financial review

Our reserves at the end of the reporting period were £1,625,092 (2023/24: £1,561,291). This increase in reserves of £63,801 is our operating surplus for the reporting period (2023/24: £51,340). We recognised an in-year deficit on unrestricted funds of £15,710 and an in-year surplus on restricted funds of £79,511.

Our trading activities generated a deficit of £37,899 (2023/24: £5,763). The increase in the deficit was mainly due to trading activities making up 13.8% of turnover in the reporting period – up from 11.2% in 2023/24 – which in turn means that support costs allocated to trading activities have risen. This deficit is combined with net proceeds from voluntary income, investment income, and other income to arrive at the net resources available for charitable activities. These net resources were £67,493 (2023/24: £46,620). The increase in net resources was mainly due to increases in voluntary income and investment income.

Our charitable activities were once again close to breakeven with an in-year deficit of £3,692 (2023/24: in-year surplus of £4,720). Health Promotion generated a surplus of £178,134 (2023/24: £9,317), which in turn was mainly due to the release of grant income that had been rolled over from prior reporting periods. Health Improvement had a deficit of £128,779 (2023/24: surplus of £82,277): the reduction in performance was mainly due to increases in costs that were not reflected in contract values that were rolled forward at below inflation uplifts. ZoneWorks had a deficit of £53,047 in the five months to the end of August 2024 (2023/24: £86,874 over twelve months) at which point it ceased operating.

Our turnover decreased by 2% to £2,449,715 (2023/24: £2,511,430). The decrease in turnover is mainly down to the cessation of services in-year, such as social prescribing services for adults on behalf of Primary Care Networks across Newcastle and ZoneWorks. These contracts for the services did not fully recover the cost of the services, which helps to explain why the surplus has increased whilst turnover has decreased.

Report of the Trustees (incorporating Directors' Report) continued

Financial review continued

The nature of commissioned services mean that contracts tend to be awarded on an annual basis. The principal risk facing the charity is therefore overreliance on a particular funder or contract. The risk is mitigated by providing a wide range of services to a large number of commissioners with contract expiration being staged throughout the year. This enables the charity to better respond to any loss of income through the expiration of a contract. The funding available for Health Promotion has decreased going into 2025/26 due to constraints on one of our principle funders: Trustees are satisfied that the charity is able to operate as a going concern due to the budget set for 2025/26 which will see cost reductions, the strong pipeline of future commissioned services, the ongoing demand for the services we provide, our reputation in the sector, and our strong accumulated cash position. Further information is included in the section 'Plans for future periods'.

Our support costs make up 39% (2023/24: 39%) of total expenditure.

Our target is to breakeven and to reinvest all income into our charitable activities. We achieved an operating surplus of 2.6% of turnover (2023/24: 2.0%) which will be reinvested in future periods.

Our reserves policy is to hold net current assets equal to at least three times the cost of the monthly payroll, and for the value of those net current assets to be equal to or less than the value of liquid (i.e. immediate access) cash. This is so that service delivery is not jeopardised through fluctuations in the timing of receipt of funding. It also functions as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that it continues to be appropriate for our organisation.

Our net current assets at the reporting date were £900,470 (2023/24: £835,392). The value of those net current assets was less than the value of liquid cash. Our staff costs were £1,910,207 (2023/24: £1,999,899), meaning that the reserves required by policy were £477,552 (2023/24: £499,975). In turn, this means that we held reserves of £422,918 (2023/24: £335,417) over the level required by our policy at the reporting date. We deem these to be our free reserves, and these will be invested into our charitable objectives in future periods.

Plans for future periods

The Trustees have approved the budget for the period April 2025 to March 2026. This approved budget will utilise the accumulated operational surplus from the period April 2022 to March 2025 which totals £149,337 and requires the organisation to find additional income and reduce expenditure to the net value of £365,204.

The Trustees are satisfied that the charity remains a going concern for at least the twelve months following the signing of these accounts. The gap to be closed is less than that achieved in 2024/25, when the organisation outperformed budget by a net £374,264. Progress to close the gap in 2025/26 is well underway, with an estimated 56% of this achieved by the end of August 2025. The charity also benefits from its strong free reserves position in the unlikely event that sufficient progress is not made to close the gap.

The Trustees continue to pursue the growth of the charity within our charitable objects. This growth is comprised of developing new services to support more people in the areas we already operate, offering our existing services into

Report of the Trustees (incorporating Directors' Report) continued

Plans for future periods continued

new areas that fall within the geography of our objects, and partnering with complimentary charities that align with our objects.

The likely future developments are new commissions in the region that build on our existing relationships and contracts. These may necessitate growth in both our staff numbers and our estate to accommodate.

Structure, governance and management

Our Board of Trustees, who are also Directors of the charity for the purposes of the Companies Act, have overall responsibility for the strategy, management, and control of the charity. The Chief Executive, supported by the directors, is responsible for delivering the Board's vision and strategy and for the day-to-day operation of the charity and accountable to the Board of Trustees. The Key Management Personnel of the charity are the Board of Trustees, the Chief Executive, the Deputy Chief Executive, the Director of Health Promotion, the Director of Health Improvement, and the Director of Finance and Business Development.

As of 31 March 2025, the Board was made up of eight Trustees:

- J H Marks (Chair)
- P A Cresswell (Deputy Chair)
- C F B Burton
- D Creighton
- M E Henderson
- D Lagun
- J R Sabarre
- C Welsh

C Welsh was appointed on 24 September 2024. M E Turner resigned from the Board on 26 November 2024.

The former Deputy Chief Executive left the charity on 31 August 2024, and the Director of Operations was promoted to Deputy Chief Executive on the same date. A Director of Health Improvement was appointed to the charity with a start date of 1 July 2024 and left the charity on 25 October 2024: this post was vacant at 31 March 2025. There were no other changes to the Executive Team during 2024/25.

Decision making within the charity is normally delegated to the Chief Executive. Decisions explicitly retained by the Trustees include spend over £20,000, Chief Executive remuneration, and entering into new investments. The Chief Executive in practice will also seek Trustee approval for creating and amending the annual budget, and any amendments to the pay structure. This means that Trustee approval is required for all pay and remuneration for Key Management Personnel.

Key Management Personnel pay and remuneration below the Chief Executive is set with reference to entry pay in the organisation. The multiple between the entry pay and the top of the director grade in the pay structure is 2.06. Entry pay is set with reference to the Real Living Wage as set by the Living Wage Foundation.

Report of the Trustees (incorporating Directors' Report) continued

Structure, governance and management continued

We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We want to attract a broad range of candidates, and appoint new Trustees based on their skills and experience. We carry out due diligence checks on prospective Trustees to ensure that any appointment meets the requirements of our governing document and the law. Once appointed Trustees go through an induction programme to make sure they understand their role under charity and company law. All of our Trustees give their time voluntarily and receive no financial rewards or benefit. Any Trustee expenses that are repaid are disclosed.

The Board and the Executive Team meet every two months. The objective of these meetings is for the Board to seek and obtain assurances that the Executive Team is acting in a way that enables the Trustees to meet their duty to promote the success of the Charity, and to have regard to s.172 of the Companies Act 2006.

Attendance by the Trustees at the Board and Executive Team meeting during 2024/25 was as follows:

	Number of meetings available	Number of meetings attended
J H Marks (Chair)	5	5
P A Cresswell (Deputy Chair)	5	5
C F B Burton	5	3
D Creighton	5	2
M E Henderson	5	4
D Lagun	5	3
J R Sabarre	5	3
M E Turner (resigned 26/11/24)	4	4
C Welsh (appointed 24/09/24)	3	2

Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

The Finance Risk and Audit Committee (FRAC) operated throughout the year. As of 31 March 2025, the FRAC was made up of five Trustees:

- C F B Burton (Committee Chair)
- P A Cresswell
- M E Henderson
- D Lagun
- C Welsh

Report of the Trustees (incorporating Directors' Report) continued

Structure, governance and management continued

C Welsh was appointed to the FRAC in March 2025. There were no resignations from the FRAC during the year.

The FRAC meet two weeks prior to the Board and no less than three times a year. The objective of these meetings is for the FRAC to seek and obtain assurances that the Executive Team, represented by the Director of Finance and Business Development, have robust financial controls in place and that the Charity's exposure to financial risk is understood and mitigated. The FRAC is a sub-committee of the Board and as such provides assurance in turn to the Board.

Attendance by the Trustees at the FRAC during 2024/25 was as follows:

	Number of meetings available	Number of meetings attended
C F B Burton (Committee Chair)	5	5
P A Cresswell	5	5
M E Henderson	5	4
D Lagun	5	3
C Welsh (appointed 18/03/25)	1	0

The charity has no subsidiary undertakings or connected charities. Any related party transactions are disclosed in the accounts (see related parties' disclosure on page 31).

Reference and administrative details

All information required by regulation can be found on page 1 under the heading "Legal information".

The Trustees have delegated day-to-day management of the charity to the Chief Executive, Mr P Court.

The Charity produces an annual Impact Report and publishes it on its website: https://www.healthworksne.org.uk/ . This includes information about the services provided and the number of people supported. The Impact Report does not form part of these financial statements. It may provide additional useful information to users of the accounts.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Healthworks Newcastle for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006

The Report of the Trustees, which incorporates the requirements of the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and Company Directors on 7 October 2025 and signed on its behalf by:

J H Marks
Trustee

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2025

Opinion

We have audited the financial statements of Healthworks Newcastle (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 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 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 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 company's ability to continue as a going concern for a period of at least 12 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.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2025 continued

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2025 continued

Matters on which we are required to report by exception continued

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2025 continued

Auditor's responsibilities for the audit of the financial statements continued

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including relevant legislation such as the Companies Act 2006 Charities Act 2011 et seq., Charity Commission regulation and other legislation identified as being of significance in the context of the entity e.g. taxation legislation, data protection, employment, environmental and health and safety legislation];
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and requesting any legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by: -

- making enquiries of management as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we: -

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3d) were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to: -

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- requesting non-routine correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2025 continued

Auditor's responsibilities for the audit of the financial statements continued

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Detlev Anderson FCA
Senior Statutory Auditor

Kinnair Associates Limited
Chartered Accountants
Statutory Auditors
Aston House
Redburn Road
Newcastle upon Tyne
NE5 1NB

7 October 2025

Healthworks
the community health charity

Statement of Financial Activities, incorporating income and expenditure accounts at Healthworks Newcastle

For the year ended 31 March 2025

	Note	Unrestricted funds £	Restricted funds £	2024/25 £	2023/24 £
INCOME					
Voluntary income		8,210	65,932	**74,142**	20,273
Income from trading activities		319,307	18,423	**337,730**	282,132
Investment income		25,064	-	**25,064**	20,310
Income from charitable activities		1,858,635	147,958	**2,006,593**	2,176,915
Other income		6,182	4	**6,186**	11,800
TOTAL INCOME	5	**2,217,398**	**232,317**	**2,449,715**	**2,511,430**
EXPENDITURE					
Costs of generating funds					
Costs of generating voluntary income		25,627	41,492	**67,119**	31,152
The Lemington Centre Pre-School		208,029	12,041	**220,070**	177,232
Gym and class admission		45,884	-	**45,884**	47,642
Rental of premises		23,663	-	**23,663**	26,537
Other trading income		18,893	-	**18,893**	5,332
Total cost of generating funds		**350,320**	**25,309**	**375,629**	**287,895**
Costs of charitable activities					
Health Improvement		886,734	38,368	**925,102**	950,880
Health Promotion		836,163	60,906	**897,069**	782,113
ZoneWorks		188,114	-	**188,114**	439,202
TOTAL EXPENDITURE	6, 7	**2,233,108**	**152,806**	**2,385,914**	**2,460,090**
NET INCOME/(EXPENDITURE)		**(15,709)**	**79,510**	**63,801**	**51,340**
Losses on revaluation of fixed assets				-	(526,302)

NET MOVEMENT IN FUNDS	**(15,709)**	**79,510**	**63,801**	**(474,962)**
Reconciliation of funds				
Total funds bought forward	1,561,291	-	**1,561,291**	2,036,253
Net movement in funds	(15,709)	79,510	**63,801**	(474,962)
Total funds carried forward	**1,545,582**	**79,510**	**1,625,092**	**1,561,291**

The statement of financial activities includes all gains and losses recognised in the year. ZoneWorks ended on 31 August 2024; all other income and expenditure derive from continuing activities. The notes on pages 20 to 31 form part of the financial statements.

Statement of Financial Position at Healthworks Newcastle
As at 31 March 2025

	Note	2024/25 £	2023/24 £
ASSETS			
Non-current assets			
Tangible fixed assets	10	724,622	725,899
Total non-current assets			**725,899**
Current assets			
Debtors	11	111,525	93,289
Cash at bank and in hand		1,371,710	1,375,051
Total current assets		**1,483,235**	**1,468,340**
TOTAL ASSETS		**2,207,857**	**2,194,239**
LIABILITIES			
Current liabilities			
Creditors: amounts falling due within one year	12	(582,765)	(632,948)
Total current liabilities		**(582,765)**	**(632,948)**
TOTAL LIABILITIES		**(582,765)**	**(632,948)**
NET CURRENT ASSETS		**900,470**	**835,392**
NET ASSETS		**1,625,092**	**1,561,291**
FUNDS			
Funds of the charity	14		
Unrestricted funds		1,545,582	1,561,291
Restricted funds		79,510	-
TOTAL FUNDS		**1,625,092**	**1,561,291**

These financial statements were approved by the Board of Trustees and authorised for issue on 7 October 2025, and are signed on behalf of the Board by:

J H Marks
Trustee

P A Cresswell
Trustee

The notes on pages 20 to 31 form part of the financial statements.

Statement of Cash Flows at Healthworks Newcastle
For the year ended 31 March 2025

	2024/25 £	2023/24 £
Net income	63,801	51,340
Adjustments for:		
Depreciation charges	41,784	57,240
Interest received	(25,064)	(20,310)
Changes in:		
Trade and other debtors	(18,236)	14,094
Trade and other creditors	(50,183)	99,718
Net cash from operating activities	**12,102**	**202,080**
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	(41,608)	(65,915)
Proceeds from the sale of tangible fixed assets	1,101	1,145
Interest received	25,064	20,310
Net cash used in investing activities	**(15,443)**	**(44,458)**
Net increase / (decrease) in cash and cash equivalents	**(3,341)**	**157,622**
Cash and cash equivalents at beginning of year	**1,375,051**	**1,217,429**
Cash and cash equivalents at end of year	**1,371,710**	**1,375,051**

The notes on pages 20 to 31 form part of the financial statements.

Notes to the financial statements

1. General information

Healthworks Newcastle (the Charity) is a private company limited by guarantee registered in England and Wales (02952583) and a registered charity in England and Wales (1040370). The address of the registered office is Health Resource Centre, Adelaide Terrace, Newcastle upon Tyne, NE4 8BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland), Charities SORP (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), and the Charities Act 2011.

3. Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost basis, except for certain fixed assets, which are recorded at fair value, and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are presented in UK sterling which is the functional currency of the charity.

b) Going concern

The Trustees consider the charity to be well placed to manage its financing and other operational risks satisfactorily. The Trustees also have a reasonable expectation that the charity will have adequate resources to continue in operation and meet its liabilities as they fall due for at least 12 months following the date of approval of the accounts. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

c) Critical accounting estimates and judgements

The Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the financial statements continued

d) Sources of estimation uncertainty

i) Valuation of properties

As described in note 10 to the financial statements, leasehold property has been stated at fair value based on the independent valuation performed last performed on 31 March 2024 by members of the Royal Institute of Chartered Surveyors. Trustees have judged that there has been no material change in the previous twelve months that would require a further independent valuation, and that the building will have no useful life after 31 March 2064. The total value of leasehold property held in the financial statements at 31 March 2025 is therefore estimated to be £609,375 (2024: £625,000).

e) Income

All income is derived from services and activities carried out in the UK. All income is recognised when the charity has entitlement to the funds and any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue grants, is recognised in line with expenditure incurred towards meeting the conditions attached to the grant. Any remaining income is recognised when the charity has fully met the conditions attached to the grant.

Income received in advance of the provision of a specified service is deferred until the criteria for the income recognition is met. For example, contracts for services that are paid quarterly in advance.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is classified under the following activity headings:

- Expenditure on the costs of generating funds include the costs of generating voluntary income and the costs of generating other trading income. The costs of generating voluntary income include fundraising activities. The costs of generating other trading income include the costs attributable to activities such as the operation of the Lemington Centre Pre-School, the running of the gyms and fitness classes, and the rental of premises to tenants.
- Expenditure on charitable activities includes the costs of providing the various activities undertaken to further the purposes of the charity together with their support costs.
- Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

Notes to the financial statements continued

g) Tangible assets

Tangible fixed assets – with the exception of Long Leasehold – are measured at historical cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

- Plant & Machinery: 10 years straight line
- Fixtures & Fittings: 10 years straight line
- Computer Equipment: 5 years straight line

Long Leasehold is measured on the revaluation basis. Valuations are to be undertaken on a sufficiently regular basis to ensure that the carrying amount does not differ materially from the fair value of the asset at the end of the reporting period. We have assessed this sufficiently regular basis to be not less than every five years. The next revaluation is therefore due to be undertaken on or before 31 March 2029.

h) Taxation

The charity is exempt from Corporation Tax because all of its profits from trading arise through primary purpose trading.

i) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. The charity does not hold any designated funds.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

j) Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements continued

l) Current assets

Amounts owing to the charity at 31 March in respect of grants and service level agreement income are shown as debtors less provisions for amounts that may prove uncollectible. Short term deposits represent cash held on deposit at the bank. Cash at bank and in hand represents bank balances at close of business on 31 March.

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

4. Limited by guarantee

The charity is a company limited by guarantee and accordingly does not have a share capital.

Each Trustee of the charity undertakes to contribute such amount as may be required (not exceeding £10) to the charity's assets in the event of it being wound up. This undertaking is in place while they are a Trustee of the charity or within one year after they cease to be Trustee of the charity.

Notes to the financial statements continued

5. Income

	Public sector contracts	Public sector grants	Other	2024/25 £	2023/24 £
Voluntary income					
Donations and gifts	-	-	4,137	**4,137**	2,593
Grants	-	66,188	3,817	**70,005**	17,680
Other trading activities					
The Lemington Centre Pre-School	-	-	179,099	**179,099**	130,621
Gym and class admission	-	-	56,474	**56,474**	49,732
Rental of premises	-	-	70,441	**70,441**	85,828
Other trading income	512	-	31,204	**31,716**	15,951
Investment and interest income	-	-	25,064	**25,064**	20,310
Income from charitable activities					
Health Improvement	734,269	24,885	37,169	**796,323**	1,033,157
Health Promotion	243,421	481,945	349,837	**1,075,203**	791,430
ZoneWorks	135,067	-	-	**135,067**	352,328
Other income	-	-	6,186	**6,186**	11,800
TOTAL INCOME	**1,113,269**	**573,018**	**763,428**	**2,449,715**	**2,511,430**

The income above relates to 18 public sector contracts and 12 public sector grants.

The prior year comparator is £1,460,939 from 19 public sector contracts and £435,648 from 7 public sector grants.

Notes to the financial statements continued

6. Expenditure

	Direct cost of activities	Allocation of support costs	2024/25 £	2023/24 £
Costs of generating voluntary income				
Donations and gifts	-	2,111	**2,111**	25,676
Grants	13,267	51,741	**65,008**	5,475
Costs of generating trading income				
The Lemington Centre Pre-School	159,903	60,165	**220,068**	177,232
Gym and class admission	26,907	18,976	**45,883**	47,642
Rental of premises	-	23,663	**23,663**	26,537
Other trading income	7,161	11,735	**18,896**	5,333
Charitable activities				
Health Improvement	640,521	284,580	**898,025**	950,880
Health Promotion	493,586	403,485	**897,071**	782,113
ZoneWorks	120,600	67,513	**188,113**	439,202
TOTAL EXPENDITURE	**1,461,945**	**923,969**	**2,385,914**	**2,460,090**

None of the expenditure in the current year relates to grant funding of activities.

Notes to the financial statements continued

7. Support costs

2024/25 £	Directorate	Administration	Estate	Resources	Communications	Human Resources	Digital	Insurance and finances	Governance	TOTAL
Costs of generating voluntary income										
Donations and gifts	300	584	293	656	4	59	121	83	11	**2,111**
Grants	5,069	35,670	4,956	2,022	94	992	1,354	1,406	178	**51,741**
The Lemington Centre Pre-School	12,968	19,250	12,679	5,081	170	2,539	3,425	3,598	455	**60,165**
Gym and class admission	4,089	6,075	3,998	1,602	54	800	1,080	1,134	144	**18,976**
Rental of premises	5,100	7,572	4,987	1,998	67	998	1,347	1,415	179	**23,663**
Other trading income	2,296	4,234	2,295	979	30	450	733	637	81	**11,735**
Health Improvement	75,109	85,208	56,376	22,592	757	11,287	15,230	15,996	2,025	**284,580**
Health Promotion	124,450	111,023	76,120	30,504	1,045	15,240	20,758	21,611	2,734	**403,485**
ZoneWorks	31,920	14,517	9,562	3,832	128	1,915	2,583	2,713	343	**67,513**
TOTAL SUPPORT COSTS	**261,301**	**284,133**	**171,266**	**69,266**	**2,349**	**34,280**	**46,631**	**48,593**	**6,150**	**923,969**

2023/24 £	Directorate	Administration	Estate	Resources	Communications	Human Resources	Digital	Insurance and finances	Governance	TOTAL
Costs of generating voluntary income										
Donations and gifts	175	24,092	193	843	80	33	206	49	5	**25,676**
Grants	1,194	1,440	1,317	593	39	223	292	337	31	**5,466**
Costs of generating trading income										
The Lemington Centre Pre-School	8,823	6,910	9,731	4,382	287	1,648	2,154	2,491	229	**36,655**
Gym and class admission	3,359	4,055	3,705	1,668	109	627	820	948	87	**15,378**
Rental of premises	5,797	6,993	6,394	2,879	188	1,083	1,415	1,637	151	**26,537**
Other trading income	1,077	1,301	1,188	535	35	201	263	304	28	**4,932**
Charitable activities										
Health Improvement	104,586	173,973	76,969	34,752	2,283	13,033	17,035	19,702	1,817	**444,150**
Health Promotion	100,366	64,494	58,961	26,552	1,737	9,984	13,049	15,092	1,392	**291,627**
ZoneWorks	23,798	28,706	26,248	11,820	773	4,444	5,809	6,719	620	**108,937**
TOTAL SUPPORT COSTS	**249,175**	**311,964**	**184,706**	**84,024**	**5,531**	**31,276**	**41,043**	**47,279**	**4,360**	**959,358**

Each category of support cost is first allocated to the line of activity it directly supports, and then the residual is split across the lines of activity based on the apportionment method employed by the entity. The apportionment method for each category of support cost is the percentage of income associated with each line of activity.

Notes to the financial statements continued

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Direct cost £	Support cost £	2024/25 £	2023/24 £
Gross wages and salaries	1,175,772	563,980	**1,739,752**	1,823,787
Employers national insurance	88,565	46,716	**135,281**	139,248
Employers pension	22,816	12,358	**35,174**	36,864
TOTAL STAFF COSTS	**1,287,153**	**623,054**	**1,910,207**	**1,999,899**

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

	Direct staff	Support staff	2024/25	2023/24
Health Improvement	23	0	**23**	**21**
Health Promotion	24	2	**26**	**22**
ZoneWorks	4	0	**4**	**11**
Other	6	22	**28**	**35**
TOTAL EMPLOYEES	**57**	**24**	**81**	**89**

One employee received employee benefits of more than £60,000 during the year (2023/24: nil). The value of these benefits was between £60,000 and £65,000.

The Memorandum of Association prohibits the Trustees from receiving a salary or any other financial benefit from their role. There were no Trustees' remuneration, other benefits, or expenses paid for the year ended 31 March 2025 (2023/24: nil).

The Key Management Personnel of the charity comprises the Trustees and the Executive Team (being the CEO, the Deputy CEO, the Director of Health Promotion, the Director of Health Improvement, and the Director of Finance and Business Development). The total employee benefits of the Executive Team were £232,869 (2023/24: £223,702).

9. Net income

Net income is stated after charging:

	2024/25 £	2023/24 £
Auditor's remuneration comprising:		
Audit of the financial statements	6,150	4,360
Depreciation	41,784	57,240
Impairment arising from revaluation of long leasehold	-	526,302
Operating lease of plant and machinery	260	2,295

Notes to the financial statements continued

10. Tangible fixed assets

	Long Leasehold £	Plant & Machinery £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2024	687,985	58,207	55,143	74,877	**876,212**
Additions	-	21,742	9,320	10,546	**41,608**
Disposals	-	-	-	(4,926)	**(4,926)**
Revaluation	-	-	-	-	**-**
At 31 March 2025	**687,985**	**79,949**	**64,463**	**80,497**	**912,894**
Depreciation					
At 1 April 2024	(62,985)	(27,804)	(21,955)	(37,569)	**(150,313)**
Charge for the year	(15,625)	(6,271)	(5,336)	(14,552)	**(41,784)**
Disposals	-	-	-	3,825	**3,825**
Revaluation	-	-	-	-	**-**
At 31 March 2025	**(78,610)**	**(34,075)**	**(27,291)**	**(48,296)**	**(188,272)**
Carrying amount					
At 31 March 2025	**609,375**	**45,874**	**37,172**	**32,201**	**724,622**
At 31 March 2024	625,000	30,403	33,188	37,308	**725,899**

All tangible fixed assets are held for the purposes of the charity.

The Health Resource Centre has a legal charge on its premises between the Charity, Newcastle City Council, and the Secretary of State for Health. This legal charge places an obligation to the Charity to return grant funding to Newcastle City Council and the Secretary of State for Health in the event that the Health Resource Centre is no longer to be used for the furtherance of the charitable objectives as set out in the Charity's governing documents. The amount of grant funding to be returned in this event is £1,255,000.

The Lemington Centre is held on a short leasehold and is therefore not capitalised. The landlord has elected not to charge rent. The value of any deemed rent has not been estimated and is not included in the accounts as either income or expenditure on the grounds of immateriality.

Notes to the financial statements continued

11. Debtors

	2024/25 £	2023/24 £
Trade debtors	42,149	61,873
Other debtors	8,447	-
Prepayments and accrued income	60,929	31,416
	111,525	**93,289**

12. Creditors: amounts falling due within one year

	2024/25 £	2023/24 £
Trade creditors	31,398	24,038
Other creditors	41,092	39,074
Accruals and deferred income	438,705	471,944
Amounts due to HMRC & pension provider in respect of payroll	30,568	36,446
Amounts due to HMRC in respect of VAT	41,002	61,446
	582,765	**632,948**

Included within creditors is an amount of £382,790 (2023/24: £431,587) related to deferred income where contract income has been received in advance of service delivery. The full amount of £431,587 has been released to the SOFA from the previous accounting period and contract income totalling £382,790 has been deferred at the end of the current accounting period.

13. Pensions and other post-retirement benefits

The Charity offers a defined contribution pension scheme to all employees. It has never offered a defined benefit pension scheme. As such, there is no ongoing obligation beyond the amount recognised in the SOFA as an expense for employer contributions to the scheme of £35,137 (2023/24: £36,864). Further details of the scheme offered are available at https://thepeoplespension.co.uk/

Notes to the financial statements continued

14. Analysis of charitable funds

	At 1 April 2024 £	Income £	Expenditure £	Revaluation £	At 31 March 2025 £
Unrestricted funds					
General funds	1,561,291	2,217,398	(2,233,107)	-	**1,545,582**
Restricted funds					
Adelaide Terrace Fund	-	8,571	(100)	-	**8,471**
Health Champion Development Fund	-	9,800	(8,926)	-	**874**
Holiday Activity Fund	-	22,674	(7,031)	-	**15,643**
PreSchool Inclusion Fund	-	18,423	(12,041)	-	**6,382**
PURE-EX	-	17,836	(15,868)	-	**1,968**
Stroke Groups	-	24,885	(22,500)	-	**2,385**
Targeted Lung Health Programme	-	30,000	(28,388)	-	**1,612**
Useful Vision	-	39,417	(14,152)	-	**25,265**
Volunteer Programme	-	55,711	(41,392)	-	**14,319**
Other	-	5,000	(2,409)	-	**2,591**
Total restricted funds	-	**232,317**	**(152,807)**	-	**79,510**

	At 1 April 2023 £	Income £	Expenditure £	Revaluation £	At 31 March 2024 £
Unrestricted funds					
General funds	2,036,253	2,511,430	(2,460,090)	(526,302)	1,561,291
Restricted funds	-	-	-	-	-

15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	**Total funds**
2024/25 £			
Tangible fixed assets	724,622	-	**724,622**
Current assets	1,401,913	81,322	**1,483,235**
Current liabilities	(580,953)	(1,812)	**(582,765)**
Total net assets	**1,545,582**	**79,510**	**1,625,092**
2023/24 £			
Tangible fixed assets	725,899	-	**725,899**
Current assets	1,468,340	-	**1,468,340**
Current liabilities	(632,948)	-	**(632,948)**
Total net assets	**1,561,291**	**-**	**1,561,291**

16. Related parties

Healthworks used Cheviot Insurance Services Ltd (#09303679) as an insurance broker in February 2024. Mr Joel Hanoch Marks was both a person with significant control of that entity and a Trustee of Healthworks until 29 October 2024, when he resigned from Cheviot Insurance Services Ltd.

Healthworks reviews its insurance requirements annually and Mr Marks was not involved in the then decision to renew the relationship with Cheviot, nor in the subsequent selection of which insurance product was purchased through Cheviot.

Healthworks paid Cheviot £15,756 in February for insurance services. A portion of this payment was prepaid and released during the reporting period. The value of the insurance services released in the reporting period was £11,355. No payments were made to Cheviot during the reporting period, and no balance was payable at the reporting date.

There were no other related party transactions during the year ended 31 March 2025 to report.

17. Events after the Reporting Period

D Creighton resigned as a Trustee on 1 April 2025.

T G Richards and D G Tempest were both appointed as Trustees on 20 May 2025.

Healthworks
the community health charity

www.healthworksne.org.uk

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HEALTHWORKS NEWCASTLE

England & Wales - Charity number 1040370

Accounts

FINANCE REPORT 2023-24

Healthworks

Legal Information

Registered charity name: Healthworks Newcastle

Charity registration number: 1040370

Company registration number: 02952583

Registered office: Health Resource Centre, Adelaide Terrace, Newcastle upon Tyne, NE4 8BE

External Auditor: Stephenson Coates Audit Limited, West 2 Asama Court, Newcastle upon Tyne, NE4 7YD

Bankers: Barclays Bank plc, Leicester, LE87 2BB

Legal Advisor: Baker & McKenzie LLP, 100 New Bridge Street, London, EC4V 6JA

Trustees: J H Marks, P A Cresswell, C F B Burton, D Creighton, M E Henderson, D Lagun, J R Sabarre, and M E Turner

Contents

2 to 8	Report of the Trustees (incorporating Directors' Report)
9	Statement of Trustees' responsibilities
10 to 14	Independent Auditor's Report to the Members of Healthworks Newcastle
15	Statement of Financial Activities, incorporating income and expenditure account
16	Statement of Financial Position
17	Statement of Cash Flows
18 to 29	Notes to the financial statements

Report of the Trustees (incorporating Directors' Report)

Objectives and activities

Healthworks Newcastle (trading as Healthworks) is a charity constituted as a company limited by guarantee (registered charity number 1040370 and registered company number 02952583). It is therefore subject to charity, trust, and company law. This Report of the Trustees therefore incorporates the Directors' Report and Strategic Report required under the regulations of the Companies Act.

The Kings Fund defines health inequalities as "*avoidable, unfair and systematic differences in health between different groups of people*"[1]. Our long-term aim is to end health inequalities that exist between people who live in the North East of England and the rest of the United Kingdom.

We are governed by a Memorandum and Articles of Association which sets out our charitable purpose:

To preserve, protect and improve the health and life outcomes of communities across the North East region of England.

This charitable objective informs our stated aim which is:

Supporting people of all ages to live longer, healthier and happier lives.

We work to achieve this stated aim – within the scope of our charitable objective – through the following activities undertaken by three separate teams:

- **Health Improvement**. Activities undertaken by the team include:
  - Social prescribing services for adults on behalf of Primary Care Networks across Newcastle;
  - Community Health Trainers to support change behaviour interventions to help reduce the health risks from obesity and type 2 diabetes;
  - Waiting Well services to offer targeted support to patients waiting for surgery in the North East;
  - Tobacco Dependency service to help reduce smoking instances amongst hospital in-patients;
  - Physical activity sessions to support people with fall prevention, chronic joint pain, or rehabilitation following cardiac episodes; and
  - Carrying out NHS Health Checks to help identify people at higher risk of chronic health issues who may need clinical support.

- **Health Promotion**. Activities undertaken by the team include:
  - Cancer Awareness services on behalf of Northern Cancer Alliance to promote early identification and reduce the risk of developing lifestyle cancers;
  - Support for families including healthy nutrition sessions, group activities for carers and infants, and school holiday activity sessions.
  - Best Start service to provide antenatal and breastfeeding information, supporting women from conception to birth and enabling people to make informed choices about how to feed their baby;

[1] https://www.kingsfund.org.uk/insight-and-analysis/long-reads/what-are-health-inequalities

Report of the Trustees (incorporating Directors' Report) continued

Objectives and activities continued

- Providing Royal Society for Public Health accredited training to improve nutrition awareness; and
- Supporting the DWP Mid-Life MOT pilot in the North East through provision of bespoke training sessions designed to support making healthy choices.

- **ZoneWorks.** Activities undertaken by the team include:
  - Provision of a pilot service funded by school improvement in Newcastle that aims to improve attendance and attainment through targeted support;
  - Social prescribing services on behalf of Primary Care Networks across Newcastle that are specifically targeted at young people who are at risk of dropping out of the school system; and
  - A programme of research in partnership with North East Wellbeing to promote the ZoneWorks model using the academic led measured outcomes from the services.

We also carry out primary purpose trading in addition to the above charitable activities. This trading is primary purpose because:

- Our pre-school is embedded within our Health Promotion team and provides a service to families who often have additional needs within our early years setting;
- Our gyms and exercise classes are embedded within our Health Improvement team and provides a service to clients who are less likely to attend a commercial gym due to their particular needs; and
- Our rental of premises is predominantly to other charitable organisations who are partnered with us and whose charitable purpose is closely aligned to our own.

Our Trustees have had regard to the Charity Commission's guidance on public benefit.

Our activities deliver public benefit by:

- Increasing the understanding and recognition of the wider social determinants of health;
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset-based approach);
- Providing local access to regular exercise via high quality, low price community gyms and classes;
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities;
- Supporting people to access the services most appropriate to them which are available in the city;
- Recruiting and training a local workforce, investing in upskilling local people;
- Offering a range of volunteering opportunities for local people;
- Achieving a wide reach into communities traditionally seen as 'hard to reach' through the support and co-ordination of local volunteers who reflect their community;
- Buying from local suppliers and producers wherever possible, investing in the local economy;
- Linking into city-wide networks to share good practice and avoid duplication; and
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

Report of the Trustees (incorporating Directors' Report) continued

Objectives and activities continued

Our charity does not make any material social investments or grants. We were supported by 37 volunteers (2022/23: 32) who donated a total of 3,220 hours of their time (2022/23: 2,525). These volunteers predominantly worked in support of our Best Start service.

Achievements and performance

We are proud of our achievements this year. Some of our highlights across our teams include:

- 15,631 people accessed our services and 5,849 were referred to our targeted programmes;
- 2,013 support telephone and video support calls were made to individuals, equating to 743 hours of remote lifestyle support;
- 137 individual NHS Health Checks completed to spot early signs of stroke, kidney disease, heart disease, type 2 diabetes, or dementia;
- 46 individual Health MOTs completed providing information about overall health & wellbeing;
- 77% of Staying Steady completers improvement in TUG Functionality test by 36% (avg.);
- 69% of Staying Steady completers improvement in Sit to Stand Functionality test by 45% (avg.);
- 1.12 average improvement in 4-point balance test;
- 96% of clients reported they had achieved their Goals, across a range of Health and Wellbeing projects;
- 92% of completers of Long Covid rehab significantly reduced reported fatigue;
- Diabetes management clients reduced their HbA1c reading by an average loss on 14.3mmol per client;
- 86% of clients asked would Highly Recommend the programmes to friends and family;
- We participated in 132 Awareness events attended by 5,654 people. 38% of those attending resided in the lowest 30% areas of deprivation.
- 88 people completed the Cancer Champion Courses. 98% found the course informative and useful;
- 96% of those that attended Cancer Awareness events reported that they are now likely to attend a screening appointment;
- 267 meetings with local businesses to promote key Cancer awareness messages;
- 592 individuals accessed our Stop Smoking service and were given 1-2-1 support to set their Quit date;
- Of the people accessing our Stop Smoking service, 59% of all clients successfully quit smoking at 4 weeks;
- 47% of those that quit smoking continued to be smoke free at 12 weeks;
- 55% of clients employed in 'Routine and Manual' occupations setting a quit date quit smoking;
- 84% of clients have increased their physical activity levels (based on GPPAQ);
- A total of 954kg weight loss was reported between 212 clients;
- A total of 217cm lost from waist measurements with an average loss of 5.29cm per client;
- 105 unique people reduced their BMI to a healthy range, average reduction of 2.46
- Our Best Start Team supported 744 new breastfeeding women and families;
- 'Breastfeeding Mams' has 3,400 followers on Facebook and 693 on Instagram;

Report of the Trustees (incorporating Directors' Report) continued

Achievements and performance continued

- Our 'Breastfeeding Mams Newcastle' dedicated social media support pages and Facebook groups provide real-time support, information and guidance to families and enable ongoing interaction with peers;
- 68 families were provided with pregnancy support from practitioners and/or volunteers;
- 4 Breastfeeding Social sessions per week across Newcastle. Accessed by 409 unique people 1,934 times;
- 72 children attended our pre-school 4,129 times between them;
- Our ZoneWorks Social Prescribing team engaged with over 270 families impacting on both health and social outcomes;
- Our ZoneWorks Social Prescribing team were active in 11 primary schools and 1 secondary school;
- 495 individuals and 8 partners in our New Tyne West partnership;
- We engaged 2,194 unique children and worked with 35 different partners during the Summer Holiday Activities and Food programme (HAF); and
- We continue to develop a range of digital family resources which are accessible to families and workers for free – these included family activity eBooks, play and learn videos and family cooking activities.

Financial review

Our reserves at the end of the reporting period were £1,561,291 (2022/23: £2,036,253). This decrease in reserves of £474,962 is the net of our operating surplus of £51,340 and a loss on the revaluation of our leasehold premises of £526,302. This loss on revaluation arose due to a change in accounting policy for estimating the fair value of leasehold property and is disclosed as a one-off adjustment in the accounts.

Our trading activities generated a deficit of £5,763 (2022/23: £33,746). The reduction in the deficit was mainly due to cost reductions in the pre-school and improved performance in gym and class admissions. This deficit is combined with net proceeds from voluntary income, investment income, and other income to arrive at the net resources available for charitable activities. These net resources were £46,620 (2022/23: £58,780). The fall in net resources was mainly due to a reduction in grant income and other income, which was partially offset by increases in investment income.

Our charitable activities generated a surplus of £4,719 (2022/23: deficit of £24,584). This improvement in performance was mainly due to Health Promotion which generated a surplus of £9,317 (2022/23: deficit of £70,540). Health Improvement also performed well with a surplus of £82,277 (2022/23: £126,897), and ZoneWorks had a deficit of £86,874 (2022/23: £80,841). The ZoneWorks pilot runs until the end of August 2024 (see events after the reporting period disclosure on page 29).

Our turnover increased by 17% to £2,511,430 (2022/23: £2,148,444). The increase in turnover is mainly down to additional commissioned services, in particular from Newcastle City Council and Newcastle upon Tyne Hospitals NHS Foundation Trust. These additional services necessitated additional spending to deliver against their objectives.

Report of the Trustees (incorporating Directors' Report) continued

Financial review continued

The nature of commissioned services mean that contracts tend to be awarded on an annual basis. The principal risk facing the charity is therefore overreliance on a particular funder or contract. The risk is mitigated by providing a wide range of services to a large number of commissioners with contract expiration being staged throughout the year. This enables the charity to better respond to any loss of income through the expiration of a contract. There are no uncertainties about our ability to continue as a going concern.

Our support costs make up 39% (2022/23: 41%) of total expenditure. The reduction in the proportion of total expenditure is mainly due to efforts to allocate more spend to the direct cost of activities.

Our target is to breakeven and to reinvest all income into our charitable activities. We achieved an operating surplus of 2.0% of turnover (2022/23: 1.6%) which will be reinvested in future periods.

All of our reserves are unrestricted, so our free reserves are equivalent to our net current asset position. Our reserves policy is to hold liquid (i.e. immediate access cash) net current assets equal to at least three times the cost of the monthly payroll. This is so that service delivery is not jeopardised through fluctuations in the timing of receipt of funding. It also functions as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that it continues to be appropriate for our organisation.

Our free reserves at the reporting date were £835,392 (2022/23: £791,582). Our staff costs were £1,999,899 (2022/23: £1,706,431), meaning that the liquid net current assets required were £499,975 (2022/23: £426,608). This means that we held free reserves of £335,417 (2022/23: £364,974) over the level required by our policy. These will be invested into our charitable objectives in future periods.

Plans for future periods

The Trustees have considered the budget for the coming financial year and the income contracts in place, and are satisfied that the charity remains a going concern.

The likely future developments are new commissions in the region that build on our existing relationships and contracts. These may necessitate growth in both our staff numbers and our estate to accommodate.

Structure, governance and management

Our Board of Trustees, who are also Directors of the charity for the purposes of the Companies Act, have overall responsibility for the strategy, management, and control of the charity. The Chief Executive, supported by the directors, is responsible for delivering the Board's vision and strategy and for the day-to-day operation of the charity and accountable to the Board of Trustees. The Key Management Personnel of the charity are the Board of Trustees, the Chief Executive, the Deputy Chief Executive, the Director of Health Promotion, the Director of Operations, and the Director of Finance and Business Development.

Report of the Trustees (incorporating Directors' Report) continued

Structure, governance and management continued

As of 31 March 2024, the Board was made up of eight Trustees:

- J H Marks (Chair)
- P A Cresswell (Deputy Chair)
- C F B Burton
- D Creighton
- M E Henderson
- D Lagun
- J R Sabarre
- M E Turner

All of the Trustees were in post for the full year, and there were no resignations from the Board during the year.

There were no changes to the other Key Management Personnel during 2023/24. The Deputy Chief Executive left the charity on 31 August 2024 and a Director of Health Improvement was appointed to the charity with a start date of 1 July 2024 (see events after the reporting period disclosure on page 29).

Decision making within the charity is normally delegated to the Chief Executive. Decisions explicitly retained by the Trustees include spend over £20,000, Chief Executive remuneration, and entering into new investments. The Chief Executive in practice will also seek Trustee approval for creating and amending the annual budget, and any amendments to the pay structure. This means that Trustee approval is required for all pay and remuneration for Key Management Personnel.

Key Management Personnel pay and remuneration below the Chief Executive is set with reference to entry pay in the organisation. The multiple between the entry pay and the top of the director grade in the pay structure is 2.06. Entry pay is set with reference to the Real Living Wage as set by the Living Wage Foundation.

We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We want to attract a broad range of candidates, and appoint new Trustees based on their skills and experience. We carry out due diligence checks on prospective Trustees to ensure that any appointment meets the requirements of our governing document and the law. Once appointed Trustees go through an induction programme to make sure they understand their role under charity and company law. All of our Trustees give their time voluntarily and receive no financial rewards or benefit. Any Trustee expenses that are repaid are disclosed.

The Board and the Executive Team meet every two months. The objective of these meetings is for the Board to seek and obtain assurances that the Executive Team is acting in a way that enables the Trustees to meet their duty to promote the success of the Charity, and to have regard to s.172 of the Companies Act 2006.

Report of the Trustees (incorporating Directors' Report) continued

Structure, governance and management continued

Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

The Finance Risk and Audit Committee (FRAC) operated throughout the year. As of 31 March 2024, the FRAC was made up of four Trustees:

- C F B Burton (Committee Chair)
- P A Cresswell
- M E Henderson
- D Lagun

All of the Trustees were in post for the full year, and there were no resignations from the FRAC during the year.

The FRAC meet two weeks prior to the Board and no less than three times a year. The objective of these meetings is for the FRAC to seek and obtain assurances that the Executive Team, represented by the Director of Finance and Business Development, have robust financial controls in place and that the Charity's exposure to financial risk is understood and mitigated. The FRAC is a sub-committee of the Board and as such provides assurance in turn to the Board.

The charity has no subsidiary undertakings or connected charities. Any related party transactions are disclosed in the accounts (see related parties' disclosure on page 29).

Reference and administrative details

All information required by regulation can be found on page 1 under the heading "Legal information".

The Trustees have delegated day-to-day management of the charity to the Chief Executive, Mr P Court.

The Charity produces an annual Impact Report and publishes it on its website: https://www.healthworksne.org.uk/ . This includes information about the services provided and the number of people supported. The Impact Report does not form part of these financial statements. It may provide additional useful information to users of the accounts.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Healthworks Newcastle for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006

The Report of the Trustees, which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company Directors on 24 September 2024 and signed on its behalf by:

J H Marks
Trustee

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2024

Opinion

We have audited the financial statements of Healthworks Newcastle (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 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 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 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 company's ability to continue as a going concern for a period of at least 12 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.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2024 continued

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2024 continued

Matters on which we are required to report by exception continued

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2024 continued

Auditor's responsibilities for the audit of the financial statements continued

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Ofsted, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of Healthworks Newcastle for the year ended 31 March 2024 continued

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Oswald BA FCA
Senior Statutory Auditor

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

24 September 2024

Statement of Financial Activities, incorporating income and expenditure accounts at Healthworks Newcastle

For the year ended 31 March 2024

N.B. All income and expenditure relates to unrestricted funds

	Note	2023/24 £	2022/23 £
INCOME			
Voluntary income		20,273	57,758
Income from trading activities		282,132	295,859
Investment income		20,310	2,119
Income from charitable activities		2,176,915	1,760,059
Other income		11,800	32,649
TOTAL INCOME	5	**2,511,430**	**2,148,444**
EXPENDITURE			
Costs of generating funds			
Costs of generating voluntary income		31,152	28,676
The Lemington Centre Pre-School		177,232	203,039
Gym and class admission		47,642	52,745
Rental of premises		26,537	30,964
Other trading income		5,332	14,181
Total cost of generating funds		**287,895**	**329,605**
Costs of charitable activities			
Health Improvement		950,880	835,312
Health Promotion		782,113	568,760
ZoneWorks		439,202	380,571
TOTAL EXPENDITURE	6, 7	**2,460,090**	**2,114,248**
NET INCOME		**51,340**	**34,196**
Losses on revaluation of fixed assets		**(526,302)**	-
NET MOVEMENT IN FUNDS		**(474,962)**	**34,196**
Reconciliation of funds			
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		**2,036,253**	**2,002,057**
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		**1,561,291**	**2,036,253**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on pages 18 to 29 form part of the financial statements.

Statement of Financial Position at Healthworks Newcastle
As at 31 March 2024

	Note	2023/24 £	2022/23 £
ASSETS			
Non-current assets			
Tangible fixed assets	10	725,899	1,244,671
Total non-current assets		**725,899**	**1,244,671**
Current assets			
Debtors	11	93,289	107,383
Cash at bank and in hand		1,375,051	1,217,429
Total current assets		**1,468,340**	**1,324,812**
TOTAL ASSETS		**2,194,239**	**2,569,483**
LIABILITIES			
Current liabilities			
Creditors: amounts falling due within one year	12	(632,948)	(533,230)
Total current liabilities		**(632,948)**	**(533,230)**
TOTAL LIABILITIES		**(632,948)**	**(533,230)**
NET CURRENT ASSETS		**835,392**	**791,582**
NET ASSETS		**1,561,291**	**2,036,253**
FUNDS			
Funds of the charity			
Unrestricted funds	14	1,561,291	2,036,253
TOTAL FUNDS		**1,561,291**	**2,036,253**

These financial statements were approved by the Board of Trustees and authorised for issue on 24 September 2024, and are signed on behalf of the Board by:

J H Marks
Trustee

P A Cresswell
Trustee

The notes on pages 18 to 29 form part of the financial statements.

Statement of Cash Flows at Healthworks Newcastle

For the year ended 31 March 2024

	2023/24 £	2022/23 £
Net income	51,340	34,196
Adjustments for:		
Depreciation charges	57,240	55,176
Interest received	(20,310)	(2,119)
Changes in:		
Trade and other debtors	14,094	32,325
Trade and other creditors	99,718	107,840
Net cash from operating activities	**202,080**	**227,418**
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	(65,915)	(25,888)
Proceeds from the sale of tangible fixed assets	1,145	-
Interest received	20,310	2,119
Net cash used in investing activities	**(44,458)**	**(23,769)**
Net increase in cash and cash equivalents	**157,622**	**203,649**
Cash and cash equivalents at beginning of year	**1,217,429**	**1,013,780**
Cash and cash equivalents at end of year	**1,375,051**	**1,217,429**

The notes on pages 18 to 29 form part of the financial statements.

Notes to the financial statements

1. General information

Healthworks Newcastle (the Charity) is a private company limited by guarantee registered in England and Wales (02952583) and a registered charity in England and Wales (1040370). The address of the registered office is Health Resource Centre, Adelaide Terrace, Newcastle upon Tyne, NE4 8BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland), Charities SORP (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), and the Charities Act 2011.

3. Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost basis, except for certain fixed assets, which are recorded at fair value, and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are presented in UK sterling which is the functional currency of the charity.

b) Going concern

The Trustees consider the charity to be well placed to manage its financing and other operational risks satisfactorily. The Trustees also have a reasonable expectation that the charity will have adequate resources to continue in operation and meet its liabilities as they fall due for at least 12 months following the date of approval of the accounts. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

c) Critical accounting estimates and judgements

The Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the financial statements continued

d) Sources of estimation uncertainty

i) Valuation of properties

As described in note 10 to the financial statements, property has been stated at fair value based on the valuations performed during the financial year. The valuations have been based on independent valuations by members of the Royal Institute of Chartered Surveyors. There remains some uncertainty in the UK property market which has inevitably increased the degree of judgement involved in the property valuation at 31 March 2024. The total value of the property held in the financial statements at 31 March 2024 is £625,000 (2023: £1,183,513).

e) Income

All income is derived from services and activities carried out in the UK. All income is recognised when the charity has entitlement to the funds and any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue grants, is recognised in line with expenditure incurred towards meeting the conditions attached to the grant. Any remaining income is recognised when the charity has fully met the conditions attached to the grant.

Income received in advance of the provision of a specified service is deferred until the criteria for the income recognition is met. For example, contracts for services that are paid quarterly in advance.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is classified under the following activity headings:

- Expenditure on the costs of generating funds include the costs of generating voluntary income and the costs of generating other trading income. The costs of generating voluntary income include fundraising activities. The costs of generating other trading income include the costs attributable to activities such as the operation of the Lemington Centre Pre-School, the running of the gyms and fitness classes, and the rental of premises to tenants.
- Expenditure on charitable activities includes the costs of providing the various activities undertaken to further the purposes of the charity together with their support costs.
- Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

Notes to the financial statements continued

g) Tangible assets

Tangible fixed assets – with the exception of Long Leasehold – are measured at historical cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

- Plant & Machinery: 10 years straight line
- Fixtures & Fittings: 10 years straight line
- Computer Equipment: 5 years straight line

Long Leasehold is now held on the revaluation basis. Previously it was depreciated over the term of the lease. This change in accounting policy provides reliable and more relevant information because the revaluation basis considers wider market factors when estimating fair value. Valuations are to be undertaken on a sufficiently regular basis to ensure that the carrying amount does not differ materially from the fair value of the asset at the end of the reporting period. We have assessed this sufficiently regular basis to be not less than every five years. The next revaluation is therefore due to be undertaken on or before 31 March 2029.

h) Taxation

The charity is exempt from Corporation Tax because all of its profits from trading arise through primary purpose trading.

i) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. The charity does not hold any designated funds.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds. The charity does not hold any restricted funds.

j) Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements continued

l) Current assets

Amounts owing to the charity at 31 March in respect of grants and service level agreement income are shown as debtors less provisions for amounts that may prove uncollectible. Short term deposits represent cash held on deposit at the bank. Cash at bank and in hand represents bank balances at close of business on 31 March.

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

4. Limited by guarantee

The charity is a company limited by guarantee and accordingly does not have a share capital.

Each Trustee of the charity undertakes to contribute such amount as may be required (not exceeding £10) to the charity's assets in the event of it being wound up. This undertaking is in place while they are a Trustee of the charity or within one year after they cease to be Trustee of the charity.

Notes to the financial statements continued

5. Income

	Public sector contracts	Public sector grants	Other	2023/24 £	2022/23 £
Voluntary income					
Donations and gifts	-	-	2,593	**2,593**	533
Grants	-	1,132	16,548	**17,680**	57,225
Other trading activities					
The Lemington Centre Pre-School	-	-	130,621	**130,621**	141,092
Gym and class admission	-	-	49,732	**49,732**	45,163
Rental of premises	-	-	85,828	**85,828**	86,987
Other trading income	-	-	15,951	**15,951**	22,617
Investment and interest income	-	-	20,310	**20,310**	2,119
Income from charitable activities					
Health Improvement	900,262	81,479	51,416	**1,033,157**	962,109
Health Promotion	227,747	353,037	210,646	**791,430**	498,220
ZoneWorks	332,931	-	19,397	**352,328**	299,730
Other income	-	-	11,800	**11,800**	32,649
TOTAL INCOME	**1,460,939**	**435,648**	**614,842**	**2,511,430**	**2,148,444**

The income above relates to 19 public sector contracts and 7 public sector grants.

The prior year comparator is £1,119,077 from 15 public sector contracts and £257,381 from 6 public sector grants.

Notes to the financial statements continued

6. Expenditure

	Direct cost of activities	Allocation of support costs	2023/24 £	2022/23 £
Costs of generating voluntary income				
Donations and gifts	-	25,676	**25,676**	8,306
Grants	9	5,466	**5,475**	20,370
Costs of generating trading income				
The Lemington Centre Pre-School	140,577	36,655	**177,232**	203,039
Gym and class admission	32,264	15,378	**47,642**	52,745
Rental of premises	-	26,537	**26,537**	30,964
Other trading income	401	4,932	**5,333**	14,181
Charitable activities				
Health Improvement	506,730	444,150	**950,880**	835,312
Health Promotion	490,486	291,627	**782,113**	568,760
ZoneWorks	330,265	108,937	**439,202**	380,571
TOTAL EXPENDITURE	**1,500,732**	**959,358**	**2,460,090**	**2,114,248**

None of the expenditure in the current year relates to grant funding of activities.

Notes to the financial statements continued

7. Support costs

2023/24 £	Directorate	Administration	Estate	Resources	Communications	Human Resources	Digital	Insurance and finances	Governance	TOTAL
Costs of generating voluntary income										
Donations and gifts	175	24,092	193	843	80	33	206	49	5	**25,676**
Grants	1,194	1,440	1,317	593	39	223	292	337	31	**5,466**
Costs of generating trading income										
The Lemington Centre Pre-School	8,823	6,910	9,731	4,382	287	1,648	2,154	2,491	229	**36,655**
Gym and class admission	3,359	4,055	3,705	1,668	109	627	820	948	87	**15,378**
Rental of premises	5,797	6,993	6,394	2,879	188	1,083	1,415	1,637	151	**26,537**
Other trading income	1,077	1,301	1,188	535	35	201	263	304	28	**4,932**
Charitable activities										
Health Improvement	104,586	173,973	76,969	34,752	2,283	13,033	17,035	19,702	1,817	**444,150**
Health Promotion	100,366	64,494	58,961	26,552	1,737	9,984	13,049	15,092	1,392	**291,627**
ZoneWorks	23,798	28,706	26,248	11,820	773	4,444	5,809	6,719	620	**108,937**
TOTAL SUPPORT COSTS	**249,175**	**311,964**	**184,706**	**84,024**	**5,531**	**31,276**	**41,043**	**47,279**	**4,360**	**959,358**

2022/23 £	Directorate	Administration	Estate	Resources	Communications	Human Resources	Digital	Insurance and finances	Governance	TOTAL
Costs of generating voluntary income										
Donations and gifts	35	37	50	8	8	13	8	8,146	1	**8,306**
Grants	3,721	4,022	5,405	895	813	1,411	850	3,158	95	**20,370**
Costs of generating trading income										
The Lemington Centre Pre-School	14,331	9,917	13,690	2,349	2,004	3,478	2,095	7,787	234	**55,885**
Gym and class admission	2,937	3,174	5,719	706	641	1,113	670	2,498	75	**17,533**
Rental of premises	5,656	6,114	8,218	1,360	1,235	2,145	1,291	4,801	144	**30,964**
Other trading income	5,021	1,590	2,136	354	321	558	336	1,248	37	**11,601**
Charitable activities										
Health Improvement	87,732	90,280	90,892	15,043	13,662	23,720	14,284	53,098	1,593	**390,304**
Health Promotion	70,546	35,019	47,068	7,790	7,075	13,133	7,397	27,496	825	**216,349**
ZoneWorks	19,489	21,068	28,317	4,686	4,256	7,389	4,450	16,595	496	**106,746**
TOTAL SUPPORT COSTS	**209,468**	**171,221**	**201,495**	**33,191**	**30,015**	**52,960**	**31,381**	**124,827**	**3,500**	**858,058**

Each category of support cost is first allocated to the line of activity it directly supports, and then the residual is split across the lines of activity based on the apportionment method employed by the entity. The apportionment method for each category of support cost is the percentage of income associated with each line of activity.

Notes to the financial statements continued

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Direct cost £	Support cost £	2023/24 £	2022/23 £
Gross wages and salaries	1,198,318	625,469	**1,823,787**	1,552,534
Employers national insurance	88,267	50,981	**139,248**	121,994
Employers pension	23,318	13,546	**36,864**	31,903
TOTAL STAFF COSTS	**1,309,903**	**689,996**	**1,999,899**	**1,706,431**

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

	Direct staff	Support staff	2023/24	2022/23
Health Improvement	20	1	**21**	**21**
Health Promotion	19	3	**22**	**20**
ZoneWorks	11	0	**11**	**10**
Other	12	23	**35**	**29**
TOTAL EMPLOYEES	**62**	**27**	**89**	**80**

No employee received employee benefits of more than £60,000 during the year (2022/23: nil).

The Memorandum of Association prohibits the Trustees from receiving a salary or any other financial benefit from their role. There were no Trustees' remuneration, other benefits, or expenses paid for the year ended 31 March 2024 (2022/23: nil).

The Key Management Personnel of the charity comprises the Trustees and the Executive Team (being the CEO, the Deputy CEO, the Director of Health Promotion, the Director of Operations, and the Director of Finance and Business Development). The total employee benefits of the Executive Team were £223,702 (2022/23: £230,451).

9. Net income

Net income is stated after charging:

	2023/24 £	2022/23 £
Auditor's remuneration comprising:		
Audit of the financial statements	4,360	3,500
Depreciation	57,240	55,176
Impairment arising from revaluation of long leasehold	526,302	-
Operating lease of plant and machinery	2,295	4,554

Notes to the financial statements continued

10. Tangible fixed assets

	Long Leasehold[1] £	Plant & Machinery £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2023	1,529,693	46,662	32,256	52,493	**1,661,104**
Additions	3,814	11,987	23,277	26,837	**65,915**
Disposals	-	(442)	(390)	(4,453)	**(5,285)**
Revaluation	(845,522)	-	-	-	**(845,522)**
At 31 March 2024	**687,985**	**58,207**	**55,143**	**74,877**	**876,212**
Depreciation					
At 1 April 2023	(346,180)	(22,642)	(18,054)	(29,557)	**(416,433)**
Charge for the year	(36,025)	(5,183)	(3,914)	(12,118)	**(57,240)**
Disposals	-	21	13	4,106	**4,140**
Revaluation	319,220	-	-	-	**319,220**
At 31 March 2024	**(62,985)**	**(27,804)**	**(21,955)**	**(37,569)**	**(150,313)**
Carrying amount					
At 31 March 2024	**625,000**	**30,403**	**33,188**	**37,308**	**725,899**
At 31 March 2023	1,183,513	24,020	14,202	22,936	1,244,671

All tangible fixed assets are held for the purposes of the charity.

[1]*The accounting policy for long leasehold has been changed with effect from 31 March 2024: fair value is now estimated by revaluation as opposed to the historic cost model. The impact of this change is reflected in the revaluation lines in Note 10, the disclosure of depreciation and impairment in Note 9, and losses on revaluation of fixed assets in the Statement of Financial Activities.*

The Health Resource Centre has a legal charge on its premises between the Charity, Newcastle City Council, and the Secretary of State for Health. This legal charge places an obligation to the Charity to return grant funding to Newcastle City Council and the Secretary of State for Health in the event that the Health Resource Centre is no longer to be used for the furtherance of the charitable objectives as set out in the Charity's governing documents. The amount of grant funding to be returned in this event is £1,255,000.

The Lemington Centre is held on a short leasehold and is therefore not capitalised. The landlord has elected not to charge rent. The value of any deemed rent has not been estimated and is not included in the accounts as either income or expenditure on the grounds of immateriality.

Notes to the financial statements continued

11. Debtors

	2023/24 £	2022/23 £
Trade debtors	61,873	26,069
Other debtors	-	9
Prepayments and accrued income	31,416	81,305
	93,289	**107,383**

12. Creditors: amounts falling due within one year

	2023/24 £	2022/23 £
Trade creditors	24,038	12,733
Other creditors	39,074	43,604
Accruals and deferred income	471,944	396,183
Amounts due to HMRC & pension provider in respect of payroll	36,446	30,755
Amounts due to HMRC in respect of VAT	61,446	49,955
	632,948	**533,230**

Included within creditors is an amount of £27,618 (2022/23: £326,075) related to deferred grant where funding has been received and not all conditions have been met. The full amount of £326,075 has been released to the SOFA from the previous accounting period and grant income totalling £27,618 has been deferred at the end of the current accounting period.

Included within creditors is an amount of £431,587 (2022/23: £59,562) related to deferred income where contract income has been received in advance of service delivery. The full amount of £59,562 has been released to the SOFA from the previous accounting period and contract income totalling £431,587 has been deferred at the end of the current accounting period.

13. Pensions and other post-retirement benefits

The Charity offers a defined contribution pension scheme to all employees. It has never offered a defined benefit pension scheme. As such, there is no ongoing obligation beyond the amount recognised in the SOFA as an expense for employer contributions to the scheme of £36,864 (2022/23: £31,903). Further details of the scheme offered are available at https://thepeoplespension.co.uk/

Notes to the financial statements continued

14.Analysis of charitable funds

	At 1 April 2023 £	Income £	Expenditure £	Revaluation £	At 31 March 2024 £
Unrestricted funds					
General funds	2,036,253	2,511,430	(2,460,090)	(526,302)	1,561,291
Restricted funds	-	-	-	-	-

	At 1 April 2022 £	Income £	Expenditure £	Revaluation £	At 31 March 2023 £
Unrestricted funds					
General funds	2,002,057	2,148,444	(2,114,248)	-	2,036,253
Restricted funds	-	-	-	-	-

15.Analysis of net assets between funds

	Unrestricted funds	Total funds
2023/24 £		
Tangible fixed assets	725,899	**725,899**
Current assets	1,468,340	**1,468,340**
Current liabilities	(632,948)	**(632,948)**
Total net assets	**1,561,291**	**1,561,291**
2022/23 £		
Tangible fixed assets	1,244,671	**1,244,671**
Current assets	1,324,812	**1,324,812**
Current liabilities	(533,230)	**(533,230)**
Total net assets	**2,036,253**	**2,036,253**

Notes to the financial statements continued

16.Related parties

Healthworks uses Cheviot Insurance Services Ltd (#09303679) as an insurance broker. Mr Joel Hanoch Marks is both a person with significant control of that entity and a Trustee of Healthworks.

Healthworks reviews its insurance requirements annually and Mr Marks was not involved in the decision to renew the relationship with Cheviot, nor in the subsequent selection of which insurance product is purchased through Cheviot.

Healthworks paid Cheviot £15,756 (2022/23: £10,959) for insurance services. The balance due to Cheviot at 31 March 2024 was nil (2023: £9,066). The insurance services paid for cover the year until February 2025.

Healthworks sold services to Northumberland Wildlife Trust (#221819) during the year. Patricia Cresswell is both a Trustee of that entity and a Trustee of Healthworks. The value of the services sold was £106 (2022/23: nil).

There were no other related party transactions during the year ended 31 March 2024 to report.

17.Events after the Reporting Period

ZoneWorks ended on 31 August 2024. All income and expenditure associated with this team ended on this date.

The Deputy Chief Executive left the charity on 31 August 2024. The postholder had been responsible for ZoneWorks and Health Improvement.

A Director of Health Improvement was appointed to the charity with a start date of 1 July 2024.

www.healthworksne.org.uk

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HEALTHWORKS NEWCASTLE

England & Wales - Charity number 1040370

Accounts

FINANCE REPORT 2022-23

Healthworks

Legal Information

Registered charity name: Healthworks Newcastle

Charity registration number: 1040370

Company registration number: 02952583

Registered office: Health Resource Centre, Adelaide Terrace, Newcastle upon Tyne, NE4 8BE

External Auditor: Stephenson Coates Audit Limited, West 2 Asama Court, Newcastle upon Tyne, NE4 7YD

Bankers: Barclays Bank plc, Leicester, LE87 2BB

Legal Advisor: Baker & McKenzie LLP, 100 New Bridge Street, London, EC4V 6JA

Trustees: J H Marks, P A Cresswell, C F B Burton, D Creighton, M E Henderson, D Lagun, J R Sabarre, and M E Turner

Contents

Pages 2 to 5: Report of the Trustees (incorporating Directors' Report)
Page 6: Statement of Trustees' responsibilities
Page 7 to 9: Independent Auditor's Report to the Members of Healthworks Newcastle
Page 10: Statement of Financial Activities, incorporating income and expenditure account
Page 11: Statement of Financial Position
Page 12: Statement of Cash Flows
Pages 13 to 21: Notes to the financial statements

Report of the Trustees (incorporating Directors' Report)

Objectives and activities

Healthworks Newcastle is a charity constituted as a company limited by guarantee (registered charity number 1040370 and registered company number 02952583). It is therefore subject to charity, trust, and company law. This Report of the Trustees therefore incorporates the Directors' Report and Strategic Report required under the regulations of the Companies Act.

Healthworks Newcastle is governed by a Memorandum and Articles of Association which sets out its charitable objective:

To preserve, protect and improve the health and life outcomes of communities across the North East region of England.

Our activities deliver public benefit by:

- Increasing the understanding and recognition of the wider social determinants of health;
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset-based approach);
- Providing local access to regular exercise via high quality, low price community gyms and classes;
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities;
- Supporting people to access the services most appropriate to them which are available in the city;
- Recruiting and training a local workforce, investing in upskilling local people;
- Offering a range of volunteering opportunities for local people;
- Achieving a wide reach into communities traditionally seen as 'hard to reach' through the support and co-ordination of local volunteers who reflect their community;
- Buying from local suppliers and producers wherever possible, investing in the local economy;
- Linking into city-wide networks to share good practice and avoid duplication; and
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

Our charitable activities are reported as three teams:

- **Health Improvement**. Our Health Improvement Practitioners support community lifestyle changes and deliver change behaviour interventions, including NHS Health Checks, to reduce obesity, smoking and tobacco dependency with hospital in-patients and support healthy nutrition (including Type 2 Diabetes). In addition, the team work with the NHS to support cardiac rehab, rehab for people with chronic joint pain, cancer awareness, reducing falls, long Covid, peripheral arterial disease and a range of physical activity opportunities for those with an existing or ongoing condition. We also deliver Waiting Well across the North East, a programme offering targeted support to certain groups of patients waiting for surgery in the North East.
- **Health Promotion**. The Health Promotion Team deliver a range of activities and training including accredited Royal Society for Public Health training, Cancer Awareness sessions and activities, Community Cancer Champion training, healthy eating information and activities, healthy cooking sessions, activities for parents/carers and their children, and holiday activities for families. Healthworks is supporting Primary Care Networks (PCNs) and surgeries across Newcastle, Gateshead, North Tyneside and Northumberland to help address health inequalities and improve cancer outcomes, in line with The Northern Cancer Alliance workplan and the DES guidelines. Working with parents and families, we provide antenatal and breastfeeding information and support through a team of trained staff and volunteers. The team are trained to provide practical and emotional support to women from conception to birth and we offer information to enable people to make informed choices about how to feed their baby.

- **ZoneWorks.** This is a support programme to enable children to flourish in life for outcomes in education, health and community settings. The child is at the centre of a network of relationships and resources, and we work hard to make the organisation of resources reflect this core priority.

Our charity does not make any material social investments or grants. We were supported by 32 volunteers (2022: 26) who donated a total of 2,525 hours of their time (2022: 1,141).

Achievements and performance

We are proud of our achievements this year. Some of our highlights include:

- 11,416 people accessed our services and 3,188 were referred to our targeted programmes
- 2,448 support telephone and video support calls were made to individuals, equating to 1,022 hours of remote lifestyle support
- 395 individual NHS Health Checks completed to spot early signs of stroke, kidney disease, heart disease, type 2 diabeties, or dementia
- 262 individual Health MOTs completed providing information about overall health and wellbeing
- Participated in 116 events attended by 3,232 people, of which 57% reside in the lowest 30% areas of deprivation.
- 268 meetings with local businesses to promote key Cancer Awareness messages.
- 466 individuals accessed our Stop Smoking service and were given 1-2-1 support to set their Quit Date. Of these, over half successfully quit smoking.
- 1,456 new breastfeeding women and families were contacted, and breastfeeding social sessions were accessed a total of 1,086 times by 295 unique people.
- Our ZoneWorks team engaged with 180 families, and our service was accessed 3,594 times by 189 unique children.

Financial review

Our turnover was £2,148,444 (2022: £1,681,716). Of this amount:

- £1,760,059 (2022: £1,305,622) was raised through our charitable activities; and
- £388,385 (2022: £376,094) was raised in support of our charitable activities.

The increase in turnover is mainly down to additional commissioned services, in particular from Newcastle City Council and Newcastle upon Tyne Hospitals NHS Foundation Trust. These additional services necessitated additional spending to deliver against their objectives.

Our target is to breakeven and to reinvest all income into our charitable activities. We achieved a surplus of £34,196 (1.6% of turnover) which will be reinvested in future periods.

The nature of commissioned services mean that contracts tend to be awarded on an annual basis. The principal risk facing the charity is therefore overreliance on a particular funder or contract. The risk is mitigated by providing a wide range of services to a large number of commissioners with contract expiration being staged throughout the year. This enables the charity to better respond to any loss of income through the expiration of a contract.

Our reserves policy is to hold working capital (i.e. current assets less current liabilities) equal to at least three times the cost of the monthly payroll. This is so that service delivery is not jeopardised through fluctuations in funding. It also functions as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that it continues to be appropriate for our organisation.

Our free reserves at the reporting date were £791,582 (2022: £728,098). Three times the cost of monthly payroll at the reporting date was £448,502 (2022: £426,211), meaning we held free reserves of £343,080 (2022: £301,887) over the level required by our policy. These will be invested into our charitable objectives in future periods.

Plans for future periods

The Trustees have considered the budget for the coming financial year and the income contracts in place, and are satisfied that the charity remains a going concern.

The likely future developments are new commissions in the region that build on our existing relationships and contracts. These may necessitate growth in both our staff numbers and our estate to accommodate.

Structure, governance and management

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for the strategy, management, and control of Healthworks Newcastle (the Charity). Our Chief Executive, working with the Executive Team, is responsible for delivering the Board's vision and strategy and for the day-to-day operations. As of 31 March 2023, the Board was made up of eight Trustees:

- J H Marks (Chair)
- P A Cresswell (Deputy Chair)
- C F B Burton
- D Creighton
- M E Henderson
- D Lagun
- J R Sabarre
- M E Turner

All of the Trustees were in post for the full year, and there were no resignations from the Board during the year.

We appoint our Trustees and committee members based on their skills and experience. We want to attract a broad range of candidates, and once appointed, Trustees and committee members go through an induction programme to make sure they understand their roles under charity and company law. All of our Trustees give their time voluntarily and receive no rewards or benefits from Healthworks. They get involved because they believe in what we do, and want to make a real difference. Any expenses claimed by the trustees are set out in our financial statements.

We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We carry out due diligence checks to ensure that any appointment meets the requirements of our governing document and the law. Each new Trustee visits our centres and works with the management team to ensure a good understanding of the organisation and of their role and responsibilities as Trustees.

The Board and the Executive Team meet every two months. The objective of these meetings is for the Board to seek and obtain assurances that the Executive Team is acting in a way that enables the Trustees to meet their duty to promote the success of the Charity, and to have regard to s.172 of the Companies Act 2006.

Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

The Board created a Finance Risk and Audit Committee (FRAC) in July 2022. As of 31 March 2023, the FRAC was made up of four Trustees:

- C F B Burton (Committee Chair)
- P A Cresswell
- M E Henderson
- D Lagun

The FRAC meet no less than three times a year. The objective of these meetings is for the FRAC to seek and obtain assurances that the Executive Team, represented by the Director of Finance and Business Development, have robust financial controls in place and that the Charity's exposure to financial risk is understood and mitigated. The FRAC is a sub-committee of the Board and as such provides assurance in turn to the Board.

Reference and administrative details

Information on advisors is contained in the section marked 'Legal Information'.

The Trustees' have delegated day-to-day management of the charity to the CEO, Mr P Court.

The Charity produces an annual Impact Report and publishes it on its website: https://www.healthworksnewcastle.org.uk/. This includes information about the services provided and the number of people supported. The Impact Report does not form part of these financial statements. It may provide additional useful information to users of the accounts.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Healthworks Newcastle for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006

The Report of the Trustees, which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company Directors on 26 September 2023 and signed on its behalf by:

J H Marks
Trustee

Independent Auditor’s Report to the Members of Healthworks Newcastle

Opinion
We have audited the financial statements of Healthworks Newcastle (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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;
- 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 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 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 company’s ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

Auditor's responsibilities for the audit of the financial statements (continued)
We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The

company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Ofsted, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Oswald BA FCA
Senior Statutory Auditor

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

26 September 2023

Statement of Financial Activities, incorporating income and expenditure accounts at Healthworks Newcastle

For the year ended 31 March 2023

N.B. All income and expenditure relates to unrestricted funds

	Note	2022/23 £	2021/22 £
INCOME FROM:			
Voluntary income			
Donations and gifts		(533)	(30,603)
Grants		(57,225)	(55,056)
Total voluntary income		**(57,758)**	**(85,659)**
Other trading activities			
The Lemington Centre Pre-School		(141,092)	(117,546)
Gym and class admission		(45,163)	(27,894)
Rental of premises		(86,987)	(101,353)
Other trading income		(22,617)	(26,288)
Total income from trading activities		**(295,859)**	**(273,081)**
Investment income		(2,119)	(100)
Charitable activities			
Health Improvement		(962,109)	(771,755)
Health Promotion		(498,220)	(443,910)
ZoneWorks		(299,730)	(89,957)
Total income from charitable activities		**(1,760,059)**	**(1,305,622)**
Other income		(32,649)	(17,254)
TOTAL INCOME	6	**(2,148,444)**	**(1,681,716)**
EXPENDITURE ON:			
Costs of generating funds			
Costs of generating voluntary income		28,676	31,325
The Lemington Centre Pre-School		203,039	176,486
Gym and class admission		52,745	79,153
Rental of premises		30,964	37,064
Other trading income		14,181	15,368
Total cost of raising funds		**329,605**	**339,396**
Net resources available for charitable activities		**(58,780)**	**(36,698)**
Charitable activities			
Health Improvement		835,312	743,825
Health Promotion		568,760	514,414
ZoneWorks		380,571	111,656
TOTAL EXPENDITURE	7, 8	**2,114,248**	**1,709,291**
NET (INCOME)/EXPENDITURE		**(34,196)**	**27,575**
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		**2,002,057**	**2,029,632**
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		**2,036,253**	**2,002,057**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on pages 13 to 21 form part of the financial statements.

Statement of Financial Position at Healthworks Newcastle
As at 31 March 2023

	Note	2022/23 £	2021/22 £
Fixed assets			
Tangible fixed assets	11	1,244,671	1,273,959
Current assets			
Debtors	12	107,383	139,708
Cash at bank and in hand		1,217,429	1,013,780
		1,324,812	**1,153,488**
Total Assets		**2,569,483**	**2,427,447**
Creditors: amounts falling due within one year	13	(533,230)	(425,390)
Net Current Assets		**791,582**	**728,098**
Total Assets Less Current Liabilities		**2,036,253**	**2,002,057**
Net Assets		**2,036,253**	**2,002,057**
Funds of the charity			
Unrestricted funds	15	2,036,253	2,002,057
TOTAL CHARITY FUNDS		**2,036,253**	**2,002,057**

These financial statements were approved by the Board of Trustees and authorised for issue on 26 September 2023, and are signed on behalf of the Board by:

J H Marks
Trustee

P A Cresswell
Trustee

The notes on pages 13 to 21 form part of the financial statements.

Statement of Cash Flows at Healthworks Newcastle
For the year ended 31 March 2023

	2022/23 £	2021/22 £
Cash flows from operating activities		
Net income / (expenditure)	34,196	(27,575)
Adjustments for:		
Depreciation and impairment charges	55,176	41,880
Interest received	(2,119)	(100)
Changes in:		
Trade and other debtors:	32,325	(39,687)
Trade and other creditors:	107,840	(9,820)
Net cash from operating activities	**227,418**	**(35,302)**
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	(25,888)	(3,814)
Interest received	2,119	100
Net cash used in investing activities	**(23,769)**	**(3,714)**
Net increase / (decrease) in cash and cash equivalents	**203,649**	**(39,016)**
Cash and cash equivalents at beginning of year	**1,013,780**	**1,052,796**
Cash and cash equivalents at end of year	**1,217,429**	**1,013,780**

The notes on pages 13 to 21 form part of the financial statements.

Notes to the financial statements

1. General information

Healthworks Newcastle (the Charity) is a private company limited by guarantee registered in England and Wales (02952583) and a registered charity in England and Wales (1040370). The address of the registered office is Health Resource Centre, Adelaide Terrace, Newcastle upon Tyne, NE4 8BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland), Charities SORP (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), and the Charities Act 2011.

3. Accounting policies

a) Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling which is the functional currency of the Charity.

b) Going concern

The Trustees consider the Charity to be well placed to manage its financing and other operational risks satisfactorily. The Trustees also have a reasonable expectation that the Charity will have adequate resources to continue in operation for the foreseeable future and meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed reasonable under the circumstances. There are no key sources of estimation uncertainty to report that have a significant risk of causing a material adjustment to the financial statements.

d) Income

All income is derived from services and activities carried out in the UK. All income is recognised when the Charity has entitlement to the funds and any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue grants, is recognised in line with expenditure incurred towards meeting the conditions attached to the grant. Any remaining income is recognised when the Charity has fully met the conditions attached to the grant.

Income received in advance of the provision of a specified service is deferred until the criteria for the income recognition is met. For example, contracts for services that are paid quarterly in advance.

e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is classified under the following activity headings:

- Expenditure on the costs of generating funds include the costs of generating voluntary income and the costs of generating other trading income. The costs of generating voluntary income include fundraising activities.

The costs of generating other trading income include the costs attributable to activities such as the operation of the Lemington Centre Pre-School, the running of the gyms and fitness classes, and the rental of premises to tenants.

- Expenditure on charitable activities includes the costs of providing the various activities undertaken to further the purposes of the Charity together with their support costs.
- Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

f) Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

- Long leasehold property: in accordance with terms of the lease
- Plant and machinery: 10 years straight line
- Fixtures and fittings: 10 years straight line
- Computer equipment: 5 years straight line

g) Taxation

The Charity is exempt from Corporation Tax because all of its profits from trading arise through primary purpose trading.

h) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees to further any of the Charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds. The Charity does not hold any restricted funds.

i) Voluntary assistance

Time is expended on the Charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after and trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

4. Limited by guarantee

The Charity is a company limited by guarantee and accordingly does not have a share capital.

Each Trustee of the Charity undertakes to contribute such amount as may be required (not exceeding £10) to the Charity's assets in the event of it being wound up. This undertaking is in place while they are a Trustee of the Charity or within one year after they cease to be Trustee of the Charity.

5. Reclassification of prior year comparatives

The prior year comparatives in the Statement of Financial Activities have been reclassified (previously: Core Activities, Physical Activities, Health Improvement, Health Promotion, and Children & Young People).

This reclassification has been made to align the charity's statutory reporting with its internal reporting, which presents more useful information to the reader of the accounts. In particular, support costs are now disclosed according to their category (previously: Management, and Governance costs).

6. Income

	Public sector contracts	Public sector grants	Other	2022/23 £	2021/22 £
Voluntary income					
Donations and gifts	-	-	(533)	**(533)**	(30,603)
Grants	-	(746)	(56,479)	**(57,225)**	(55,056)
Other trading activities					
The Lemington Centre Pre-School	-	-	(141,092)	**(141,092)**	(117,546)
Gym and class admission	-	-	(45,163)	**(45,163)**	(27,894)
Rental of premises	-	-	(86,987)	**(86,987)**	(101,353)
Other trading income	-	-	(22,617)	**(22,617)**	(26,288)
Investment and interest income	-	-	(2,119)	**(2,119)**	(100)
Income from charitable activities					
Health Improvement	(857,577)	(51,923)	(52,609)	**(962,109)**	(771,755)
Health Promotion	(169,000)	(204,712)	(124,508)	**(498,220)**	(443,910)
ZoneWorks	(92,500)	-	(207,230)	**(299,730)**	(89,957)
Other income	-	-	(32,649)	**(32,649)**	(17,254)
TOTAL INCOME	**(1,119,077)**	**(257,381)**	**(771,986)**	**(2,148,444)**	**(1,681,716)**

The income above relates to 15 public sector contracts and 6 public sector grants.

The prior year comparator is £589,554 from 6 public sector contracts and £204,853 from 5 public sector grants.

7. Expenditure

	Direct cost of activities	Allocation of support costs	2022/23 £	2021/22 £
Costs of generating voluntary income				
Donations and gifts	-	8,306	8,306	11,192
Grants	-	20,370	20,370	20,133
Costs of generating trading income				
The Lemington Centre Pre-School	147,154	55,885	203,039	176,486
Gym and class admission	35,212	17,533	52,745	79,153
Rental of premises	-	30,964	30,964	37,064
Other trading income	2,580	11,601	14,181	15,368
Charitable activities				
Health Improvement	445,008	390,304	835,312	743,825
Health Promotion	352,411	216,349	568,760	514,414
ZoneWorks	273,825	106,746	380,571	111,656
TOTAL EXPENDITURE	**1,256,190**	**858,058**	**2,114,248**	**1,709,291**

None of the expenditure in the current year relates to grant funding of activities.

8. Support costs (reclassified)

2022/23 £	Directorate	Administration	Estate	Resources	Communications	Human Resources	Digital	Insurance and finances	Governance	TOTAL
Costs of generating voluntary income										
Donations and gifts	35	37	50	8	8	13	8	8,146	1	**8,306**
Grants	3,721	4,022	5,405	895	813	1,411	850	3,158	95	**20,370**
Costs of generating trading income										
The Lemington Centre Pre-School	14,331	9,917	13,690	2,349	2,004	3,478	2,095	7,787	234	**55,885**
Gym and class admission	2,937	3,174	5,719	706	641	1,113	670	2,498	75	**17,533**
Rental of premises	5,656	6,114	8,218	1,360	1,235	2,145	1,291	4,801	144	**30,964**
Other trading income	5,021	1,590	2,136	354	321	558	336	1,248	37	**11,601**
Charitable activities										
Health Improvement	87,732	90,280	90,892	15,043	13,662	23,720	14,284	53,098	1,593	**390,304**
Health Promotion	70,546	35,019	47,068	7,790	7,075	13,133	7,397	27,496	825	**216,349**
ZoneWorks	19,489	21,068	28,317	4,686	4,256	7,389	4,450	16,595	496	**106,746**
TOTAL SUPPORT COSTS	**209,468**	**171,221**	**201,495**	**33,191**	**30,015**	**52,960**	**31,381**	**124,827**	**3,500**	**858,058**

2021/22 £	Directorate	Administration	Estate	Resources	Communications	Human Resources	Digital	Insurance and finances	Governance	TOTAL
Costs of generating voluntary income										
Donations and gifts	5,654	1,866	1,592	362	503	90	611	452	62	**11,192**
Grants	10,170	3,356	2,863	652	905	163	1,099	813	112	**20,133**
Costs of generating trading income										
The Lemington Centre Pre-School	21,714	7,165	6,112	1,392	1,933	347	2,347	1,736	240	**42,986**
Gym and class admission	5,153	1,700	1,450	330	459	82	557	412	57	**10,200**
Rental of premises	18,723	6,178	5,270	1,200	1,667	299	2,024	1,497	207	**37,065**
Other trading income	4,856	1,602	1,367	311	432	78	525	388	54	**9,613**
Charitable activities										
Health Improvement	142,564	47,042	40,130	9,140	12,692	2,279	15,410	11,395	1,574	**282,226**
Health Promotion	82,002	27,058	23,083	5,257	7,301	1,311	8,864	6,554	906	**162,336**
ZoneWorks	16,617	5,483	4,678	1,065	1,479	266	1,796	1,328	183	**32,895**
TOTAL SUPPORT COSTS	**307,453**	**101,450**	**86,545**	**19,709**	**27,371**	**4,915**	**33,233**	**24,575**	**3,395**	**608,646**

Each category of support cost is first allocated to the line of activity it directly supports, and then the residual is split across the lines of activity based on the apportionment method employed by the entity. The apportionment method for each category of support cost is the percentage of income associated with each line of activity. This method has created an immaterial difference to the prior year disclosure of £600,084: the £8,562 has been reclassified as direct cost. In addition, the prior year comparator of support costs cannot be reliably disaggregated into categories of support costs and management judgement has been applied to provide comparator figures. As such caution should be used when comparing between periods.

9. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Direct cost	Support cost	2022/23	2021/22
			£	£
Gross wages and salaries	1,034,630	517,904	**1,552,534**	1,296,479
Employers national insurance	77,912	44,082	**121,994**	89,564
Employers pension	20,184	11,719	**31,903**	24,866
TOTAL STAFF COSTS	**1,132,726**	**573,705**	**1,706,431**	**1,410,909**

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

	Direct staff	Support staff	2022/23	2021/22
Health Improvement	20	1	**21**	21
Health Promotion	18	2	**20**	20
ZoneWorks	10	0	**10**	8
Other	7	22	**29**	35
TOTAL EMPLOYEES	**55**	**25**	**80**	**84**

No employee received employee benefits of more than £60,000 during the year (2021/22: nil).

The Memorandum of Association prohibits the Trustees from receiving a salary or any other financial benefit from their role. There were no Trustees' remuneration, other benefits, or expenses paid for the year ended 31 March 2023 (2021/22: nil).

The Key Management Personnel of the charity comprises the Trustees and the Executive Team (being the CEO, the Deputy CEO, the Director of Health Promotion, the Director of Operations, and the Director of Finance and Business Development). The total employee benefits of the Executive Team were £230,451 (2021/22: £203,050).

10.Net (income) / expenditure

Net (income) / expenditure is stated after charging:

	2022/23	2021/22
	£	£
Auditor's remuneration comprising:		
Audit of the financial statements	3,500	3,500
Other accounting services	-	1,000
Depreciation and impairment	55,176	41,880
Operating lease of plant and machinery	4,554	6,526
Receipts under the Coronavirus Job Retention Scheme	-	(10,969)

11. Tangible fixed assets

	Long Leasehold	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
Cost					
At 1 April 2022	1,529,693	31,122	185,132	266,502	2,012,449
Additions	-	9,211	8,589	8,088	25,888
Disposals	-	(33,753)	(122,636)	(220,844)	(377,233)
Reclassification	-	40,082	(38,829)	(1,253)	-
At 31 March 2023	**1,529,693**	**46,662**	**32,256**	**52,493**	**1,661,104**
Depreciation					
At 1 April 2022	(313,969)	(31,122)	(157,643)	(235,756)	(738,490)
Charge for the year	(32,211)	(5,763)	(3,522)	(12,138)	(53,634)
Impairment	-	-	-	(1,542)	(1,542)
Disposals	-	33,753	122,636	220,844	377,233
Reclassification	-	(19,510)	20,475	(965)	-
At 31 March 2023	**(346,180)**	**(22,642)**	**(18,054)**	**(29,557)**	**(416,433)**
Carrying amount					
At 31 March 2023	**1,183,513**	**24,020**	**14,202**	**22,936**	**1,244,671**
At 31 March 2022	1,215,724	-	27,489	30,746	1,273,959

All tangible fixed assets are held for the purposes of the charity. The accounting policy for depreciation has been changed with effect from 1 April 2022: plant and machinery are now depreciated over 10 years as opposed to 5. This change has been made to better reflect the useful economic life of this asset class. The impact on the depreciation charge for the year is a reduction of £4,044.

The Health Resource Centre has a legal charge on its premises between the Charity, Newcastle City Council, and the Secretary of State for Health. This legal charge places an obligation to the Charity to return grant funding to Newcastle City Council and the Secretary of State for Health in the event that the Health Resource Centre is no longer to be used for the furtherance of the charitable objectives as set out in the Charity's governing documents.

The amount of grant funding to be returned in this event is £1,255,000

12. Debtors

	2022/23 £	2021/22 £
Trade debtors	26,069	83,322
Other debtors	9	28,144
Prepayments and accrued income	81,305	28,242
	107,383	**139,708**

13.Creditors: amounts falling due within one year

	2022/23 £	2021/22 £
Trade creditors	(12,733)	(41,811)
Other creditors	(43,604)	(6,282)
Accruals and deferred income	(396,183)	(313,290)
Amounts due to HMRC & pension provider in respect of payroll	(30,755)	(23,583)
Amounts due to HMRC in respect of VAT	(49,955)	(40,424)
	(533,230)	**(425,390)**

Included within creditors is an amount of £326,075 (2021/22: £268,056) related to deferred grant where funding has been received and not all conditions have been met. The full amount of £268,056 has been released to the SOFA from the previous accounting period and grant income totalling £326,075 has been deferred at the end of the current accounting period.

14.Pensions and other post-retirement benefits

The Charity offers a defined contribution pension scheme to all employees. It has never offered a defined benefit pension scheme. As such, there is no ongoing obligation beyond the amount recognised in the SOFA as an expense for employer contributions to the scheme of £31,903 (2021/22: £24,866). Further details of the scheme offered are available at https://thepeoplespension.co.uk/

15.Analysis of charitable funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
Unrestricted funds					
General funds	2,002,057	2,148,444	(2,114,248)	-	2,036,253
Restricted funds	-	-	-	-	-

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
Unrestricted funds					
General funds	731,812	1,681,716	(1,699,151)	1,287,680	2,002,057
Restricted funds					
Capital Health Resource Centre	1,010,859	-	(10,140)	(1,000,719)	-
Sure Start Refurbishment	265,727	-	-	(265,727)	-
TLC Playgroup	21,234	-	-	(21,234)	-
	1,297,820	**-**	**(10,140)**	**(1,287,680)**	**-**

16.Related parties

Healthworks uses Cheviot Insurance Services Ltd (#09303679) as an insurance broker. Mr Joel Hanoch Marks is both a person with significant control of that entity and a Trustee of Healthworks.

Healthworks reviews its insurance requirements annually and Mr Marks was not involved in the decision to renew the relationship with Cheviot, nor in the subsequent selection of which insurance product is purchased through Cheviot.

Healthworks has agreed to pay Aviva plc £10,959 for commercial insurance for the year ended February 2024 (2021/22: £12,515). This agreement was brokered by Cheviot. The amount still payable to Aviva plc at the reporting date was £9,133 (2021/22: £9,066).

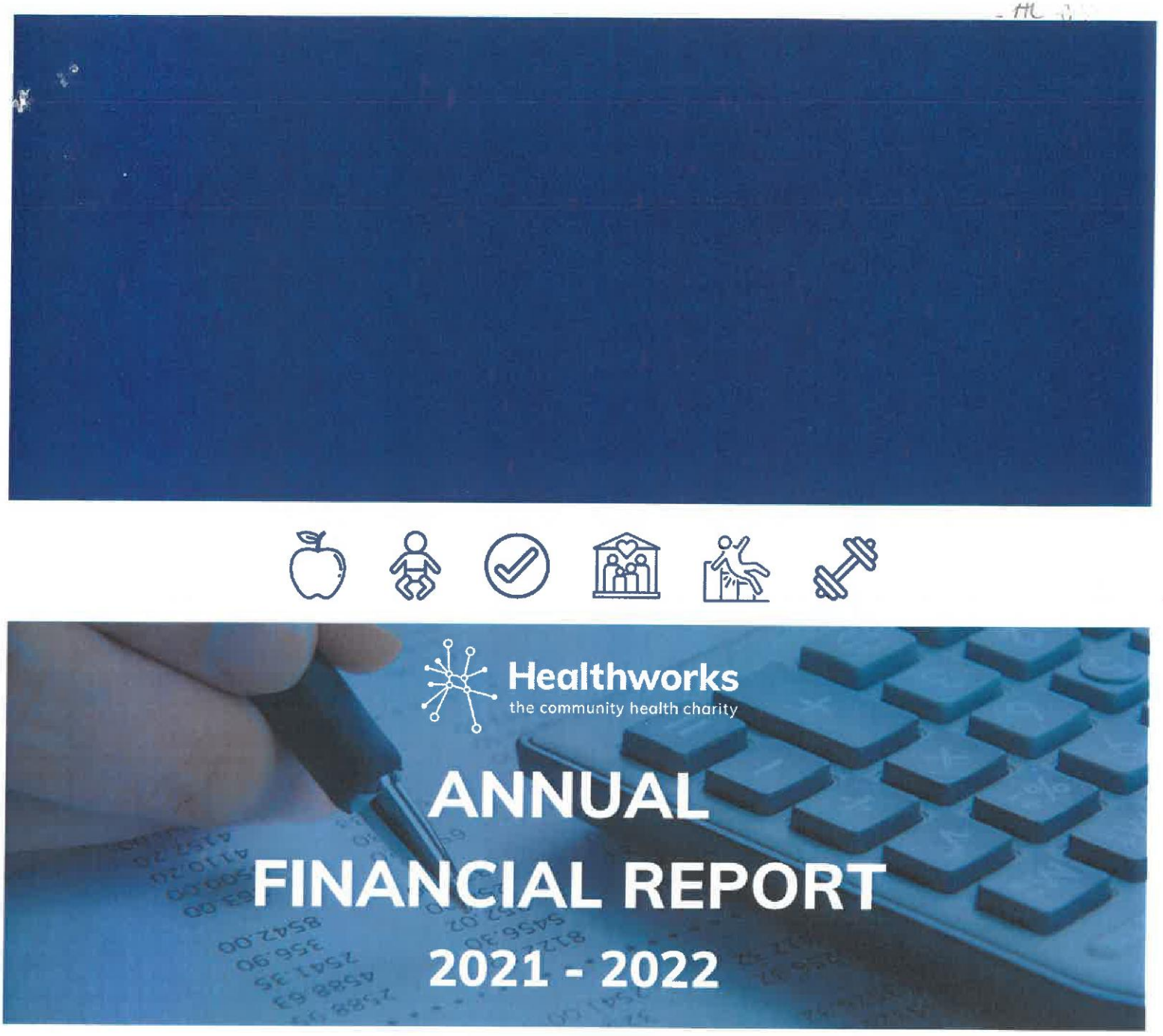
There were no other related party transactions during the year ended 31 March 2023 to report.

www.healthworksnewcastle.org.uk

HEALTHWORKS NEWCASTLE

England & Wales - Charity number 1040370

Accounts



Healthworks
the community health charity

ANNUAL FINANCIAL REPORT 2021 - 2022

THE LEGAL INFORMATION

Registered Company: 02952583 (England and Wales)

Registered Charity Number: 1040370

Registered Office:
Health Resource Centre,
Adelaide Terrace Benwell,
Newcastle upon Tyne, NE4 8BE

Trustees
Mr J Marks (Chair)
Dr P Cresswell (Vice Chair)
Ms D Creighton
Mr M.E. Turner
Ms D Lagun
Mr J Sabarre
Mrs C Burton
Mrs M Henderson

Chief Executive
Mr Paul Court

Patron
Professor Sir Michael Marmot

Auditors
Stephenson Coates Audit Limited
Chartered Accountants and Statutory Auditors
West 2, Asama Court,
Newcastle Business Park, Newcastle upon Tyne, NE4 7YD

Bankers
Barclays Bank plc, 446 Westgate Road, NE4 9BN

Solicitors
David Grey, 56 Westgate Road,
NE1 5XU

Company status

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

We are a company limited by guarantee first registered 26/07/94 (registration number 02952583) and re-registered on 11/04/08 as Healthworks Newcastle and registered as a charity on 25/08/94 (registration number 1040370). We are governed through our Memorandum and Articles of Association document.

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Under the guidance of our Chair, Joel Marks, CEO, Paul Court, and our trustees, we continue to review and improve our governance. This is in line with best practice, industry standards and the Charity Code of Governance 2017.

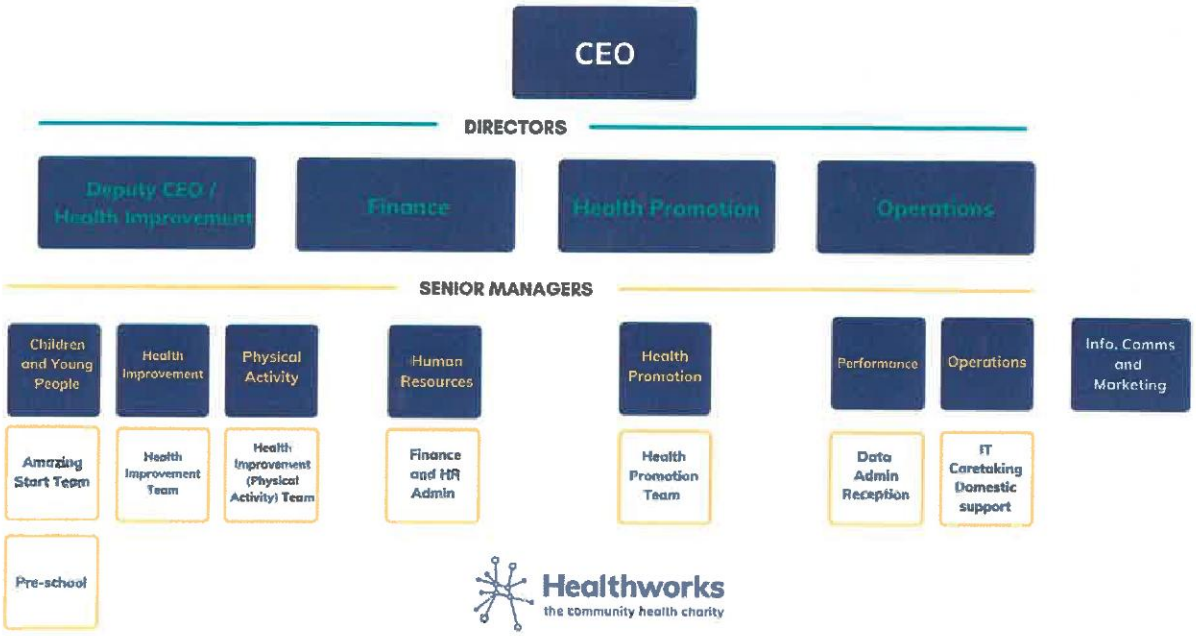
Our Charitable Purpose

Our charitable purpose is set out in our articles of association (otherwise known as our charitable objects). It is: To preserve, protect and improve the health and life outcomes of communities across the North East region of England. We're satisfied that the services we provide reflect our charitable purpose and the public benefit requirement, as set out in section 17 of the Charities Act 2011.

Organisational structure

Healthworks' Board of Trustees meets six times a year, and is responsible for overseeing our performance and providing strategic direction. The Board consists of eight Trustees, who each bring considerable experience and expertise. The Board regularly reviews its own – and the Chair's – performance, and has standing committees that report on specific issues. Each committee has agreed terms of reference and includes specialist co-opted members, as well as trustees. The Board delegates the day-to-day running of Healthworks to the CEO and Senior Management Team.

ORGANISATION STRUCTURE



THE BOARD OF TRUSTEES

Our Trustees
We appoint our Trustees and committee members based on their skills and experience. We want to attract a broad range of candidates, and once appointed, Trustees and committee members go through an induction programme to make sure they understand their roles under charity and company law. All of our Trustees give their time voluntarily and receive no rewards or benefits from Healthworks. They get involved because they believe in what we do, and want to make a real difference. Any expenses claimed by the trustees are set out in our financial statements.

Recruitment of new Trustees
We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We carry out due diligence checks to ensure that any appointment meets the requirements of our governing document and the law. Each new Trustee visits our centres and works with the management team to ensure a good understanding of the organisation and of their role and responsibilities as Trustees.

Managing risk
Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

OUR ACTIVITIES DELIVER PUBLIC BENEFIT BY

- Increasing the understanding and recognition of the wider social determinants of health
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset based approach)
- Providing local access to regular exercise via high quality, low price community gyms and classes
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities
- Supporting people to access the services most appropriate to them which are available in the city
- Recruiting and training a local workforce, investing in upskilling local people
- Offering a range of volunteering opportunities for local people
- Achieving a wide reach into communities traditionally seen as 'hard to reach' through the support and co-ordination of local volunteers who reflect their community
- Buying from local suppliers and producers wherever possible, investing in the local economy
- Linking into city-wide networks to share good practice and avoid duplication
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

FINANCE

Reserves policy

Our policy is to hold money in the following designated funds:

- Planned capital investment and major maintenance fund (Health Resource Centre) - to cover the costs of planned building and equipment updating to ensure we continue to have the required facilities to deliver our work.

- Building alteration fund (The Lemington Centre) to provide a short-term cushion against the loss of premises rental income, allowing sufficient time to redevelop the space for alternative use.

The policy also requires money to be held in a general reserve at an amount approximating to 3 months operational costs in order to ensure service delivery is not jeopardised through fluctuations in funding. For 2021/22, actual free reserves amounted to £426,211. This amount will also function as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that the designated funds held continue to be appropriate for our organisation, and to ensure monies held in General Reserve are appropriate.

Principal funding sources

Our turnover was £1,681,716. We received a mixture of fees for services provided (41% of our total income), grant funding (21%), and other sources of income (38%).

This income funded the wide range of activities which took place both within our buildings and settings across the region
The principal sources of fee income were:

- Contracts/Service Level Agreements (62%)
- Sales (24%)
- Premises Rental (6%)
- Other (8%)

GOOD EMPLOYMENT

We provided employment for 84 people (65 FTE) as of 31 March 2022. We know that our work is best delivered by local people who understand the wider determinants of health and the combination of pressures faced by people in areas of low income. We recruit and train local people who already have the core skills of resilience, effective communication and motivation. This peer-to-peer approach enables us to support service users to develop a greater understanding of local health services and what they can do to improve the health of both themselves and their families. We provide vocational training needed for individuals to achieve the nationally recognised qualifications appropriate to their role.

Staff welfare
All salaries are either on or above the level of the national living wage, in addition:

- All staff have free use of our two community gyms
- All staff are offered annual Health Checks, on site and in work time
- Support to quit, in work time, is available for any staff who still smoke
- 27 days annual leave pro rata (plus Bank Holidays)
- Staff can access HR advice and support in work time
- Staff are encouraged to think, be creative and challenge

Pay differentials
A report by the High Pay Centre highlighted how workplaces with big pay gaps between the highest and lowest wage earners suffer more industrial disputes, more sickness and higher staff turnover than employers with more equitable pay differentials. The ratio of our highest salary (£53,462) to our median salary (£22,806) is 2.3:1. This corresponds to the very lowest end of the range in the charity sector as determined by ACEVO (Association of Chief Executives of Voluntary Organisations).

Healthworks
the community health charity

Healthworks Newcastle

Company Limited by Guarantee

COMPANY REGISTRATION NUMBER: 02952583
CHARITY REGISTRATION NUMBER: 1040370

Financial Statements
31 March 2022

STEPHENSON COATES AUDIT LIMITED
Chartered Accountants & Statutory Auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

FINANCIAL STATEMENTS CONTENTS

	Page number
Trustees' annual report (incorporating the directors' report)	6
Independent auditor's report to the members	7-9
Statement of financial activities (including income and expenditure account)	10
Statement of financial position	11
Statement of cash flows	12
Notes to the financial statements	13-21

TRUSTEES' ANNUAL REPORT (INCORPORATING DIRECTORS' REPORT)

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name:
Healthworks Newcastle

Charity registration number:
1040370

Company registration number:
02952583

Principal office and registered office:
Health Resource Centre
Adelaide Terrace, Benwell
Newcastle upon Tyne. NE4 8BE

The Trustees:
C F B Burton (Appointed 8 February 2022)
D Creighton
P A Cresswell
M E Henderson (Appointed 23 November 2021)
D Lagun
J H Marks
J R Sabarre
M E Turner

Auditor:
Stephenson Coates Audit Limited
Chartered Accountants & Statutory Auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Bankers:
Barclays Bank Plc
446 Westgate Road
Newcastle upon Tyne
NE4 9BN

Solicitors:
David Grey
56 Westgate Road
Newcastle upon Tyne
NE1 5XU

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor: Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report was approved on 20 September 2022 and signed on behalf of the board of trustees by:

J H Marks
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHWORKS NEWCASTLE

Opinion

We have audited the financial statements of Healthworks Newcastle (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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;
- 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 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 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 company's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHWORKS NEWCASTLE (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

Auditor's responsibilities for the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHWORKS NEWCASTLE (CONTINUED)

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Oswald.

John Oswald BA FCA
Senior Statutory Auditor
Stephenson Coates Audit Limited
Chartered accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne, NE4 7YD

Date: 20 September 2022

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)
Year ended 31 March

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments					
Donations	5	30,603	-	**30,603**	6,852
Charitable activities	8	1,422,508	-	**1,422,508**	1,363,951
Other trading activities	6	168,733	-	**168,733**	132,716
Investment income	7	48,903	-	**48,903**	35,082
Other income		10,969	-	**10,969**	69,475
Total income		1,681,716	-	**1,681,716**	1,608,076
Expenditure					
Expenditure on raising funds:					
Costs of raising donations	9	120,991	-	**120,991**	143,775
Expenditure on charitable activities	10,11	1,578,160	10,140	**1,588,300**	1,397,140
Total expenditure		1,699,151	10,140	**1,709,291**	1,540,915
Net income / (expenditure)		(17,435)	(10,140)	**(27,575)**	67,161
Transfers between funds		1,287,680	(1,287,680)	-	-
Net movement in funds for the year		1,270,245	(1,297,820)	**(27,575)**	67,161
Reconciliation of funds					
Total funds brought forward		731,812	1,297,820	**2,029,632**	1,962,471
Total funds carried forward		2,002,057	-	**2,002,057**	2,029,632

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes form part of this financial statement

STATEMENT OF FINANCIAL POSITION

As at 31 March		2022		2021
		£	£	£
Fixed assets				
Tangible fixed assets	15		1,273,959	1,312,025
Current assets				
Debtors	16	139,708		100,021
Cash at bank and in hand		1,013,780		1,052,796
		1,153,488		1,152,817
Creditors: amounts falling due within one year	17	(425,390)		(435,210)
Net current assets			728,098	717,607
Total assets less current liabilities			2,002,057	2,029,632
Net assets			2,002,057	2,029,632
Funds of the charity				
Unrestricted funds			2,002,057	731,812
Restricted funds			-	1,297,820
Total charity funds	19		2,002,057	2,029,632

These financial statements were approved by the Board of Trustees and authorised for issue on 20 September 2022, and are signed on behalf of the board by:

J H Marks
Trustee

P A Cresswell
Trustee

The notes form part of this financial statement

STATEMENT OF CASH FLOWS

Year ended 31 March	2022	2021
	£	£
Cash flows from operating activities		
Net (expenditure) / income	(27,575)	67,161
Adjustments for:		
Depreciation charges	41,880	44,099
Interest received	(100)	(2,599)
Changes in:		
Trade and other debtors	(39,687)	14,651
Trade and other creditors	(9,820)	113,167
Cash generated from operations	(35,302)	236,479
Net cash from operating activities	(35,302)	236,479
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	(3,814)	(83,215)
Interest received	100	2,599
Net cash used in investing activities	(3,714)	(80,616)
Net (decrease) / increase in cash and cash equivalents	(39,016)	155,863
Cash and cash equivalents at beginning of year	1,052,796	896,933
Cash and cash equivalents at end of year	1,013,780	1,052,796

The notes form part of this financial statement

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Health Resource Centre, Adelaide Terrace, Benwell, Newcastle upon Tyne, Tyne & Wear, NE4 8BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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), Charities SORP (FRS 102) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the amount can be measured reliably and is not deferred.

Income received in advance of training courses or the provision of other specified services is deferred until the criteria for the income recognition is met.

Income from trading activities relates to trading activities to raise funds for the charity and the income from fundraising events. It is recognised when earned.

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the cafe and provision of the nursery at The Lemington Centre, together with their associated support costs.
- Expenditure on charitable activities includes the costs of providing the various activities undertaken to further the purpose of the charity, together with their support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Accounting policies (continued)

Tangible assets
Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Long leasehold	-	in accordance with terms of the lease
Plant and machinery	-	20% on cost and 15% on cost
Fixtures and fittings	-	10% on cost
Computer equipment	-	25% on cost and 20% on cost

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

Fund accounting
Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Voluntary assistance
Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements

4. Limited by guarantee

Healthworks Newcastle is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Donations

	2022	2021
	£	£
Donations	30,603	6,852

6. Other trading activities

	2022	2021
	£	£
Café Income	3,551	14,842
Room hire	47,636	3,860
Playgroup Admissions	117,546	114,014
	168,733	132,716

7. Investment Income

	2022	2021
	£	£
Rents received	48,803	32,483
Deposit account interest	100	2,599
	48,903	35,082

8. Income from Charitable Activities

	2022	2021
	£	£
Core Activities		
Service Level Agreements	108,799	57,753
Admissions	25	-
Rental income	4,913	71,748
Grant income	553	18,303
Other income	9,541	19,237
	123,831	167,041
Physical Activities		
Service Level Agreements	86,751	178,023
Admissions	27,869	6,278
Grant income	19,079	17,386
Other income	13,757	834
	147,456	202,521

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Income from Charitable Activities (*continued*)

	2022	2021
	£	£
Health Improvements		
Service Level Agreements	206,692	186,663
Grant income	114,713	75,527
Health checks income	40,053	20,972
Link Worker funding	256,647	92,514
Other income	4,382	6,002
Stop Smoking Services	10,360	11,120
Assessment income	-	47,427
Research income	6,285	-
	639,132	440,225
Health Promotion		
Service Level Agreements	61,210	172,352
Grant income	196,506	174,995
Other income	421	3,602
Food skills income	10,849	-
	268,986	350,949
Children and Young People		
Service Level Agreements	224,515	196,301
Grant income	16,192	4,966
Other income	2,396	1,948
	243,103	203,215
Total income from Charitable Activities	1,422,508	1,363,951

Grants received, included in the above, totalled £347,043 (*2021: £291,177*).

9. Raising Funds

Other trading activities

	2022	2021
	£	£
Café costs	-	29,937
Playgroup costs	120,991	113,838
	120,991	143,775

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Charitable Activities Costs

	Direct Costs	Support Costs (see Note 11)	Total 2022
	£	£	£
Core Activities	57,976	554,093	612,069
Physical Activities	146,464	4,792	151,256
Health Improvement	433,841	20,734	454,575
Health Promotion	177,884	8,726	186,610
Children & Young People	172,051	11,739	183,790
	988,216	600,084	1,588,300

	Direct Costs	Support Costs (see Note 11)	Total 2021
	£	£	£
Core Activities	73,609	501,077	574,686
Physical Activities	147,760	5,195	152,955
Health Improvement	271,351	11,275	282,626
Health Promotion	217,308	9,053	226,361
Children & Young People	152,190	8,322	160,512
	862,218	534,922	1,397,140

11. Support costs

	Management	Governance costs	Total 2022
	£	£	£
Core Activities	550,698	3,395	554,093
Physical Activities	4,792	–	4,792
Health Improvement	20,734	–	20,734
Health Promotion	8,726	–	8,726
Children & Young People	11,739	–	11,739
	596,689	3,395	600,084

	Management	Governance costs	Total 2021
	£	£	£
Core Activities	495,338	5,739	501,077
Physical Activities	5,195	–	5,195
Health Improvement	11,275	–	11,275
Health Promotion	9,053	–	9,053
Children & Young People	8,322	–	8,322
	529,183	5,739	534,922

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. Net (expenditure) / income

	2022	2021
	£	£
Auditor's remuneration	(4,500)	(4,500)
Depreciation – owed assets	(41,880)	(44,099)
Hire of plant and machinery	(6,526)	(2,956)
Receipts under the Coronavirus Job Retention Scheme	10,969	69,475

13. Trustee remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 (*2021: Nil*).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 (*2021: Nil*).

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Gross Wages and Salaries	1,296,479	1,141,106
Employers National Insurance	89,564	75,838
Employers Pension	24,866	21,672
	1,410,909	1,238,616

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

	2022	2021
Core Activities	37	24
Physical Activities	6	4
Health Improvement	15	24
Health Promotion	20	18
Children & Young People	6	11
	84	81

No employee received employee benefits of more than £60,000 during the year (*2021: Nil*).

The Key Management Personnel of the charity comprises the Trustees, the Chief Executive Offiecer, the Deputy Chief Executive Officer, Director of Wellbeing, Director of Community Development, Director of Finance and Director of Operations.

The total employee benefits of the Key Management Personnel of the Charity was £203,050 (*2021: £190,214).*

15. Tangible fixed assets

	Long Leasehold	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2021	1,529,693	31,122	182,507	265,313	2,008,635
Additions	-	-	2,625	1,189	3,814
At 31 March 2022	**1,529,693**	**31,122**	**185,132**	**266,502**	**2,012,449**
Depreciation					
At 1 April 2021	295,214	31,122	143,812	226,462	696,610
Charge for the year	18,755	-	13,831	9,294	41,880
At 31 March 2022	**313,969**	**31,122**	**157,643**	**235,756**	**738,490**
Carrying amount					
At 31 March 2022	**1,215,724**	**-**	**27,489**	**30,746**	**1,273,959**
At 31 March 2021	1,234,479	-	38,695	38,851	1,312,025

All tangible fixed assets are held for the purposes of the charity.

16. Debtors

	2022	2021
	£	£
Trade debtors	**83,322**	60,895
Other debtors	**28,144**	20,455
Prepayments and accrued income	**28,242**	18,671
	139,708	100,021

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	**41,811**	60,467
Social security and other taxes	**23,583**	21,732
VAT	**40,424**	57,566

Other creditors	6,282	5,852
Accruals and deferred income	313,290	289,593
	425,390	435,210

Included within Accruals and deferred income is an amount of £268,056 (*2021: £217,468*) relating to deferred income. The full amount of £217,468 has been released to the SOFA from the previous accounting period and income totalling £268,056 has been deferred in the current year.

18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £24,866 (*2021: £21,672*).

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£		£
General funds	731,812	1,681,716	(1,699,151)	1,287,680	2,002,057

Restricted funds

Capital Health Resource Centre	1,010,859	–	(10,140)	(1,000,719)	–
Sure Start Refurbishment	265,727	–	–	(265,727)	–
TLC Playgroup	21,234	–	–	(21,234)	–
	1,297,820	–	(10,140)	(1,287,680)	–

Unrestricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£		£
General funds	645,037	1,608,076	(1,521,301)	–	731,812

Restricted funds

Capital Health Resource	1,020,999	–	(10,140)	–	1,010,859

Centre					
Sure Start Refurbishment	267,766	–	(2,039)	–	265,727
Savoy Cooker	320	–	(320)	–	–
TLC Playgroup	28,349	–	(7,115)	–	21,234
	1,317,434	–	(19,614)	–	1,297,820

The purpose of the funds are:

Capital Health Resource Centre
This represents grants given for the purchase of the building leasehold and equipment, which is expended in line with the depreciation on the relevant assets.

Sure Start Refurbishment
Grant to help towards the cost of the refurbishment of the offices used by the Sure Start Team.

Savoy Cooker
Grant to cover the cost of a cooker for use in the cafe at the Lemington Centre.

TLC Playgroup Extension
Grant to help towards the cost of the extension to the nursery at the Lemington Centre.

During the financial year, the Directors agreed to transfer the remaining balances of the restricted funds at the year-end to unrestricted funds, as the purpose for which the grants had been received have been satisfied.

20. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2022**	Total Funds 2021
	£	£	£	£
Tangible fixed assets	1,273,959	–	**1,273,959**	1,312,025
Current assets	1,153,488	–	**1,153,488**	1,152,817
Current liabilities	(425,390)	–	**(425,390)**	(435,210)
Net assets	2,002,057	–	**2,002,057**	2,029,632

21. Related parties

Joel Marks, Chairman of Healthworks Newcastle, is also a director of Cheviot Insurance Services Limited from which Healthworks Newcastle purchased supplies on an arm's length basis totalling £12,515 (*2021 – £9,340*). Included within trade creditors is an amount of £9,066 (*2021 - £7,757*) due to Cheviot Insurance Services Limited.

During the year, Trustees donations totalled £Nil (*2021: £Nil*).
There were no other related party transactions during the year ended 31 March 2022 to report.

Healthworks
the community health charity

FINANCE REPORT

2021 - 2022

www.healthworksnewcastle.org.uk

HEALTHWORKS NEWCASTLE

England & Wales - Charity number 1040370

Accounts

Healthworks
the community health charity

FINANCE REPORT

2020 - 2021

2021 Winner
GSK IMPACT Awards
In partnership with
The King's Fund

THE LEGAL INFORMATION

Registered Company: 02952583 (England and Wales)

Registered Charity Number: 1040370

Registered Office:
Health Resource Centre,
Adelaide Terrace Benwell,
Newcastle upon Tyne, NE4 8BE

Trustees
Mr J Marks (Chair)
Dr P Cresswell (Vice Chair)
Ms D Creighton
Mr M.E. Turner
Ms D Lagun
Mr J Sabarre

Chief Executive
Mr Paul Court

Patron
Professor Sir Michael Marmot

Auditors
Stephenson Coates,
Newcastle Business Park,
2 Asama Court, NE4 7YD

Bankers
Barclays Bank plc, 446 Westgate Road, NE4 9BN

Solicitors
David Grey, 56 Westgate Road,
NE1 5XU

Company status

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

We are a company limited by guarantee first registered 26/07/94 (registration number 02952583) and re-registered on 11/04/08 as Healthworks Newcastle and registered as a charity on 25/08/94 (registration number 1040370). We are governed through our Memorandum and Articles of Association document.

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 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Under the guidance of our Chair, Joel Marks, CEO, Paul Court, and our trustees, we continue to review and improve our governance. This is in line with best practice, industry standards and the Charity Code of Governance 2017.

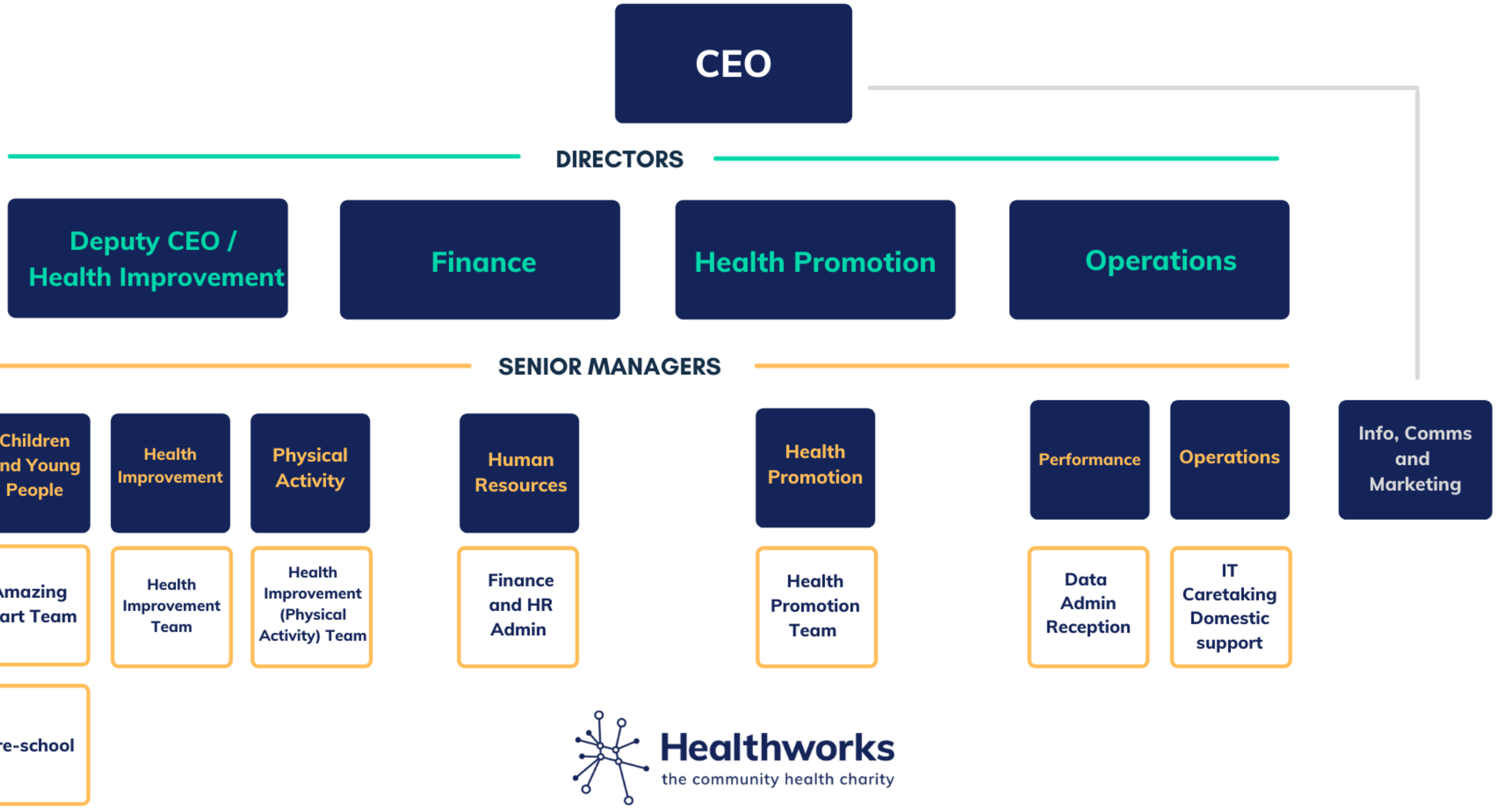
Our Charitable Purpose

Our charitable purpose is set out in our articles of association (otherwise known as our charitable objects). It is: To preserve, protect and improve the health and life outcomes of communities across the North East region of England. We're satisfied that the services we provide reflect our charitable purpose and the public benefit requirement, as set out in section 17 of the Charities Act 2011.

Organisational structure

Healthworks' Board of Trustees meets six times a year, and is responsible for overseeing our performance and providing strategic direction. The Board consists of six Trustees, who each bring considerable experience and expertise. The Board regularly reviews its own – and the Chair's – performance, and has standing committees that report on specific issues. Each committee has agreed terms of reference and includes specialist co-opted members, as well as trustees. The Board delegates the day-to-day running of Healthworks to the CEO and Senior Management Team.

ORGANISATION STRUCTURE



Healthworks
the community health charity

THE BOARD OF TRUSTEES

Our Trustees

We appoint our Trustees and committee members based on their skills and experience. We want to attract a broad range of candidates, and once appointed, Trustees and committee members go through an induction programme to make sure they understand their roles under charity and company law. All of our Trustees give their time voluntarily and receive no rewards or benefits from Healthworks. They get involved because they believe in what we do, and want to make a real difference. Any expenses claimed by the trustees are set out in our financial statements.

Recruitment of new Trustees

We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We carry out due diligence checks to ensure that any appointment meets the requirements of our governing document and the law. Each new Trustee visits our centres and works with the management team to ensure a good understanding of the organisation and of their role and responsibilities as Trustees.

Managing risk

Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

OUR ACTIVITIES DELIVER PUBLIC BENEFIT BY

- Increasing the understanding and recognition of the wider social determinants of health
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset based approach)
- Providing local access to regular exercise via high quality, low price community gyms and classes
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities
- Supporting people to access the services most appropriate to them which are available in the city
- Recruiting and training a local workforce, investing in upskilling local people
- Offering a range of volunteering opportunities for local people
- Achieving a wide reach into communities traditionally seen as ‘hard to reach’ through the support and co-ordination of local volunteers who reflect their community
- Buying from local suppliers and producers wherever possible, investing in the local economy
- Linking into city-wide networks to share good practice and avoid duplication
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

FINANCE

Reserves policy

Our policy is to hold money in the following designated funds:

- Planned capital investment and major maintenance fund (Health Resource Centre) - to cover the costs of planned building and equipment updating to ensure we continue to have the required facilities to deliver our work.

- Building alteration fund (The Lemington Centre) to provide a short-term cushion against the loss of premises rental income, allowing sufficient time to redevelop the space for alternative use.

The policy also requires money to be held in a general reserve at an amount approximating to 3 months operational costs in order to ensure service delivery is not jeopardised through fluctuations in funding. For 2020/21, this amounted to £385,228. This amount will also function as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that the designated funds held continue to be appropriate for our organisation, and to ensure monies held in General Reserve are appropriate.

Principal funding sources

Our turnover was £1,608, 076. We received a mixture of fees for services provided (49% of our total income), grant funding (19%), and other sources of income (32%).

This income funded the wide range of activities which took place both within our buildings settings across the region
The principal sources of fee income were:

- Contracts/Service Level Agreements (62%)
- Sales (20%)
- Premises Rental (7%)
- Other (11%)

GOOD EMPLOYMENT

We provided employment for 81 people (58 FTE) as of 31 March 2021. We know that our work is best delivered by local people who understand the wider determinants of health and the combination of pressures faced by people in areas of low income. We recruit and train local people who already have the core skills of resilience, effective communication and motivation. This peer-to-peer approach enables us to support service users to develop a greater understanding of local health services and what they can do to improve the health of both themselves and their families. We provide vocational training needed for individuals to achieve the nationally recognised qualifications appropriate to their role.

Staff welfare

All salaries are either on or above the level of the national living wage, in addition:

- All staff have free use of our two community gyms
- All staff are offered annual Health Checks, on site and in work time
- Support to quit, in work time, is available for any staff who still smoke
- 27 days annual leave pro rata (plus Bank Holidays)
- Staff can access HR advice and support in work time
- Staff are encouraged to think, be creative and challenge

Pay differentials

A report by the High Pay Centre highlighted how workplaces with big pay gaps between the highest and lowest wage earners suffer more industrial disputes, more sickness and higher staff turnover than employers with more equitable pay differentials. The ratio of our highest salary (£51,904) to our median salary (£21,743) is 2.4:1. This corresponds to the very lowest end of the range in the charity sector as determined by ACEVO (Association of Chief Executives of Voluntary Organisations).

Healthworks
the community health charity

FINANCE REPORT

2020 - 2021

Thanks to all of our past and present staff, volunteers,
trustees, funders, partners and friends who have supported us
in improving health outcomes for people across the region

www.healthworksnewcastle.org.uk

2021 Winner
GSK IMPACT Awards
In partnership with
The King's Fund

Healthworks
the community health charity

IMPACT REPORT

2020 - 2021

*and how we responded to the Covid-19 Pandemic

2021 Winner
GSK IMPACT Awards
In partnership with The King's Fund

WELCOME FROM OUR CHAIR

The year started with the UK seven days into a total lockdown, facing an unpredictable and uncertain future. There seemed an extremely slim probability at the beginning of the year that I would be able to report on an incredibly successful year, which was capped by being awarded a King's Fund GSK IMPACT award.

The credit for the remarkable response to the Covid pandemic must lie with our CEO, the directors and the entire staff and volunteer team at Healthworks, who have worked tirelessly to continue to provide the vital services which the communities, we serve, value so highly.

Like Paul, I'm also incredibly proud of how the team were able, virtually overnight, to change over to working remotely.

Our staff were able to step up to the plate and adapt their skill set by providing much needed support to the vaccination drive by Newcastle GP Services, right from the start of the roll out. It is very humbling to be able to look back and know that Healthworks staff played a vital role in one of the biggest health care initiatives ever undertaken in Great Britain.

Finally, I must also give thanks to all the members of the Board for giving me, and the directors, so much help and support in navigating the organisation through one of the most difficult periods in Healthworks history. It has truly been a magnificent team effort to keep our services going in such a challenging environment.

The pandemic has illustrated just how important the work we do is. Looking ahead there are many exciting new projects in the pipeline, which I look forward to reporting to you about.

JOEL MARKS
CHAIR

A MESSAGE FROM OUR CHIEF EXECUTIVE

The year presented unprecedented challenges that tested the resilience of Healthworks, our staff and many of our key partners across the health and social care sector.

However, this last year has also confirmed for me some basic truths about the 3rd sector and our solution focussed, ‘can do’ attitude. Healthworks and other charities across the North East have been relied upon to provide support services for those most vulnerable and disadvantaged. Those very communities where the impact of Covid has hit hardest.

I’m incredibly proud of our team and how they have responded and we will continue to navigate our way through these uncertain times. I’d like to thank them for their commitment, hard work and dedication to supporting the communities we work with over the past year.

It was certainly a much needed boost to us all that our work was recognised when we were awarded a King’s Fund/GSK IMPACT award. This was for our outstanding work to improve health and wellbeing in communities across the region. Throughout the pandemic, Healthworks has continued to deliver through our non-direct contact ‘engagement and maintenance’ services and fully embraced the digital world. The work Healthworks does is evidence based and directed at health risks and inequalities through services that impact most directly on people’s life outcomes. We have continued supporting physical activity, smoking cessation, cancer awareness, breastfeeding, antenatal and family support, nutrition, diabetes, health checks, life skills training and social prescribing.

During lockdown, we continued to work in collaboration with partners across Public Health and the NHS, to develop new initiatives and services to support those most disadvantaged or living with long term conditions. We have explored new fields of innovative research and supported its delivery with our region’s world class Universities which we’ll report on next year.

I hope you find our Impact Report useful and informative as we reflect on what we have been able to do to support our service users and communities during the Covid pandemic.

Paul Court
CHIEF EXECUTIVE

THOUGHTS FROM OUR PATRON

During a difficult year, as Healthworks Patron, I would like to send my congratulations to the team on their success in winning a GSK IMPACT Award, in partnership with The King's Fund.

These awards recognise and reward charities that are doing excellent work to improve people's health and wellbeing within communities. There is no hiding from the fact, within the North East region, health outcomes are poor and health inequalities are far too great and have disproportionately impacted upon the lives of its population.

Healthworks has been working with local communities across the North East to improve their health, wellbeing and life outcomes for over the last 25 years and has continued to do so throughout the pandemic.

During the Covid pandemic, people facing the greatest disadvantage experienced not only a higher risk of exposure to Covid but their existing poor health put them at risk of more severe outcomes if they contracted the virus. This is because of longstanding, avoidable socio-economic inequities and ethnic disadvantage, exacerbated by a decade of spending cuts then amplified by Covid.

The next few years will see a greater need for charities such as Healthworks. They will play a vital contribution in mitigating the impact of the pandemic on health and health inequalities, delivering important services that 'Build Back Fairer'.
Please continue the good work and congratulations again on this award.

Professor Sir Michael Marmot
PATRON

Professor Sir Michael Marmot is Professor of Epidemiology at University College London,
Director of the UCL Institute of Health Equity.
He is known worldwide for his research and policy advice to the World Health Organization and has advised many local and national governments and organisations throughout Europe and the rest of the world.
He has led research on health inequalities for over 40 years.

WHO WE ARE

Healthworks supports people of all ages to lead a healthier life; from the antenatal period, support with breastfeeding, being more active, eating healthily, giving up smoking, improving mobility and managing existing medical conditions. Our objective is to preserve, protect and improve the health and life outcomes of communities across the North East region of England.

We achieve this by:

- providing information about health and health improvement
- providing resources for local communities in order to improve their understanding of health issues and to have access to information that enables them to make the best health choices for themselves
- offering a range of preventative approaches with an emphasis on collaboration between different agencies and professional groups
- promoting the health benefits of exercise, healthy eating and lifestyle changes
- providing health training opportunities for organisations and the community
- providing services aimed at reducing inequalities in health

Most of our work is in areas recognised as being largely disadvantaged where quality of life is reduced either by ill health or disability. These health inequalities are caused by low income, unemployment, lack of opportunity, lower education outcomes, poor housing and child poverty. The cost of this inequality is substantial, both in years of life lost and costs to the economy. These factors result in greater dependence on health, social care and other services.

Professor Marmot, in his influential report *Fair Society, Healthy Lives, The Marmot Review into health inequalities in England* and his *10 year review (Health Equity in England, The Marmot Review 10 Years On)* expressed significant concern about poverty and social inequality, and the negative effect this can have on physical health, mental health, and life expectancy and on a population often described as hard-to-reach and excluded. His *Build Back Fairer* report identified inequalities in social and economic conditions before the pandemic contributed to the high and unequal death toll from COVID-19. The economic harm caused by measures to control the virus also risk further damage to health and widening of health inequalities.

It is against this background that we work to support and enable communities, through advocacy, challenge and delivery to improve life outcomes.

OUR VISION

Healthworks is a charity based in Newcastle which works with local communities across the North East. Healthworks believes that everyone, regardless of the challenges they face - low income, unemployment or poor housing, should have the same opportunity to live in good health. Our aim is to support people facing these issues across the region to maintain and improve their health, wellbeing and life outcomes.

OUR VALUES

We believe in:

- Working collaboratively with other partners across the region
- Achieving excellence in all that we do
- Developing a skilled local workforce
- Seeking out what works and changing what doesn't
- The diversity of our staff and the people we serve are an asset
- Being accountable to our clients, staff and commissioners

EQUALITY, DIVERSITY AND INCLUSION

We're committed to promoting equality, valuing diversity and championing inclusion. We include these principles in all of our behaviours and everything we do – as an employer, as a provider of services and as a partner organisation. Equality, diversity and inclusion is at the heart of all our processes, policies, practices and behaviours. This shows our absolute commitment to eliminating discrimination and promoting equal opportunities. We work hard to recruit and retain a diverse workforce that reflects the communities we work with. We do this to make sure our services feel welcoming to the service users who need them. We ask that people treat each other with mutual respect, regardless of age, disability, gender, relationship status, gender reassignment, race, religion and belief or sexual orientation.

WHAT WE DO

We offer a range of in-person, group and one-to-one services, some virtually, which are designed to give the support and information needed in order to take steps to achieving a healthier lifestyle.

These include NHS Health Checks, healthy eating advice, stop smoking support and different opportunities to be more active even for those with an existing medical or long term condition.

Our Health Improvement Team are here to offer our service users the advice and guidance they need to stay on track so that they continue to make good choices that can help improve their health and wellbeing.

The Health Promotion Team deliver a range of sessions from cancer awareness to sessions for parents/carers and children covering a range of topics and themes including Starting Solids, Cooking Together, the Eat Well Guide, portion sizes and how to cook healthier family meals.

We also offer

Healthworks Gym

Healthworks Pre-school

Our organisation's goals

Increase recognition and understanding of the wider determinents of health

Reduce health inequalities and enable people to overcome challenges and barriers to good health

Support communities across the North East to improve their health, wellbeing and life outcomes

Build the capacity of individuals to identify and act on issues that impact on their health and wellbeing

Work in partnership with other organisations to develop new services across the region to meet emerging need

Achieve a wide reach into communities traditionally seen as "hard to reach"

Recruit, train and upskill a local workforce and volunteer team

Explore new funding opportunities and secure commissions to develop and expand our service delivery

Develop and deliver a range of inclusive health improvement and health promotion services

Provide local access to regular exercise via high quality and low cost community gyms and classes

Healthworks

the community health charity

MAKING A DIFFERENCE

Evidence shows the positive impact of our work on the health and wellbeing of people.

We were delighted when we won a GSK Impact Award for 2021 in partnership with The King's Fund.

This award was for our outstanding work to improve health and wellbeing in communities across the region.

Making a difference to the health and wellbeing of people in the region

285 telephone calls over 141 hours were made to people identified as clinically extremely vulnerable by the Local Authority, to offer individual signposting and support

1780 support telephone and video calls were made to 500 individuals and businesses, equating to 850 hours of remote support

When we could not offer our physical activity groups due to restrictions, we provided remote 1-2-1 support to 246 individuals with long term conditions to support them at home

32 members of our team supported two lateral flow testing sites and completed online training to enable them to carry out their role

Our staff provided 3781 hours of support to assist the roll-out of lateral flow testing at two testing centres in Newcastle

‘Stay Safe at Home’ falls prevention digital education sessions were offered to 221 clients during lockdown #1

During lockdon #1, we sent out 212 support packs to clients with information and guidance about safe home exercise and mental wellbeing

We took our Staying Steady falls prevention programme online by developing video and downloadable resources to support people to engage in the programme at home

A range of 'Get Active At Home' workouts were developed for our YouTube channel and were shared widely on social media

We steadily built up our online presence by developing a library of digital resources, increasing social media activity, supporting people using video technology and developing our YouTube channel

And developed our use of social media to engage people, share information and to communicate key public health messages. As of March 2021 we had 1587 followers on Facebook, 718 on Twitter and 370 people subscribed to our digital newsletter

Our Cancer Awareness work continued and we hosted or participated in 52 virtual and in-person events attended by 706 people. We also hosted 10 virtual Cancer Awareness talks with 59 participants

A range of Cancer Awareness 'Take A Minute' videos were developed and widely shared to raise understanding of signs and symptoms and the importance of screening

We recruited and trained 26 new Cancer Champions, developed a Cancer Champion Facebook group and hosted monthly virtual 'Champions Cuppas' training and support sessions for our team of 98 Cancer Champions

In the early stages of lockdown #1 we delivered food and medication and helped people access food banks. One team member was deployed to volunteer at the food bank once a week

We set up a Quit for Covid service for NHS Newcastle Hospitals Trust staff with 59% of staff supported quitting smoking

330 individuals accessed our stop smoking service and were given 1-2-1 support virtually and by telephone

Of the people accessing our Stop Smoking service:

56.1% of all clients,
56.7% of clients aged 18 – 30,
45% of clients that were pregnant and
50% of clients with long term conditions

successfully quit smoking

60.8% of clients employed in 'Routine and Manual' occupations setting a quit date quit smoking

Around 1 in 4 people in this group smokes, compared with 1 in 10 people in managerial and professional occupations

Virtual groups were developed to enable us to deliver Diabetes management and weight management during restrictions

A total of 120kg weight loss was reported between 22 clients
68% of clients reported weight loss resided <30% IMD, 27% of them reside 1%< IMD

Our Community Champions helped us produce a library of virtual 'Wellbeing Walks' for people who were unable to get out during lockdown and to encourage people who could get out to increase their daily step total

When restrictions eased, 778 people returned to our gyms and classes
Social distancing and other safety measures were put in place and both of our buildings are designated as Covid secure by the Local Authority

Making a difference to children and families

100 families have been supported by our Antenatal Volunteers and Practitioners

Weekly Breastfeeding Social Zooms introduced during lockdown, have been regularly attended by 45 families from Newcastle

Our 'Breastfeeding Mams Newcastle' dedicated social media support pages have 2700 likes on facebook and 411 Instagram followers and provides support, information and guidance to families

Our Breastfeeding Peer Support Team reached and engaged with 790 new individuals and these participated in services 2201 times between them

Throughout lockdown and beyond, our outreach work has continued through telephone and video calls and 'door step visits' - 291 individuals were reached and engaged and 920 contacts made

43 children attended our Pre-school 2,646 times between them. During lockdown #1 our team had weekly remote contact with families via each child's key worker

Despite the challenges we faced, we were able to recruit and virtually train 9 new volunteers to join our Amazing Start team and these enabled us to engage and support additional families

1800 family activity books and cookbooks were printed and delivered to local families Over 12,000 were shared digitally with families by schools and local authorities and other partners across the region

100 free holiday activity packs put together from partner donations and personally delivered to families with young children in Lemington during the Christmas and Half Term holidays

160 people attended our virtual cooking sessions during lockdown #1, and 54 families were supported with healthy cooking packs to cook family meals at home

We developed a range of digital family resources which were (and are) accessible to families and workers for free - these included family activity ebooks, play and learn videos and family cooking activities

Client reported health and wellbeing outcomes

98% of our clients asked, said they would be "Extremely Likely" to recommend us

67% of clients reported an increase in physical activity from their starting point

84% of our clients reported an improvement in their management of their long term condition

76% of our clients told us they had improved mental wellbeing from their starting point

88% of our clients reported an improvement in their diet after being supported by us

Patricia's Story: Accessing our Action On Diabetes programme

Patricia referred herself for support to help manage her diabetes better. She was receiving some support from Newcastle Talking Helps, this was to help her overcome her fears around leaving the house.

Patricia began weekly 1-2-1 phone call sessions on our Action on Diabetes programme. Throughout the programme, she was advised on what types of foods she should be eating and the foods which she should be avoiding and each week the Health Improvement Practitioner and Patricia agreed on a small realistic goal regarding her diet and health.

Throughout the programme Patricia achieved many goals; she limited the food and drinks which were high in sugar and began to read the nutritional labels on food packaging so she could make healthier choices. Patricia's HbA1c was checked before her last appointment with us; this had fallen from 97mmol to 80mmol and she told us that she had dropped her dress size to 16/18 which she was delighted with.

Patricia said "*I am over the moon at how far I have come since our first appointment. The help and support along the way has been invaluable. Not only has my physical health improved greatly but my confidence has increased incredibly. I am confident that I can maintain the changes I have my made and keep improving health. My diabetes was out of control and I didn't know what I could do to change it. I now know that if I keep taking care of my health, I will reduce my risk of developing any future complications due to Type 2 Diabetes*".

Ashleigh's Story: Breastfeeding support from our Amazing Start Team

Ashleigh was struggling to get breastfeeding established, having had problems with breastmilk supply after breast surgery in the past. She gave birth in the middle of the Covid-19 lockdown, because of this there were no groups for Ashleigh to attend which meant she was missing out on support from other mothers.

Ashleigh was also under the care of the infant feeding team at the RVI who put a feeding plan in place before Ashleigh and her baby left hospital. Our Amazing Start team called to offer support and continued having weekly telephone contact with Ashleigh. Through weekly telephone contacts, we supported her to follow her feeding plan, gave encouragement when things were tricky and supported her in her feeding choices.

Ashleigh also joined in with our virtual breastfeeding social group where she was able to speak to volunteers and other breastfeeding mothers and to access the peer support that she was missing. When we last spoke to Ashleigh she told us her daughter was 9 months old now and still breastfeeding alongside solid foods.

Ashleigh said "I *was so anxious about trying to breastfeed and I never thought I would be able to exclusively breastfeed but with the amazing support I have received from Claire from the Amazing Start team it has been possible. The team put plans in place for me and really helped me establish a routine with my daughter. They also listened to my concerns and gave me advice. I can't thank them enough for supporting me and I can proudly say after a lot of hard work my daughter is exclusively breastfed.*

Jacqueline's Story: quitting smoking successfully during pregnancy

Jacqueline, a 24 year old pregnant lady, was referred into the stop smoking service through Newcastle Central Midwives. Jacqueline was referred at the early stages of her pregnancy.

She smoked 10 cigarettes a day and would have her first within 5 minutes of waking. Although Jacqueline was still young in age she had smoked for over 10 years and had never tried to quit in the past.

As pregnant service users can only use certain NRT products, we talked her through options available and Jacqueline opted for dual treatment of a 16 hr patch and inhalator. With our support she successfully remained smoke free throughout her time with the service and was very proud of her achievements.

Jacqueline told us

“I have never tried to stop smoking before, I really didn’t think I could do it. I couldn’t have done it without the support and guidance from my smoking advisor,” I am now smoke free and saving the extra money for when the baby is born”

James' Story: weight management support

James was 33 when he was referred to our service by his GP surgery after an appointment with his GP highlighting that he wanted to make lifestyle changes, lose weight and control his diet.

His weight on referral was 118kg with a BMI of 36 taking him into the obese category. James was around 76kg when he got married and it was his goal to return to this weight. Due to his hectic lifestyle James found himself very tired, grabbing food on the go and turning increasingly to takeaways for ease.

James told us his eating was often emotional either through, low mood, stress, anxiety or comfort. James completed food diaries and with the support and guidance from us he made positive changes to his diet on a weekly basis. The main focus was to reduce unhealthy snacking and replacing with healthier lower calorie alternatives where possible; have more home cooked meals and increase fruit, vegetable and salad consumption.

James made significant changes which resulted in a dramatic 18kg weight loss during his 2months support. As his weight came off, he told us that his mood and confidence were becoming increasingly more positive.

James told us “*As I lost weight my confidence improved and soon I would like to incorporate exercise into my life to continue the weight loss which will also help my mood and health*”

Paul's Story: 1-2-1 support with his diabetes

Paul was 61 when he was referred to our service by his GP, as he wanted guidance on his diet and wanted to lose weight. His HbA1c was high at 92mmol. Paul's GP had diagnosed Paul with Type 2 Diabetes and he was receiving medication to control it.

Paul was aware he needed to reduce his HbA1c and understood his diet would have to change along with losing some weight and increasing his physical activity. Paul had previously attended routine check-ups and had seen a deterioration in his health relating to Type 2 diabetes thus prompting him to make changes.

Paul completed food diaries and with the support and guidance from his Health Improvement Practitioner he made positive changes to his diet on a weekly basis. The main focus was to reduce the sugar in Paul's diet, alongside controlling portion sizes and limiting processed foods. By week 4 of the programme Paul had made significant changes to his diet including cutting back on high sugary foods and sticking with wholemeal carbohydrates. He had also increased his exercise by walking and gardening more. These changes saw a decrease in his weight and therefore increased his motivation.

At the end of the programme Paul had lost 5kg and reduced his HbA1c 67mmol. Paul felt much more confident making healthier food choices and was keen to try out the gym once Covid restrictions had lifted.

Alan's Story: successfully quitting smoking with our support

Alan, a 71 year old male, was referred into our stop smoking service through the NHS Targeted Lung Health Check program.

Alan had smoked for over 50 years with only one attempt to quit previously. Alan had COPD and Asthma and managed this with numerous medications. While carrying out the stop smoking assessment with Alan we spoke around barriers that have stopped him attempting to quit in the past and we worked with him to overcome these and supported him to get started on his journey.

We looked at different options available and Alan chose dual treatment of a 25mg nicotine patch and lozenges to start with . Over the 12 weeks of support, we reduced his strength of nicotine and Alan remained smoke free.

Alan told us

“I didn’t think it was possible at my age to quit, I have smoked from being a young lad. I must admit I struggled in the beginning, but I can feel the difference in my chest and I am not coughing as much.”

Our year in numbers

11,857

Total service attendances by

2638 Unique individuals

30%

Identified as male

70%

Identified as female

29%

BAME engaging in our services

55% of people using our services live in <30% IMD areas

81 staff in our team

58 FTE

51 live locally

Of our staff team:

11% Identified as male

89% Identified as female

6% Identified as BAME

Our turnover for the financial year was

£1,608,076

58

Amazing volunteers supported us

Giving a yearly total of

1,863 hours

Which bsed on the ONS figure for 2015 has an economic value of

£22,151

6 Trustees
6 Board meetings
1 AGM

OUR PARTNERS

We work in partnership with multiple agencies across the region and would like to take this opportunity to thank all our partners for their help and support during the year.

Action for Children

Amazing Start

Believe in children Barnardo's

change 4 life

Children NORTH-EAST

FARAH CHEMISTS EST. 1983

Gateshead Council

MENTAL HEALTH CONCERN

Inequalities in Health Alliance
Working together for healthier lives in a fairer society

Newcastle City Council

NHS Newcastle Gateshead Clinical Commissioning Group

The Newcastle upon Tyne Hospitals NHS Foundation Trust

Newcastle University

northern cancer alliance

Northumbria University NEWCASTLE

Riverside community health project

RSPH ROYAL SOCIETY FOR PUBLIC HEALTH VISION, VOICE AND PRACTICE

Wates

HOW YOU CAN GET INVOLVED

Volunteer

Breastfeeding Peer Support Volunteers are mothers who have breastfed or are breastfeeding and who have a positive attitude towards breastfeeding. They promote breastfeeding in a friendly and sensitive manner and the role includes supporting our Breastfeeding Co-ordinators work at events and group sessions. Our Antenatal Support Volunteers promote good attitudes to pregnancy and parenting in a friendly and sensitive manner. Our volunteers are an incredibly important part of what we do, many have used our services previously and found the support invaluable and so they have wanted to offer support to other women and parents too.

Become a Trustee

We have some amazing Trustees but we are always pleased to hear from others who might be interested in being a Healthworks Trustee. Being a Trustee is one of the most powerful ways in which you can contribute to your local community or to a cause you really care about. As a Healthworks Trustee, you play an integral part in the good governance of a charity, not only ensuring that Healthworks remains viable and sustainable but ensuring that we follow our aims and objectives in the interests of our beneficiaries. If you would like more information about becoming a Trustee, please get in touch.

Make a donation

Making a donation to Healthworks is a great way to help and support health and wellbeing in North East communities. Every penny counts! No matter how small, Healthworks really values your donation. You can take action right now and know that your gift will immediately help us to support our work. We will use your donation to:

- Reach out to the most vulnerable members of your community to improve health education
- Replacing equipment and provide more physical activities for everyone
- Develop more services for people with long term conditions

You can donate monthly or as a one-off and it's really easy to do, just pop over to the Get Involved section on our website.

OUR 2021-2022 OBJECTIVES

Healthworks is in a strong position to develop further work with partners to tackle health inequalities across the region with evidenced based intervention models of work, proven to support and have a positive impact on people's health outcomes.

We will:

- Explore more funding opportunities, to enable us to continue and develop our work to reduce health inequalities across the region
- Increase NHS, Public Health, Local Authority and Primary Care Network commissions across the region.
- Explore interventions that support those most impacted by the Covid pandemic
- Develop the Board through recruiting more Trustees and explore additional Patrons
- Work in partnership with other third sector organisations on developing new workstreams
- Continue to develop research-based services in collaboration with researchers at our world class regional universities
- Sustain local employment and support our volunteers to gain valuable experience whilst using their skills to support others in their community
- Continue joint planning with staff and partner agencies to ensure the best use of both our buildings and other community facilities over the next 5 years
- Further embed our ability to capture outputs and outcomes information to better evidence impact
- Invest in more digital content and delivery
- Support and invest in our move towards using less resources as part of a 'green' plan

Healthworks
the community health charity

IMPACT REPORT

2020 - 2021

Thanks to all of our past and present staff, volunteers, trustees, funders, partners and friends who have supported us in improving health outcomes for people across the region

www.healthworksnewcastle.org.uk

2021 Winner
GSK IMPACT Awards
In partnership with
The King's Fund

COMPANY REGISTRATION NUMBER: 02952583
CHARITY REGISTRATION NUMBER: 1040370

Healthworks Newcastle
Company Limited by Guarantee

Report of the Trustees and Audited Financial Statements

31 March 2021

STEPHENSON COATES AUDIT LIMITED
Chartered Accountants & Statutory Auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Healthworks Newcastle

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report (incorporating the director's report)	1 - 2
Independent auditor's report to the members	3 - 5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Statement of cash flows	8
Notes to the financial statements	9 - 18

Healthworks Newcastle

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name	Healthworks Newcastle
Charity registration number	1040370
Company registration number	02952583
Principal office and registered office	Health Resource Centre Adelaide Terrace, Benwell Newcastle upon Tyne NE4 8BE

The trustees

D Creighton
P A Cresswell
D Lagun
J H Marks
J R Sabarre
M E Turner

Auditor	Stephenson Coates Audit Limited Chartered Accountants & Statutory Auditor West 2, Asama Court Newcastle Business Park Newcastle upon Tyne NE4 7YD
Bankers	Barclays Bank Plc 446 Westgate Road Newcastle upon Tyne NE4 9BN
Solicitors	David Grey 56 Westgate Road Newcastle upon Tyne NE1 5XU

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

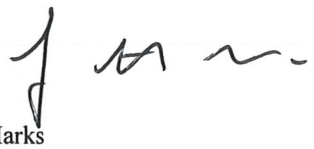
Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report was approved on 21st September 2021 and signed on behalf of the board of trustees by:



J H Marks
Trustee

Healthworks Newcastle

Company Limited by Guarantee

Independent Auditor's Report to the Members of Healthworks Newcastle

Year ended 31 March 2021

Opinion

We have audited the financial statements of Healthworks Newcastle (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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;
- 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 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 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 company's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

Auditor's responsibilities for the audit of the financial statements (*continued*)

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Oswald BA FCA
Senior Statutory Auditor

Stephenson Coates Audit Limited
Chartered accountants

West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

21st September 2021

Healthworks Newcastle

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

31 March 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments					
Donations	**5**	6,852	-	**6,852**	6,296
Charitable activities	**8**	1,363,951	-	**1,363,951**	1,169,728
Other trading activities	**6**	132,716	-	**132,716**	162,053
Investment income	**7**	35,082	-	**35,082**	34,634
Other income		69,475	-	**69,475**	-
Total income		1,608,076	-	**1,608,076**	1,372,711
Expenditure					
Expenditure on raising funds:					
Costs of raising donations	**9**	143,775	-	**143,775**	141,990
Expenditure on charitable activities	**10,11**	1,377,526	19,614	**1,397,140**	1,221,744
Total expenditure		1,521,301	19,614	**1,540,915**	1,363,734
Net income / (expenditure)		86,775	(19,614)	**67,161**	8,977
Reconciliation of funds					
Total funds brought forward		645,037	1,317,434	**1,962,471**	1,953,494
Total funds carried forward		731,812	1,297,820	**2,029,632**	1,962,471

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 18 form part of these financial statements.

Healthworks Newcastle

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

		2021		2020
		£	£	£
Fixed assets				
Tangible fixed assets	15		**1,312,025**	1,272,909
Current assets				
Debtors	16	**100,021**		114,672
Cash at bank and in hand		**1,052,796**		896,933
		1,152,817		1,011,605
Creditors: amounts falling due within one year	17	**435,210**		(322,043)
Net current assets			**717,607**	689,562
Total assets less current liabilities			**2,029,632**	1,962,471
Net assets			**2,029,632**	1,962,471
Funds of the charity				
Unrestricted funds			**731,812**	645,037
Restricted funds			**1,297,820**	1,317,434
Total charity funds	19		**2,029,632**	1,962,471

These financial statements were approved by the Board of Trustees and authorised for issue on 21st September 2021, and are signed on behalf of the board by:

J H Marks
Trustee

P A Cresswell
Trustee

The notes on pages 9 to 18 form part of these financial statements.

Healthworks Newcastle

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	**67,161**	8,977
Adjustments for:		
Depreciation charges	**44,099**	33,235
Interest received	**(2,599)**	(2,869)
Changes in:		
Trade and other debtors	**14,651**	(67,535)
Trade and other creditors	**113,167**	147,912
Cash generated from operations	**236,479**	119,720
Net cash from operating activities	**236,479**	119,720
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	**(83,215)**	(5,475)
Interest received	**2,599**	2,869
Net cash used in investing activities	**(80,616)**	(2,606)
Net increase in cash and cash equivalents	**155,863**	117,114
Cash and cash equivalents at beginning of year	**896,933**	779,819
Cash and cash equivalents at end of year	**1,052,796**	896,933

The notes on pages 9 to 18 form part of these financial statements.

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Health Resource Centre, Adelaide Terrace, Benwell, Newcastle upon Tyne, Tyne & Wear, NE4 8BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102) and the Charities Act 2011.

3. Accounting policies

Basis of preparation
The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern
There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Incoming resources
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the amount can be measured reliably and is not deferred.

Income received in advance of training courses or the provision of other specified services is deferred until the criteria for the income recognition is met.

Income from trading activities relates to trading activities to raise funds for the charity and the income from fundraising events. It is recognised when earned.

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

3. Accounting policies *(continued)*

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the cafe and provision of the nursery at The Lemington Centre, together with their associated support costs.
- Expenditure on charitable activities includes the costs of providing the various activities undertaken to further the purpose of the charity, together with their support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

Tangible assets
Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Long leasehold	-	in accordance with terms of the lease
Plant and machinery	-	20% on cost and 15% on cost
Fixtures and fittings	-	10% on cost
Computer equipment	-	25% on cost and 20% on cost

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

Fund accounting
Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.
Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Voluntary assistance
Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements

4. Limited by guarantee

Healthworks Newcastle is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations

	2021	2020
	£	£
Donations	**6,852**	6,296

6. Other trading activities

	2021	2020
	£	£
Café Income	**14,842**	34,012
Room hire	**3,860**	11,589
Playgroup Admissions	**114,014**	116,452
	132,716	162,053

7. Investment Income

	2021	2020
	£	£
Rents received	**32,483**	31,765
Deposit account interest	**2,599**	2,869
	35,082	34,634

8. Income from Charitable Activities

	2021	2020
	£	£
Core Activities		
Service Level Agreements	**57,753**	-
Admissions	**-**	48,853
Rental income	**71,748**	79,609
Grant income	**18,303**	341
Other income	**19,237**	21,696
Training & Development Courses	**-**	2,956
	167,041	153,455
Physical Activities		
Service Level Agreements	**178,023**	185,332
Admissions	**6,278**	-
Grant income	**17,386**	250
Other income	**834**	2,222
	202,521	187,804

8. Income from Charitable Activities (*continued*)

	2021	2020
	£	£
Health Improvements		
Service Level Agreements	**186,663**	314,529
Grant income	**75,527**	18,710
Shortfall funding	**20,972**	-
Link Worker funding	**92,514**	19,545
Other income	**6,002**	5,003
Stop Smoking Services	**11,120**	-
Assessment income	**47,427**	72,066
	440,225	429,853
Health Promotion		
Service Level Agreements	**172,352**	163,897
Grant income	**174,995**	8,237
Other income	**3,602**	3,880
	350,949	176,014
Children and Young People		
Service Level Agreements	**196,301**	169,913
Grant income	**4,966**	-
Other income	**1,948**	543
	203,215	170,456
Learning & Development		
Link Worker funding	-	42,073
	-	42,073
Parks for People		
Grant income	-	5,840
Other income	-	4,233
	-	10,073
Total income from Charitable Activities	**1,363,951**	**1,169,728**

Grants received, included in the above, totalled £291,177 (*2020: £33,378*)

9. Raising Funds

Other trading activities

	2021	2020
	£	£
Café costs	**29,937**	38,341
Playgroup costs	**113,838**	103,649
	143,775	141,990

10. Charitable Activities Costs

	Direct Costs	Support Costs (see Note 11)	Total 2021
	£	£	£
Core Activities	**73,609**	**501,077**	**574,686**
Physical Activities	**147,760**	**5,195**	**152,955**
Health Improvement	**271,351**	**11,275**	**282,626**
Health Promotion	**217,308**	**9,053**	**226,361**
Children & Young People	**152,190**	**8,322**	**160,512**
	862,218	**534,922**	**1,397,140**

	Direct Costs	Support Costs (see Note 11)	Total 2020
	£	£	£
Core Activities	88,609	462,557	551,166
Physical Activities	156,592	532	157,124
Health Improvement	225,216	14,539	239,755
Health Promotion	116,072	213	116,285
Children & Young People	152,527	4,887	157,414
	739,016	482,728	1,221,744

11. Support costs

	Management	Governance costs	Total 2021
	£	£	£
Core Activities	**495,338**	**5,739**	**501,077**
Physical Activities	**5,195**	**–**	**5,195**
Health Improvement	**11,275**	**–**	**11,275**
Health Promotion	**9,053**	**–**	**9,053**
Children & Young People	**8,322**	**–**	**8,322**
	529,183	**5,739**	**534,922**

	Management	Governance costs	Total 2020
	£	£	£
Core Activities	457,409	5,148	462,557
Physical Activities	532	–	532
Health Improvement	14,539	–	14,539
Health Promotion	213	–	213
Children & Young People	4,887	–	4,887
	477,580	5,148	482,728

12. Net income / (expenditure)

	2021	2020
	£	£
Auditor's remuneration	4,500	4,000
Depreciation – owed assets	44,099	33,235
Hire of plant and machinery	2,956	1,705
Receipts under the Coronavirus Job Retention Scheme	69,475	-

13. Trustee remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 (*2020: Nil*).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 (*2020: Nil*).

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Gross Wages and Salaries	**1,141,106**	915,582
Employers National Insurance	**75,838**	54,105
Employers Pension	**21,672**	12,501
	1,238,616	982,188

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

	2021	2020
	£	£
Core Activities	**24**	23
Physical Activities	**4**	7
Health Improvement	**24**	12
Health Promotion	**18**	20
Children & Young People	**11**	9
	81	71

No employee received employee benefits of more than £60,000 during the year (*2020: Nil*).

The Key Management Personnel of the charity comprises the Trustees, the Chief Executive Officer, the Deputy Chief Executive Office, Director of Wellbeing, Director of Community Development, Director of Finance and Director of Operations.
The total employee benefits of the Key Management Personnel of the Charity was £190,214 (*2020: £187,878).*

15. Tangible fixed assets

	Long Leasehold	Plant & Machinery	Fixtures & Fittings	Computer Equipment	**Total**
	£	£	£	£	**£**
Cost					
At 1 April 2020	1,529,693	31,122	137,426	227,179	1,925,420
Additions	-	-	45,081	38,134	83,215
At 31 March 2021	**1,529,693**	**31,122**	**182,507**	**265,313**	**2,008,635**
Depreciation					
At 1 April 2020	276,459	31,122	129,023	215,907	652,511
Charge for the year	18,755	-	14,789	10,555	44,099
At 31 March 2021	**295,214**	**31,122**	**143,812**	**226,462**	**696,610**
Carrying amount					
At 31 March 2021	**1,234,479**	**-**	**38,695**	**38,851**	**1,312,025**
At 31 March 2020	1,253,234	-	8,403	11,272	1,272,909

All tangible fixed assets are held for the purposes of the charity.

16. Debtors

	2021	2020
	£	£
Trade debtors	**60,895**	77,760
Other debtors	**20,455**	8,003
Prepayments and accrued income	**18,671**	28,909
	100,021	114,672

17. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	**60,467**	31,548
Social security and other taxes	**21,732**	14,720
VAT	**57,566**	47,281
Other creditors	**5,852**	4,397
Accruals and deferred income	**289,593**	224,097
	435,210	322,043

Included within Accruals and deferred income is an amount of £217,468 (*2020: £198,149*) relating to deferred income. The full amount of £198,149 has been released to the SOFA from the previous accounting period and income totalling £217,468 has been deferred in the current year.

18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £21,672 (*2020: £12,501*).

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	645,037	1,608,076	(1,521,301)	**731,812**

Restricted funds	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Capital Health Resource Centre	1,020,999	–	(10,140)	**1,010,859**
Sure Start Refurbishment	267,766	–	(2,039)	**265,727**
Savoy Cooker	320	–	(320)	–
TLC Playgroup	28,349	–	(7,115)	**21,234**
	1,317,434	–	(19,614)	**1,297,820**

Unrestricted funds

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	619,356	1,372,711	(1,347,030)	645,037

Restricted funds	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Capital Health Resource Centre	1,031,139	–	(10,140)	1,020,999
Sure Start Refurbishment	269,805	–	(2,039)	267,766
Savoy Cooker	320	–	–	320
TLC Playgroup	32,874	–	(4,525)	28,349
	1,334,138	–	(16,704)	1,317,434

The purpose of the funds are:

Capital Health Resource Centre
This represents grants given for the purchase of the building leasehold and equipment, which is expended in line with the depreciation on the relevant assets.

Sure Start Refurbishment
Grant to help towards the cost of the refurbishment of the offices used by the Sure Start Team.

Savoy Cooker
Grant to cover the cost of a cooker for use in the cafe at the Lemington Centre.

TLC Playgroup Extension
Grant to help towards the cost of the extension to the nursery at the Lemington Centre.

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**	Total Funds 2020 £
Tangible fixed assets	14,205	1,297,820	**1,312,025**	1,272,909
Current assets	1,152,817	–	**1,152,817**	1,011,605
Current liabilities	(435,210)	–	**(435,210)**	(322,043)
Net assets	731,812	1,297,820	**2,029,632**	1,962,471

21. Related parties

Joel Marks, Chairman of Healthworks Newcastle, is also a director of Cheviot Insurance Services Limited from which Healthworks Newcastle purchased supplies on an arm's length basis totalling £9,340 (*2020 – £8,721*). Included within trade creditors is an amount of £7,757 (*2020 - £7,467*) due to Cheviot Insurance Services Limited.

During the year, Trustees donations totalled £Nil (*2020: £Nil*).

There were no other related party transactions during the year ended 31 March 2021 to report.