

# WORTHWHILE OCCUPATIONAL AND RECREATIONAL KRAFTS LIMITED

England & Wales · Charity number 1050876

## Details

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**Other names** WORK LTD

**Status** Registered

**Legal form** Charitable company

**Company number** [03085148](#)

**Registered** 1995-11-21

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Work Ltd  
Rear Of Bents Green School  
Ringinglow Road  
Sheffield  
S11 7TB

**Phone** 01142620094

**Email** [info@workltd.org.uk](mailto:info@workltd.org.uk)

**Website** [www.workltd.org.uk](http://www.workltd.org.uk)

## Activities

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**Objects:** THE RELIEF OF PERSONS IN SHEFFIELD WITH LEARNING DIFFICULTIES BY THE PROVISION OF EDUCATION AND TRAINING IN SHELTERED WORKSHOPS

**Activities:** Training Centre for adults with learning disabilities; Operating a cafe and gift shop (open to the public); creating bespoke crafts, gifts and home decor. Students also receive training in basic literacy, housekeeping skills (eg cooking, laundry) and go outside the centre to experience public transport, shopping and social activities.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Disability, Economic/community Development/employment
- **Who:** People With Disabilities

## Geography

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- **Area of benefit:** SHEFFIELD
- Sheffield City

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,351,911	£1,335,990	£582,231	43
2023-12-31	£1,272,422	£1,203,692	£566,310	38
2022-12-31	£993,754	£1,022,396	£497,580	36
2021-12-31	£785,368	£815,053	£526,222	32
2020-12-31	£720,455	£679,871	£555,907	29

## Trustees

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Name	Role	Appointed
Alan Camp		2025-03-04
Helen Gilson		2025-03-24
Jonathan Smith		2022-10-25
Michaela Tracy Evans		2022-03-22
Peter James Wilmer		2025-08-05
Stacey Laing		2014-10-15

**WORTHWHILE OCCUPATIONAL AND RECREATIONAL KRAFTS LIMITED**

England & Wales - Charity number 1050876

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# Accounts

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**Charity registration number 1050876 (England and Wales)**

**Company registration number 03085148**

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S Laing J Wilkinson M Evans J Smith A Camp H Gilson	(Appointed 4 March 2025) (Appointed 24 March 2025)
<b>Secretary</b>	B Henderson	
<b>Senior management</b>	S Field G Philliskirk D Wilson	Central manager Central manager Central manager
<b>Charity number</b>	1050876	
<b>Company number</b>	03085148	
<b>Registered office</b>	Off Folkwood Grove Ringinglow Road Sheffield S11 7TB	
<b>Auditor</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU	
<b>Bankers</b>	HSBC Bank Plc Carmel House 49-63 Fargate Sheffield S1 2HD	

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The year 2024 marked an exciting period of growth and development for WORK Ltd. One of our most significant milestones was the opening of our second location, Kreate, which welcomed students into a brand-new learning environment. This expansion not only provided additional space but also enabled us to broaden the range of life skills we offer to individuals within our local area, Sheffield.

In addition to serving as a second hub for our students, Kreate is home to our distinctive home and giftware store. This unique retail space reimagines the concept of giving, offering thoughtfully curated products that carry a deeper purpose. Every purchase made in our shop directly contributes to supporting the charity, ensuring that each item sold makes a meaningful difference in the lives of those we serve.

WORK Ltd has been established for 32 years. We support adults (16+) who have significant learning disabilities with engagement, learning, commercial crafts production and well-being activities. The Charity is governed by a board of local Trustees. It is run and managed by three Centre Managers. Our organisation was established to provide a creative, educational environment for adults with learning difficulties that impact their intellectual capacity to the point that 'regular' employment is a near impossibility. Over the years we have established various 'workshops' with experienced staff supporting learners on a variety of arts and crafts activities. These 'workshops' include cookery, jewellery manufacturing, painting, seasonal card creations, stained-glass production, horticulture, dance, music & performance amongst others. The crafts that our learners produce are sold via our retail unit (attached to our 'Hidden Gem Café') and online via platforms such as 'Etsy'. We have now expanded on what we can offer our learners by opening our second site Kreate. This new location allows us to broaden the range of hands-on workshops and creative opportunities available. Learners can now explore a variety of engaging activities, including working with Jesmonite and resin, developing photography skills, and gaining real-world retail experience within our home and giftware store. Additionally, they have full access to our state-of-the-art multimedia classroom, where they learn to produce and edit their own podcasts, operate professional equipment, and develop essential digital media skills. Most of our learners are referred to us through Sheffield City Council Social Services and our focus is always on supporting each student feel 'purpose' through tailored educational training programmes, creativity and expert led pastoral care. While all our learners require constant support through either ourselves, their families or their carers our aim is, and has always been, to develop life skills, confidence, social interactions and self-esteem.

We support students with a variety of moderate to severe intellectual learning disabilities. All of our learners have a significantly impaired capacity to develop new skills and face daily challenges around behaviours such as social skills and hygiene routines which require continuous supervision. All learners have associated diagnosed learning disabilities such as Downs Syndrome, Autism, Epilepsy, Specific Language Disorders, Hearing Impairment, and often present an overlapping myriad of neurological challenges that compound their intellectual capacity. Whilst an oversimplification of the intellectual disabilities our learners face, 16% have Downs Syndrome, 69% Moderate Autism and 15% are at the more severe end of the Autistic spectrum. All of our students have a significantly reduced ability to understand new or complex information, develop new skills and cope independently. Our students face huge day-to-day challenges, they require specific and consistent routine in their daily activities; from getting up, what they eat, transport arrangements and obviously the activities we provide at WORK Ltd. The majority of our students cannot read or write; however we are able to help them slowly learn new skills through guided education and repetition of workshop activities.

#### **Charitable purposes (Public Benefit)**

In setting plans and priorities for areas of work the Board of WORK Ltd has had regard to the guidance from the Charity Commission on the provision of Public Benefit, with particular attention paid to how planned activities will contribute to meeting the objectives of WORK Ltd.

The Trustees confirm that they have complied with the duty in section 4 of the 2011 Charity Act to have due regard to guidance published by the Charity Commission regarding public benefit.

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### **Significant activities**

The various projects that are carried out at WORK Ltd by the students include:

**Main Workshop** – Staffed by qualified Tutors, support assistants and volunteers and where all main assembly work is done including woodwork, printing, textiles, arts and crafts.

**Glass Room** – Where stained glass products and Jewellery are made by the students.

**Resource/Student Kitchen** – This multifunctional area is staffed by qualified Tutors. Our fully equipped home-from-home kitchen is where our students learn basic life skills from washing, healthy living to cooking. Our students learn the importance of a healthy diet and are taught how to cook and bake simple recipes. As well as the kitchen area the resource room is used as a clean space to create bespoke textiles and crafts.

**The Hidden Gem Café** – At the heart of our charity is the award-winning Hidden Gem Café serving delicious food and operated by the support of our students. In the café our students are taught to serve tea and coffee, clear tables and interact with our many customers. Our students also work alongside our chefs learning basic food hygiene and food preparation.

**Kreate** – At Kreate we offer a range of craft activities such as printing, card making, resin and one major project which is the Jesmonite workshop, this gives our learners the chance to develop new skills in crafting versatile products like coasters, plates, candle holders, and ornaments. This craft is accessible to all learners, regardless of disability, and provides an excellent opportunity for creative expression. We also have a media room which is run by two experienced industry filmmakers. Our students create a variety of multimedia projects including podcasts and fun, engaging videos. Students take part in every stage of the process not only to learn exciting digital skills but also have a platform to share their stories and have a voice. You can find all our completed projects on our youtube channel: [www.youtube.com/@workLTD](http://www.youtube.com/@workLTD)

**Kreate Home & Giftware Store** – Our ever-evolving selection of home and giftware is designed to delight and inspire, offering everything you need to spoil your loved ones, or treat yourself. The collections include stunning handpicked items alongside a range of unique crafts lovingly designed and made by our talented students. These one-of-a-kind creations showcase the creativity and hard work of our learners, giving every purchase a personal and heartfelt touch. Kreate also offers invaluable opportunity to gain hands on experience in a retail environment. They develop practical skills by interacting with customers, processing transactions at the till, stocking shelves and managing the shop floor. These real-world experiences help build their confidence and enhance communication skills.

#### **Training and Support Projects**

WORK Ltd continues to provide intensive, person-centred training programmes. These include healthy eating, food preparation, catering, woodwork and horticulture. Creative crafts, such as knitting, sewing, art, training in music, drama, dance, exercise, personal expression, literacy and reading skills, form important aspects of our development programmes. We have qualified teachers employed as our Tutors.

The quality of goods produced by our students are exceptional however we still purchase retail goods from outside suppliers which compliments what is made on site by our students.

In addition, WORK Ltd provides ongoing training and advocacy skills to enable students to identify what they would like to achieve and need to achieve, giving student's fulfilment in their learning and development. Staff provide support on a wide range of issues from relationships to bereavement. Mechanisms are in place to refer to specialised professionals if required.

Individual practical support is given to carers to enable them to have access to relevant information, service and advice

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Achievements and performance

We finished our renovation on our second centre Kreate and were able to open the doors to our students in the summer. This was fantastic news for our charity as space at our Bents Green Centre had become limited, yet the demand for our services continued to grow each year. We've known for some time that we needed additional space to accommodate the expansion of learner activities, retail space, and to increase awareness of the services WORK Ltd provides to local residents with learning disabilities.

The new premises serves multiple purposes:

- **Ground floor:** A retail outlet showcasing and selling a variety of handmade crafts produced by our talented students. This shop not only offers the chance for them to gain valuable retail and customer service experience but also serves as a platform to celebrate their creativity and skills with the wider community.
- **Second floor:** A dedicated craft workshop where students can create a range of products, including jesmonite items, wrapping paper, greeting cards, and clay designs. This specialised space is designed to foster creativity, develop practical skills, and provide an inclusive and supportive environment for personal growth.
- **Third floor:** Our state-of-the-art media room where our students create podcast/video projects and an office space for our staff, providing a central hub for administration and operations to ensure the smooth running of our expanding charity.
- **Basement:** Pending funding, this area has the potential to become a fully equipped space for housing craft equipment, woodwork, and other hands-on activities. This would further enhance the range of creative and vocational opportunities available to our students. It is currently being used for storage and as a stock room for our home and giftware items.

While our Bents Green location serves our learners well, its secluded location limits our visibility and potential for expansion. The new site on Hutcliffe Wood Road offers an exciting opportunity for increased visibility, providing a prominent shopfront to raise awareness of our charity and the incredible work our learners do.

#### Funding Overview

Throughout 2024, our charity has been fortunate to receive substantial financial support from various grant-making organizations. These funds have been instrumental in furthering our mission and expanding the services we provide. Below is a detailed breakdown of the funding received and its specific allocations.

**1. Dance Classes Support** Two generous grants were received to contribute towards the students' dance classes, which take place twice a week. These funds help cover the costs of dance instructors and the rental of our church hall:

- **Graves Trust:** £3,000

#### **2. Heating System for Kreate**

The Warm Warriors generously donated essential heating supplies, a boiler, and the professional services of over 25 plumbers to support the development of our new project, *Kreate*. Their significant contribution enabled the full installation of a brand new boiler and heating system at the site, ensuring that the facilities remain fully operational and accessible throughout the year.

This critical upgrade aligns with our ongoing commitment to sustainability, enhancing energy efficiency and supporting our long-term goal of achieving net-zero carbon emissions:

- **Warm Warriors:** Donation of heating supplies and professional services to the value of £10,000

#### **3. Facility Access and Infrastructure Development**

Secured planning permission has been obtained to enhance access to our main facility by connecting it to a council-run car park. This involves constructing a 30-metre pathway across greenbelt parkland, improving accessibility for learners, their families, and customers. Additionally, we have secured permission to expand our facility by six metres into Bents Green Playing Fields, allowing for the erection of two log cabins that will serve as additional workshop spaces.

Two grants have been allocated towards the costs of this infrastructure development:

- **Garfield Weston:** £5,000
- **ScrewFix:** £4,790

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 4. Support Worker Salary at Kreate

To strengthen our support services at Kreate, we received funding towards the salary of a dedicated support worker, who will play a crucial role in assisting learners and ensuring smooth operations at the facility:

- **MSIF:** £7,000

#### 5. Educational and Cultural Exchange Programme

An exciting opportunity has been made more possible through a grant that will facilitate an international educational and cultural exchange. This initiative will enable four special needs students and five support staff to travel from Sheffield to Kobe, Japan. The exchange will involve visits to Sakura Nada Special School, promoting knowledge sharing on special needs education and vocational training. The programme will also serve as a meaningful cultural reconnection with a former student, who recently returned to Japan after spending six months with our charity.

- **Sheffield Grammar:** £4,000

This transformative experience will empower young people with disabilities by fostering confidence, cultural awareness, and valuable life skills. Additionally, it supports our long-term goal of continuous learning through international best practices and strengthening a global network in special needs education.

The generous funding received in 2024 has allowed us to make significant strides in expanding our educational programmes, improving our facilities, and providing essential services for our students. We are deeply grateful to all our funders for their invaluable support, which enables us to continue our mission of empowering young learners and fostering inclusive educational opportunities.

Moving forward, we remain committed to seeking further funding to complete our log cabin expansion project and sustain our existing initiatives, ensuring that our students receive the best possible learning environment.

#### Financial review

The results for the year ended 31 December 2024 shows a surplus of £15,921 after charging depreciation of £34,057.

The total income for the year of £1,351,911 is a 6% increase on the previous year. Donations and fund-raising activities were £81,797 (2023 - £196,529) and café and shop sales have increased to £617,539 (2023 - £552,883).

Support costs totalled £424,292 compared to £385,800 in the previous year.

The forecast for the current year is again that there will continue to be sufficient income to meet all costs but without sufficient ability to invest in future developments.

#### WORK Ltd Reserves

The Trustees seek to keep a minimal level of unrestricted funds to ensure the charity remains a going concern and sufficient unrestricted funds to cover known commitments. They have assessed the risk to the charity's ongoing income and the level of reserves required has been determined taking into account the current economic climate and local and national government policies. The appropriate reserves level has been set at 4 months of the current rate of expenditure. Even at this level, the charity would face severe difficulties in seeking to replace any lost income over such a relatively short period.

At this year end the unrestricted funds were £327,131 which equates to 3 months of charitable expenditure. The Trustees consider this to be acceptable in the short term but will work towards achieving the target of 4 months at the earliest opportunity.

The Asset Replacement Fund has been formed as an essential means of enabling the replacement of core fixed assets when required.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Plans for the future

The Trustees and Centre Managers have put in place a number of incentives to enable successful achievement of the organisations aims and objectives, over the next 3-5 years. These include:

**Hidden Gem Cafe:** Our short-term goal is to redecorate the café and redesign the layout to enhance the dining experience, while also creating a new area to showcase our students' crafts and a deli section. The café is in need of a minor refurbishment, which we believe will further excite our loyal customers and attract new visitors.

Looking ahead, we've been granted planning permission to extend onto the playing fields within our boundaries. With this additional space, we plan to expand the outdoor courtyard, offering more seating, comfortable dining areas, and improved coverage, making outdoor seating available year-round, regardless of the weather.

**Workshop and Resource:** In the short term, our goal is to introduce advanced woodworking to our existing curriculum. This new program will build on basic woodworking skills, enabling students to design, create, and market high-quality, bespoke products.

Looking ahead, we're always mindful of how important it is to welcome a steady stream of new students each year, particularly as the school year draws to a close. With this in mind, we're planning to host regular open evenings and fun days designed to strengthen relationships with key referral agencies, while also engaging directly with prospective students and their families. In addition to these events, we're excited to produce a "Day in the Life at WORK Ltd" video, which will be created by our students in collaboration with our Multimedia Tutor at our new site, Kreate. This video will offer a behind-the-scenes look at our unique learning environment, capturing students in action and providing staff-led insights that address common questions from families and professionals. Once complete, the video will be shared across our social media platforms, featured on our website, and distributed to schools, colleges, and Sheffield City Council. We believe this initiative will be an invaluable resource for parents, students, and social workers—offering a clear and authentic glimpse into the engaging, supportive, and skills-focused experience we provide.

Our long-term goal is to demolish and rebuild our workshop, transforming the current single-storey facility into a two-storey building, a project we aim to start in 2026-2027. The new space will include a fully equipped classroom, workshop, quiet/sensory area, a designated dining area for students and staff, as well as offices.

The demand for the charity's services from adults with learning disabilities throughout the city continues to increase. Consequently, it remains essential to seek additional external funding for key projects that will enable the Trustees and Centre Managers to make necessary investments in these new developments. This is crucial to ensure the charity can continue meeting the important needs of some of society's most vulnerable individuals.

We are dedicating time to applying for large, targeted grants, while also working hard to raise donations through various channels, such as the "Become a Friend of WORK" monthly donation initiative, pop-up shops, concerts, partnerships as companies' charity of the year, and promoting our JustGiving page through the Hidden Gem Café for one-off donations. These efforts are aimed at securing much-needed funding.

#### Structure, governance and management

Worthwhile Occupational and Recreational Krafts Ltd (WORK) is a charitable company limited by guarantee incorporated in England and Wales. It is governed by a Memorandum and Articles of Association. The charity and company registration numbers and registered office are set out within "Legal and Administrative Information".

Members of the board, who are directors for the purpose of company law and trustees for the purpose of the charity law, who served during the year and up to the date of this report are set out on page 1. In this report the board members are referred to as trustees although they have a dual role as directors.

None of the trustees has a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees are recruited based on their skills and as far as possible matched to the skills required by the Board.

The charity seeks new trustees from time to time through known contacts. If a person makes it known they are interested in becoming a trustee, they are invited to attend an interview with one or more of the trustees. The appointment is then considered by the full board. New trustees receive induction training about the aims, objectives and activities of the charity and made aware of their responsibilities as trustees.

The senior management team in charge of the day to day management of the company are D Wilson, G Philliskirk and SJ Field.

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### **Statement of trustees' responsibilities**

The trustees, who are also the directors of Worthwhile Occupational & Recreational Krafts Limited for the purpose 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).

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

### **Auditor**

In accordance with the company's articles, a resolution proposing that Hart Shaw LLP be reappointed as auditor of the company will be put at a General Meeting.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

### **A Camp**

Trustee

Dated: 19 September 2025

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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#### Qualified opinion

We have audited the financial statements of Worthwhile Occupational & Recreational Krafts Limited (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its 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 qualified opinion

We were appointed auditors following the year ended 31 December 2023 when the company needed an audit for the first time. The opening balance sheet had not been audited and we were unable to carry out procedures to audit the opening balance sheet. therefore are unable to determine whether any adjustments to the Statement of financial activities might have been necessary in the prior period. Our audit opinion in the financial statements to 31 December 2023 was modified accordingly. Our audit opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures. In addition, were any adjustment to the Statement of Financial Activities required, the Trustees report would also need to be amended.

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

#### 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

The 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 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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#### **Matters on which we are required to report by exception**

In respect solely of the limitation on our work relating to opening balances described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether sufficient accounting records had been kept.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the financial statements are not in agreement with the accounting records.
- 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 trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

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

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud and the audit response**

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:

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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We have assessed the overall susceptibility of the financial statements to material misstatement due to irregularities as low.

Our approach at the planning stage which contributed to designing procedures included:

- identifying laws and regulations at the planning stage that were significant to the entity and that could reasonably be expected to have a material effect on the financial statements from our general knowledge along with our client and sector specific experience
- enquires of management as to whether they had any knowledge of any actual or suspected fraud
- considering the controls in place to mitigate the risk of irregularities, including fraud.
- communicating identified laws and regulations to the audit team
- ensuring the audit team had recent, relevant experience and were aware of the significant laws and regulations relating to the entity and it's sector along with the competence

The significant laws and regulations directly affecting the financial statements where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements included: The Charities Act and related regulations, Care Quality Commission, The Care Act 2014, The Mental Capacity Act 2005, The Statement of Recommended Practice (SORP), The Companies Act 2006 as well as other operational laws and regulations.

In response to the risks our approach included but was not limited to:

- reviewing charities commissions data and agreeing to supporting documentation to assess compliance with applicable laws and regulations.
- reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations.
- performing analytical procedures to identify any unusual or unexpected relationships.
- reviewing minutes of meetings of those charged with governance.
- reviewing legal and professional costs for any indication of non-compliance with laws and regulations.
- discussions with those charged with governance regarding any breaches of laws and regulations.

In relation to how the risk of management override of controls was addressed, our approach included but was not limited to:

- assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias
- investigating rationale of significant or unusual transactions and agreeing to underlying records
- reviewing related parties and transactions with them to ensure these were not outside the normal course of business
- enquiring with management as to whether they had any knowledge of any actual or suspected fraud
- reviewing of all material journal entries made throughout the year as well as those made to prepare the financial statements
- enquiries with those charged with governance regarding laws and regulations to any known breaches.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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.

# **WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

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This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Natalie Bracey (Senior Statutory Auditor)**  
for and on behalf of Hart Shaw LLP

22 September 2025

**Chartered Accountants**  
**Statutory Auditor**

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<b>Income and endowments from:</b>							
Donations and legacies	2	47,507	34,290	81,797	139,432	57,097	196,529
Charitable activities	3	1,266,682	-	1,266,682	1,072,661	-	1,072,661
Investments	4	3,432	-	3,432	2,602	-	2,602
Other income	5	-	-	-	630	-	630
<b>Total income</b>		<b>1,317,621</b>	<b>34,290</b>	<b>1,351,911</b>	<b>1,215,325</b>	<b>57,097</b>	<b>1,272,422</b>
<b>Expenditure on:</b>							
Charitable activities	6	1,311,428	20,068	1,331,496	1,183,762	19,930	1,203,692
Other expenditure	12	4,494	-	4,494	-	-	-
<b>Total expenditure</b>		<b>1,315,922</b>	<b>20,068</b>	<b>1,335,990</b>	<b>1,183,762</b>	<b>19,930</b>	<b>1,203,692</b>
<b>Net income and movement in funds</b>		<b>1,699</b>	<b>14,222</b>	<b>15,921</b>	<b>31,563</b>	<b>37,167</b>	<b>68,730</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2024		529,143	37,167	566,310	497,580	-	497,580
<b>Fund balances at 31 December 2024</b>		<b>530,842</b>	<b>51,389</b>	<b>582,231</b>	<b>529,143</b>	<b>37,167</b>	<b>566,310</b>

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

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2024

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		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		292,230		309,106
<b>Current assets</b>					
Stocks	15	27,869		23,328	
Debtors	16	52,376		51,672	
Cash at bank and in hand		293,129		269,306	
		<u>373,374</u>		<u>344,306</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(83,373)</u>		<u>(87,102)</u>	
<b>Net current assets</b>			290,001		257,204
<b>Total assets less current liabilities</b>			<u>582,231</u>		<u>566,310</u>
<b>The funds of the charity</b>					
Restricted income funds	19		51,389		37,167
Unrestricted funds	20		530,842		529,143
			<u>582,231</u>		<u>566,310</u>

The notes on pages 14 to 26 form part of these financial statements.

The financial statements were approved by the trustees on 19 September 2025

A Camp  
Trustee

Company registration number 03085148 (England and Wales)

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

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	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25		32,066		100,118
<b>Investing activities</b>					
Purchase of tangible fixed assets		(11,675)		(81,497)	
Proceeds from disposal of tangible fixed assets		-		717	
Investment income received		3,432		2,602	
<b>Net cash used in investing activities</b>			(8,243)		(78,178)
<b>Net cash generated from financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			23,823		21,940
Cash and cash equivalents at beginning of year			269,306		247,366
<b>Cash and cash equivalents at end of year</b>			293,129		269,306

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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### 1 Accounting policies

#### Charity information

Worthwhile Occupational & Recreational Krafts Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Off Folkwood Grove, Ringinglow Road, Sheffield, S11 7TB.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the 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 (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants, whether capital grants 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 income will be received and the amount can be measured reliably and it not deferred.

#### 1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies (Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	4% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	25% reducing balance

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is calculated using the first in, first out formula.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 2 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	47,507	-	47,507	139,432	-	139,432
Grants	-	24,290	24,290	-	57,097	57,097
Donated goods and services	-	10,000	10,000	-	-	-
	<u>47,507</u>	<u>34,290</u>	<u>81,797</u>	<u>139,432</u>	<u>57,097</u>	<u>196,529</u>

### 3 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Student support grants</b>		
Income received in relation to student support	649,143	519,778
<b>Sale of merchandise</b>		
Sale of goods	617,539	552,883
	<u>1,266,682</u>	<u>1,072,661</u>

### 4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	3,432	2,602
	<u>3,432</u>	<u>2,602</u>

### 5 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	-	630
	<u>-</u>	<u>630</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 6 Charitable activities

	2024 £	2023 £
Staff costs	643,019	557,711
Depreciation and impairment	2,476	1,285
Cost of sales	220,553	231,044
	<u>866,048</u>	<u>790,040</u>
Share of support costs (see note 7)	420,581	385,800
Share of governance costs (see note 7)	44,867	27,852
	<u>1,331,496</u>	<u>1,203,692</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,311,428	1,183,762
Restricted funds	20,068	19,930
	<u>1,331,496</u>	<u>1,203,692</u>

### 7 Support costs allocated to activities

	2024 £	2023 £
Staff costs	220,445	191,024
Depreciation	31,581	36,172
Consumables	45,652	39,177
Insurance	17,363	14,740
Advertising	5,800	7,755
Motor and travel	4,800	4,953
Utilities	40,957	47,620
Rent, rates and refuse	17,029	10,388
Office costs	14,099	17,343
Sundry expenses	5,079	2,680
Repairs and maintenance	17,346	13,918
Staff Training	430	30
Governance costs	44,867	27,852
	<u>465,448</u>	<u>413,652</u>
<b>Analysed between:</b>		
Charitable Activities	<u>465,448</u>	<u>413,652</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

<b>8 Net movement in funds</b>	<b>2024</b>	<b>2023</b>
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	14,000	10,000
- for other financial services	2,498	1,076
Depreciation of owned tangible fixed assets	34,057	37,457
Loss/(profit) on disposal of tangible fixed assets	4,494	(630)
	<u>          </u>	<u>          </u>

### 9 Auditor's remuneration

Fees payable to the charity's auditor and associates:	<b>2024</b>	<b>2023</b>
	£	£
<b>For audit services</b>		
Audit of the financial statements of the charity	14,000	10,000
	<u>          </u>	<u>          </u>
<b>For other services</b>		
All other non-audit services	2,498	1,076
	<u>          </u>	<u>          </u>

### 10 Trustees and key management personnel remuneration and expenses

None of the trustees received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

Remuneration to key management personnel has been disclosed in note 10.

The charity paid insurance of £17,363 (2023 - £14,740) which included trustees indemnity insurance.

### 11 Employees

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Teaching and student support	17	15
Cafe and Gift Shop	21	18
Office and Management	5	5
	<u>          </u>	<u>          </u>
Total	43	38
	<u>          </u>	<u>          </u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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11 Employees	(Continued)	
Employment costs	2024	2023
	£	£
Wages and salaries	792,204	688,274
Social security costs	56,896	47,942
Other pension costs	14,364	12,519
	<u>863,464</u>	<u>748,735</u>

Redundancy and termination payments totalling £4,440 were made in the reporting period. The entire amount is made up of contractual payment in lieu of notice. The amount was paid out of unrestricted funds.

There were no employees whose annual remuneration was more than £60,000.

### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2024	2023
	£	£
Aggregate compensation	<u>136,219</u>	<u>128,058</u>

### 12 Other expenditure

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Net loss on disposal of tangible fixed assets	<u>4,494</u>	<u>-</u>

### 13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 14 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2024	388,025	90,313	224,824	703,162
Additions	11,892	250	9,533	21,675
Disposals	-	(4,427)	(29,266)	(33,693)
At 31 December 2024	399,917	86,136	205,091	691,144
<b>Depreciation and impairment</b>				
At 1 January 2024	151,599	84,101	158,356	394,056
Depreciation charged in the year	15,997	1,143	16,917	34,057
Eliminated in respect of disposals	-	(3,509)	(25,690)	(29,199)
At 31 December 2024	167,596	81,735	149,583	398,914
<b>Carrying amount</b>				
At 31 December 2024	232,321	4,401	55,508	292,230
At 31 December 2023	236,426	6,212	66,468	309,106

### 15 Stocks

	2024	2023
	£	£
Finished goods and consumables	27,869	23,328

### 16 Debtors

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	45,776	39,836
Other debtors	3,875	3,875
Prepayments and accrued income	2,725	7,961
	52,376	51,672

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 17 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	43,538	34,362
Trade creditors	4,884	17,812
Other creditors	5,100	2,871
Accruals and deferred income	29,851	32,057
	<u>83,373</u>	<u>87,102</u>

### 18 Retirement benefit schemes

	2024 £	2023 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	14,364	12,519
	<u>14,364</u>	<u>12,519</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

### 19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024 £	Incoming resources £	Resources expended £	At 31 December 2024 £
Key Fund Investments	15,518	-	(1,247)	14,271
Church Burgesses Educational Foundation 1	2,400	-	-	2,400
Church Burgesses Educational Foundation 2	2,308	-	(576)	1,732
The Baily Thomas Charitable Fund	5,000	-	(5,000)	-
Sheffield Grammar SGS Grant	7,000	-	(2,645)	4,355
Sheffield Burgesses Trust	4,941	-	(200)	4,741
Sheffield Grammar SGS Grant 2	-	4,500	-	4,500
Screwfix Foundation	-	4,790	-	4,790
Market Sustainability and Improvement Fund	-	7,000	(7,000)	-
JG Graves	-	3,000	(3,000)	-
EPH Control	-	10,000	(400)	9,600
Garfield Weston Foundation	-	5,000	-	5,000
	<u>37,167</u>	<u>34,290</u>	<u>(20,068)</u>	<u>51,389</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 19 Restricted funds (Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
Key Fund Investments	-	24,497	(8,979)	15,518
Church Burgesses Educational Foundation 1	-	2,400	-	2,400
Church Burgesses Educational Foundation 2	-	2,700	(392)	2,308
The Baily Thomas Charitable Fund	-	15,000	(10,000)	5,000
Sheffield Grammar SGS Grant	-	7,000	-	7,000
The Kaye Charitable Grant	-	500	(500)	-
	-	5,000	(59)	4,941
	-	57,097	(19,930)	37,167

#### Restricted funds

##### Key Fund Investments

The funds provided were in relation to the refurb and refit of the digital media room and the purchase of media equipment for the teaching of the students.

##### Church Burgesses Educational foundation

Funds were issued to aid towards the cost of a laser cutting machine.

##### Church Burgesses Educational Foundations

Funds were issued to aid with the costs of the digital media equipment for the new digital media suite.

##### Sheffield Burgesses Trust

Funds were issued to aid with the works required at the new site of Kreate.

##### The Baily Thomas Charitable Fund

Funds were issued to aid the core delivery costs of the advanced woodworking training programme.

##### Sheffield Grammar SGS Grant

Funds were issued to aid the new Jesmonite workshop classes, provided to purchase materials and starter kits.

##### Market Sustainability and Improvement Fund

Funds were issued to aid with the costs of employing an additional support worker.

##### The Screwfix Foundation

Funds were issued to aid toward the groundwork for the improved car park and turning circle.

##### Sheffield Grammar SGS Grant

Funds were issued to aid with the planned trip to Japan for 4 students and 5 employees.

##### JG Graves

Funds were issued to aid with providing dance lessons for students covering tutor costs and hall hire.

##### EPH Control

The company have installed and provided a boiler and central heating at the Kreate site free of charge.

##### Garfield Weston

Funds were issued to aid with the groundwork for the improved car park and turning circle.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
Asset replacement fund	200,000	-	-	200,000
General funds	329,143	1,317,621	(1,315,922)	330,842
	<u>529,143</u>	<u>1,317,621</u>	<u>(1,315,922)</u>	<u>530,842</u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 December 2023</b>
	£	£	£	£
Asset replacement fund	200,000	-	-	200,000
General funds	297,580	1,215,325	(1,183,762)	329,143
	<u>497,580</u>	<u>1,215,325</u>	<u>(1,183,762)</u>	<u>529,143</u>

Designated funds relate to the asset replacement fund which recognises the need for the company to retain sufficient designated reserves to replace core fixed assets and continue in business.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 21 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2024 are represented by:								
Tangible assets	261,728	-	30,502	292,230	286,361	-	22,745	309,106
Current assets/(liabilities)	69,394	200,000	20,607	290,001	42,782	200,000	14,422	257,204
	<u>331,122</u>	<u>200,000</u>	<u>51,109</u>	<u>582,231</u>	<u>329,143</u>	<u>200,000</u>	<u>37,167</u>	<u>566,310</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 22 Operating lease commitments

#### Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	21,296	23,381
Between two and five years	37,458	58,755
	<u>58,754</u>	<u>82,136</u>

### 23 Related party transactions

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Purchase of services	
	2024	2023
	£	£
KP Joinery	10,346	17,380
Taylor Emmet	4,200	-
	<u>14,546</u>	<u>17,380</u>

KP Joinery is the company of one of the key management personnel's spouses that has been used for maintenance work on the charity's premises.

One of the Trustees is a partner at Taylor Emmet who provide HR services for the charity.

### 24 Analysis of changes in net funds

The charity had no material debt during the year.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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25 Cash generated from operations	2024 £	2023 £
Surplus for the year	15,921	68,730
Adjustments for:		
Investment income recognised in statement of financial activities	(3,432)	(2,602)
Income from donated fixed assets	(10,000)	-
Loss/(gain) on disposal of tangible fixed assets	4,494	(630)
Depreciation and impairment of tangible fixed assets	34,057	37,457
Movements in working capital:		
(Increase) in stocks	(4,541)	(20,813)
(Increase) in debtors	(704)	(11,833)
(Decrease)/increase in creditors	(3,729)	29,809
<b>Cash generated from operations</b>	<u>32,066</u>	<u>100,118</u>

**WORTHWHILE OCCUPATIONAL AND RECREATIONAL KRAFTS LIMITED**

England & Wales - Charity number 1050876

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# Accounts

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**Charity registration number 1050876**

**Company registration number 03085148 (England and Wales)**

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Cordingley S Laing J Wilkinson M Evans J Smith	
<b>Secretary</b>	B Henderson	
<b>Senior management</b>	S Field G Philliskirk D Wilson	Central manager Central manager Central manager
<b>Charity number</b>	1050876	
<b>Company number</b>	03085148	
<b>Registered office</b>	Off Folkwood Grove Ringinglow Road Sheffield S11 7TB	
<b>Auditor</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU	
<b>Bankers</b>	HSBC Bank Plc Carmel House 49-63 Fargate Sheffield S1 2HD	

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The year 2023 was an exciting time for WORK Ltd. Following the challenges of the COVID pandemic, it was a relief to move forward with long-anticipated plans and achieve new milestones. We secured a second location, allowing us to open up more spaces for students and expand on the range of life skills we offer to individuals across South Yorkshire.

WORK Ltd has been established for 30 years. We support adults (16+) who have significant learning disabilities with engagement, learning, commercial crafts production and well-being activities. The Charity is operated by a board of local Trustees. It is run and managed by three Centre Managers. Our organisation was established to provide a creative educational environment for adults with learning difficulties that impact their intellectual capacity to the point that 'regular' employment is a near impossibility. Over the years we have established various 'workshops' with experienced staff supporting learners on a variety of arts and crafts activities. These 'workshops' include cookery, jewellery manufacturing, painting, seasonal card creations, stained-glass production, horticulture, dance, music & performance amongst others. The crafts that our learners produce is sold via our retail unit (attached to our 'Hidden Gem Café') and online via platforms such as 'Etsy'. Most of our learners are referred to us through Sheffield City Council Social Services and our focus is always on supporting each student feel 'purpose' through tailored educational training programmes, creativity and expert led pastoral care. While all our learners require constant support through either ourselves, their families or their carers our aim is, and has always been, to develop life skills, confidence, social interactions and self-esteem.

We support students with a variety of moderate to severe intellectual learning disabilities. All of our learners have a significantly impaired capacity to develop new skills and face daily challenges around behaviours such as social skills and hygiene routines which require continuous supervision. All learners have associated diagnosed learning disabilities such as Downs Syndrome, Autism, Epilepsy, Specific Language Disorders, Hearing Impairment, and often present an overlapping of neurological challenges that compound their intellectual capacity. Whilst an oversimplification of the intellectual disabilities our learners face, 16% have Downs Syndrome, 69% Moderate Autism and 15% are at the more severe end of the Autistic spectrum. All of our students have a significantly reduced ability to understand new or complex information, develop new skills and cope independently. Our students face huge day-to-day challenges, they require specific and consistent routine in their daily activities; from getting up, what they eat, transport arrangements and obviously the activities we provide at WORK Ltd. The majority of our students cannot read or write; however, we are able to help them slowly learn new skills through guided education and repetition of workshop activities.

#### **Charitable purposes (Public Benefit)**

In setting plans and priorities for areas of work the Board of WORK Ltd has had regard to the guidance from the Charity Commission on the provision of Public Benefit, with particular attention paid to how planned activities will contribute to meeting the objectives of WORK Ltd.

The Trustees confirm that they have complied with the duty in section 4 of the 2011 Charity Act to have due regard to guidance published by the Charity Commission regarding public benefit.

#### **Significant activities**

The various projects that are carried out at WORK Ltd by the students include:

**Main Workshop** – Staffed by qualified Tutors, support assistants and volunteers and where all main assembly work is done including woodwork, printing, textiles, arts and crafts.

**Glass Room** – Where stained glass products and Jewellery are made by the students.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Resource/Student Kitchen** – This multifunctional area is staffed by qualified Tutors. Our fully equipped home from home kitchen is where our students learn basic life skills from washing, healthy living to cooking. Our students learn the importance of a healthy diet and are taught how to cook and bake simple recipes. As well as the kitchen area the resource room is used as a clean space to create bespoke textiles and crafts.

**The Hidden Gem Café** – At the heart of our charity is the award-winning Hidden Gem Café serving delicious food and operated by the support of our students. In the café our students are taught to serve tea and coffee, clear tables and interact with our many customers. Our students also work alongside our chefs learning basic food hygiene and food preparation.

### Training and Support Projects

WORK Ltd continues to provide intensive, person-centred training programmes. These include healthy eating, food preparation, catering, woodwork and horticulture. Creative crafts, such as knitting, sewing, art, training in music, drama, dance, exercise, personal expression, literacy and reading skills, from important aspects of our development programmes. We have qualified teachers employed as our Tutors.

The quality of goods produced by our students are exceptional and we only purchase a small amount of goods from outside suppliers which compliments what is made on site by our students. This is not only more profitable for us but helps to build the self-esteem of the students.

In addition, WORK Limited provides ongoing training and advocacy skills to enable students to identify what they would like to achieve and need to achieve, giving student's fulfilment in their learning and development. Staff provide support on a wide range of issues from relationships to bereavement. Mechanisms are in place to refer to specialised professionals if required.

Individual practical support is given to carers to enable them to have access to relevant information, service and advice.

### **Achievements and performance**

We have recently secured a 10-year lease for a vacant commercial premises on Hutcliffe Wood Road in Beauchief (S8). This is fantastic news for our charity as space at our Bents Green Centre has become limited, yet the demand for our services continues to grow each year. We've known for some time that we needed additional space to accommodate the expansion of learner activities, retail space, and to increase awareness of the services WorkLTD provides to local residents with learning disabilities.

The new premises will serve multiple purposes:

- **Ground floor:** A retail outlet showcasing and selling crafts made by our learners.
- **Second floor:** A new craft workshop dedicated to the production of jesmonite items, wrapping paper, greeting cards, and clay designs.
- **Third floor:** Office space for staff.
- **Cellar (subject to funding):** A potential space for laser cutting products and woodwork activities.

While our Bents Green location serves our learners well, its secluded location limits our visibility and potential for expansion. The new site on Hutcliffe Wood Road offers an exciting opportunity for increased visibility, providing a prominent shopfront to raise awareness of our charity and the incredible work our learners do

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Estimated Costs:** The total estimated cost for repurposing this facility is approximately £40,000.

**Funding Overview,** The **Church Burgess Trust** awarded us £5,000, which is ringfenced for capital works making the premises accessible for both learners and the community. By receiving this grant it has really helped us turn this vacant commercial space into somewhere that the local residents can be really proud of and serve as a focal point for their local area. The funds were used to partition the facilities existing space to effectively create two distinct areas, one for the learners and one as a retail unit showcasing the students art and craft products.

**Keyfund** provided £24,999 and was made up of three projects

- Project 1 Purchase. This enabled us to get some of our digital media equipment for our podcast room
- Project 2 Refurb. The majority of the grant was for the refurbishment which included flooring, plastering, electrical installation/wiring.
- Project 3 Refit. We were able to refit the kitchen area purchasing new units aswell as refitting the office with new equipment

We have also sought funding for equipment and materials to run new projects for our learners. One major project is the **Jesmonite workshop**, which will give our learners the chance to develop new skills in crafting versatile products like coasters, plates, candle holders, and ornaments. This craft is accessible to all learners, regardless of disability, and provides an excellent opportunity for creative expression. The **Sheffield Grammar School Exhibition Foundation** generously granted us £7,000 to bring this project to life, and our learners are thoroughly enjoying the experience.

Additionally, we have been focusing on enhancing our learners' woodworking skills. A **£2,400 grant from The Church Burgess Educational Foundation** was received to purchase a laser cutter for creating high-quality wooden crafts. This initiative is further supported by a **£15,000 grant from The Bailey Thomas Charitable Fund**, which covers the core delivery costs of an advanced woodworking training programme.

We have ambitious plans for this new facility and are excited to see it become a thriving hub for our learners and the local community.

While 2023 brought a strong focus on our new site, we ensure that our ongoing projects at the Bents Green Centre were not overlooked. We were thrilled to receive a **generous £500 donation from The Kaye Charitable Grant**, specifically for the continuation of our twice-weekly dance classes

Following the challenges of COVID-19, we saw first-hand the positive impact these dance classes had on our students—not only in terms of physical fitness, but also in improving their balance, concentration, and confidence. The contribution from The Kaye Grant will help cover the costs of hiring the church hall as well as helping fund our dedicated dance teachers, ensuring these valuable sessions continue to benefit our students.

### **Financial review**

The results for the year ended 31 December 2023 shows a surplus of £68,730 after charging depreciation of £37,457.

The total income for the year of £1,272,422 is a 28% increase on the previous year. Donations and fund-raising activities were £196,529 (2022 - £56,224) and café and shop sales have increased to £552,883 (2022 - £462,350).

Support costs totalled £385,800 compared to £347,582 in the previous year.

The forecast for the current year is again that there will continue to be sufficient income to meet all costs but without sufficient ability to invest in future developments.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2023

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### **Reserves and Leasehold improvements**

The Trustees seek to keep a minimal level of unrestricted funds to ensure the charity remains a going concern and sufficient unrestricted funds to cover known commitments. They have assessed the risk to the charity's ongoing income and the level of reserves required has been determined taking in to account the current economic climate and local and national government policies. The appropriate reserves level has been set at 4 months of the current rate of expenditure. Even at this level, the charity would face severe difficulties in seeking to replace any lost income over such a relatively short period.

At this year end the unrestricted funds were £533,804 which equates to 5 months of charitable expenditure. The Trustees consider this to be acceptable and have achieved their target of at least 4 months expenditure in reserves.

The Asset Replacement Designated Fund has been formed as an essential means of enabling the Trustees to replace core fixed assets when required.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Plans for the future**

The Trustees and Managers of WORK Ltd have put in place a number of incentives to enable successful achievement of the organisations aims and objectives, over the next 3-5 years. These include:

**Hidden Gem Cafe:** Our short-term goal is to redecorate the café and redesign the layout to enhance the dining experience, while also creating a new area to showcase our students' crafts and a deli section. The café is in need of a minor refurbishment, which we believe will excite our loyal customers and attract new visitors.

Looking ahead, we've been granted planning permission to extend onto the playing fields within our boundaries. With this additional space, we plan to expand the outdoor courtyard, offering more seating, comfortable dining areas, and improved coverage, making outdoor seating available year-round, regardless of the weather.

**Workshop and Resource:** In the short term, we plan to recruit a new full-time staff member as a support worker to assist our tutors in the workshop and resource classroom. This will help maintain our student-to-staff ratios as we accommodate a steady influx of new students. Another immediate goal is to introduce advanced woodworking to our existing curriculum. This new program will build on basic woodworking skills, enabling students to design, create, and market high-quality, bespoke products.

Looking a little further ahead and always keeping in mind how beneficial it is for us to have a steady influx of new students at the end of every school year. In addition to wanting to begin hosting open evenings and fun days to build and secure relationships with the corresponding agencies involved, as well as the new students and their families we also want to create a video showcasing the day in the life at WORK Ltd which our students will produce with our multi media Tutor. This video will be shared across our social media platforms, website, and with colleges, schools, and Sheffield City Council. We believe this will provide parents, students, and social workers with valuable insight into what we offer, showing students in action and staff addressing key questions.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Funding Projects:** We have secured planning permission to connect our main facility to a council run car park to improve access to the facility for learners, their families and our customers. This approval means our lease has expanded to encompass and construct a pathway across greenbelt (council run park) approximately 30 metres in length through what is currently overgrowth. Planning permission has also been secured to expand our footprint approximately 6 metres onto SCC owned parkland (Bents Green Playing Fields) to allow for the erection of two 'log cabins' to act as additional learner workshop space. The third area we seek funding for is to purchase the two log cabins to erect on the newly available land. These log cabins measure 6m x 3.2m each and will house two additional distinct learner workshop areas. Planning permission has been granted for these two cabins to be housed on the new boundary perimeters.

Our long-term goal is to demolish and rebuild our workshop, transforming the current single-storey facility into a two-storey building, a project we aim to start in 2026. The new space will include a fully equipped classroom, workshop, quiet/sensory area, a designated dining area for students and staff, as well as offices.

The demand for the charity's services from adults with learning disabilities throughout the city continues to increase. Consequently, it remains essential to seek additional external funding for key projects that will enable the Trustees to make necessary investments in these new developments. This is crucial to ensure the charity can continue meeting the important needs of some of society's most vulnerable individuals.

We are dedicating time to applying for large, targeted grants, while also working hard to raise donations through various channels, such as the "Become a Friend of WORK" monthly donation initiative, pop-up shops, concerts, partnerships as companies' charity of the year, and promoting our JustGiving page through the Hidden Gem Café for one-off donations. These efforts are aimed at securing much-needed funding.

### **Structure, governance and management**

Worthwhile Occupational and Recreational Krafts Ltd (WORK) is a charitable company limited by guarantee incorporated in England and Wales. It is governed by a Memorandum and Articles of Association. The charity and company registration numbers and registered office are set out within "Legal and Administrative Information".

Members of the board, who are directors for the purpose of company law and trustees for the purpose of the charity law, who served during the year and up to the date of this report are set out on page 1. In this report the board members are referred to as trustees although they have a dual role as directors.

None of the trustees has a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees are recruited based on their skills and as far as possible matched to the skills required by the Board.

The charity seeks new trustees from time to time through known contacts. If a person makes it known they are interested in becoming a trustee, they are invited to attend an interview with one or more of the trustees. The appointment is then considered by the full board. New trustees receive induction training about the aims, objectives and activities of the charity and made aware of their responsibilities as trustees.

The senior management team in charge of the day to day management of the company are D Wilson, G Philliskirk and SJ Field.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2023

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### Statement of trustees' responsibilities

The trustees, who are also the directors of Worthwhile Occupational & Recreational Krafts Limited for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

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

### Auditor

In accordance with the company's articles, a resolution proposing that Hart Shaw LLP be reappointed as auditor of the company will be put at a General Meeting.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



**M Evans**

Trustee

Dated: 27 September 2024

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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#### Qualified opinion

We have audited the financial statements of Worthwhile Occupational & Recreational Krafts Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its 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 qualified opinion

We were appointed as auditors following the year ended 31 December 2023 when the company needed an audit for the first time. The opening balance sheet had not been audited and we were unable to carry out procedures to audit the opening balance sheet and therefore we are unable to determine whether any adjustments to the statement of income and retained earnings might have been necessary in the current period. We were also unable to ascertain whether accounting policies were consistently applied with the prior year. In addition were any adjustment to the statement of income and retained earnings to be required the strategic report would also need to be amended.

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

#### 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

The 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 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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#### **Matters on which we are required to report by exception**

In respect solely of the limitation on our work relating to opening balances described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been maintained.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the financial statements are not in agreement with the accounting records.
- 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 trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

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

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud and the audit response**

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:

We have assessed the overall susceptibility of the financial statements to material misstatement due to irregularities as low.

Our approach at the planning stage which contributed to designing procedures included:

- identifying laws and regulations at the planning stage that were significant to the entity and that could reasonably be expected to have a material effect on the financial statements from our general knowledge along with our client and sector specific experience
- enquires of management as to whether they had any knowledge of any actual or suspected fraud
- considering the controls in place to mitigate the risk of irregularities, including fraud.
- communicating identified laws and regulations to the audit team
- ensuring the audit team had recent, relevant experience and were aware of the significant laws and regulations relating to the entity and it's sector along with the competence

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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The significant laws and regulations directly affecting the financial statements where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements included: The Charities Act and related regulations, The Statement of Recommended Practice (SORP), The Companies Act 2006 as well as other operational laws and regulations.

We assessed the overall susceptibility of the financial statements to material misstatement due to fraud, as low.

In response to the risks our approach included but was not limited to:

- reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations.
- performing analytical procedures to identify any unusual or unexpected relationships.
- reviewing minutes of meetings of those charged with governance.
- reviewing legal and professional costs for any indication of non-compliance with laws and regulations.
- increased revenue substantive testing across all material income streams.

Management override may cause there to be a material misstatement within the financial statements and may present itself in a number of ways, for example:

- override of internal controls (e.g. segregation of duties)
- entering into transactions outside the normal course of the charity, especially with related parties
- fraudulent income recognition, including income being recorded in the wrong period and fund
- presenting bias in accounting judgements and estimates.

In relation to how the risk of management override of controls was addressed, our approach included but was not limited to:

- assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias
- investigating rationale of significant or unusual transactions and agreeing to underlying records
- reviewing related parties and transactions with them to ensure these were not outside the normal course of business
- enquiring with management as to whether they had any knowledge of any actual or suspected fraud
- reviewing of all material journal entries made throughout the year as well as those made to prepare the financial statements

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

---

Natalie Bracey (Senior Statutory Auditor)  
for and on behalf of Hart Shaw LLP



27 Sept 2024

Chartered Accountants  
Statutory Auditor

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<b>Income and endowments from:</b>							
Donations and legacies	2	139,432	57,097	196,529	56,224	-	56,224
Charitable activities	3	1,072,661	-	1,072,661	936,475	-	936,475
Investments	4	2,602	-	2,602	324	-	324
Other income	5	630	-	630	731	-	731
<b>Total income</b>		<b>1,215,325</b>	<b>57,097</b>	<b>1,272,422</b>	<b>993,754</b>	<b>-</b>	<b>993,754</b>
Charitable activities	6	1,183,762	19,930	1,203,692	1,022,396	-	1,022,396
<b>Net income/(expenditure)</b>		<b>31,563</b>	<b>37,167</b>	<b>68,730</b>	<b>(28,642)</b>	<b>-</b>	<b>(28,642)</b>
Transfers between funds		-	-	-	48	(48)	-
<b>Net movement in funds</b>		<b>31,563</b>	<b>37,167</b>	<b>68,730</b>	<b>(28,594)</b>	<b>(48)</b>	<b>(28,642)</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2023		497,580	-	497,580	526,174	48	526,222
<b>Fund balances at 31 December 2023</b>		<b>529,143</b>	<b>37,167</b>	<b>566,310</b>	<b>497,580</b>	<b>-</b>	<b>497,580</b>

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

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		309,106		265,153
<b>Current assets</b>					
Stocks	13	23,328		2,515	
Debtors	14	51,672		39,839	
Cash at bank and in hand		269,306		247,366	
		<u>344,306</u>		<u>289,720</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(87,102)</u>		<u>(57,293)</u>	
Net current assets			257,204		232,427
<b>Total assets less current liabilities</b>			<u>566,310</u>		<u>497,580</u>
<b>Income funds</b>					
Restricted funds	16		37,167		-
<u>Unrestricted funds</u>					
Designated funds	17	200,000		200,000	
General unrestricted funds		<u>329,143</u>		<u>297,580</u>	
			529,143		497,580
			<u>566,310</u>		<u>497,580</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 September 2024



M Evans  
Trustee

Company Registration No. 03085148

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		100,118		29,064
<b>Investing activities</b>					
Purchase of tangible fixed assets		(81,497)		(28,711)	
Proceeds from disposal of tangible fixed assets		717		1,220	
Investment income received		2,602		324	
<b>Net cash used in investing activities</b>			<b>(78,178)</b>		<b>(27,167)</b>
<b>Net cash used in financing activities</b>			<b>-</b>		<b>-</b>
<b>Net increase in cash and cash equivalents</b>			<b>21,940</b>		<b>1,897</b>
Cash and cash equivalents at beginning of year			247,366		245,469
<b>Cash and cash equivalents at end of year</b>			<b>269,306</b>		<b>247,366</b>

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Charity information

Worthwhile Occupational & Recreational Krafts Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Off Folkwood Grove, Ringinglow Road, Sheffield, S11 7TB.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the 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 (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants, whether capital grants 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 income will be received and the amount can be measured reliably and it not deferred.

#### 1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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**1 Accounting policies** **(Continued)**

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	5% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	25% reducing balance

**1.7 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is calculated using the first in, first out formula.

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand.

**1.9 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

**1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 2 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	139,432	-	139,432	56,224	-	56,224
General grants	-	57,097	57,097	-	-	-
	<u>139,432</u>	<u>57,097</u>	<u>196,529</u>	<u>56,224</u>	<u>-</u>	<u>56,224</u>

### 3 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Student support grants</b>		
Income received in relation to student support	519,778	467,839
Other income	-	6,286
<b>Sale of merchandise</b>		
Sale of goods	552,883	462,350
	<u>1,072,661</u>	<u>936,475</u>

### 4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	2,602	324
	<u>2,602</u>	<u>324</u>

### 5 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	630	731
	<u>630</u>	<u>731</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 6 Charitable activities

	2023 £	2022 £
Staff costs	557,711	492,869
Depreciation and impairment	1,285	-
Cost of sales	231,044	181,945
	<u>790,040</u>	<u>674,814</u>
Share of support costs (see note 7)	385,800	325,800
Share of governance costs (see note 7)	27,852	21,782
	<u>1,203,692</u>	<u>1,022,396</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,183,762	1,022,396
Restricted funds	19,930	-
	<u>1,203,692</u>	<u>1,022,396</u>

### 7 Support costs allocated to activities

	2023 £	2022 £
Staff costs	191,024	166,496
Depreciation	36,172	29,798
Consumables	39,177	46,151
Insurance	14,740	12,857
Advertising	7,755	13,578
Motor and travel	4,953	5,030
Utilities	47,620	34,512
Rent, rates and refuse	10,388	1,333
Office costs	17,343	9,470
Sundry expenses	2,680	1,965
Repairs and maintenance	13,918	3,256
Staff Training	30	1,354
Governance costs	27,852	21,782
	<u>413,652</u>	<u>347,582</u>
<b>Analysed between:</b>		
Charitable Activities	<u>413,652</u>	<u>347,582</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 8 Auditor

The auditors remuneration amounts to an audit fee of £10,000 (2022 - £3,500 independent examination) and other services of £1,076 (2022 - £1,090).

### 9 Trustees and key management personnel remuneration and expenses

None of the trustees received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

Remuneration to key management personnel has been disclosed in note 10.

The charity paid insurance of £14,740 (2022 - £12,857) which included trustees indemnity insurance.

### 10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching and student support	15	13
Cafe and Gift Shop	18	19
Office and Management	5	4
Total	38	36

Employment costs	2023 £	2022 £
Wages and salaries	688,274	605,462
Social security costs	47,942	43,333
Other pension costs	12,519	10,570
	748,735	659,365

There were no employees whose annual remuneration was more than £60,000.

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2023 £	2022 £
Aggregate compensation	128,058	122,455

### 11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 12 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2023	329,417	90,313	203,282	623,012
Additions	58,608	-	22,889	81,497
Disposals	-	-	(1,347)	(1,347)
At 31 December 2023	388,025	90,313	224,824	703,162
<b>Depreciation and impairment</b>				
At 1 January 2023	133,945	82,432	141,482	357,859
Depreciation charged in the year	17,654	1,669	18,134	37,457
Eliminated in respect of disposals	-	-	(1,260)	(1,260)
At 31 December 2023	151,599	84,101	158,356	394,056
<b>Carrying amount</b>				
At 31 December 2023	236,426	6,212	66,468	309,106
At 31 December 2022	195,472	7,881	61,800	265,153

### 13 Stocks

	2023	2022
	£	£
Finished goods and consumables	23,328	2,515

### 14 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	39,836	37,610
Other debtors	3,875	-
Prepayments and accrued income	7,961	2,229
	51,672	39,839

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 15 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	34,362	30,080
Trade creditors	17,812	11,050
Other creditors	2,871	5,907
Accruals and deferred income	32,057	10,256
	<u>87,102</u>	<u>57,293</u>

#### 16 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
Key Fund Investments	-	24,497	(8,979)	-	15,518
Church Burgesses Educational Foundation 1	-	2,400	-	-	2,400
Church Burgesses Educational Foundation 2	-	2,700	(392)	-	2,308
The Baily Thomas Charitable Fund	-	15,000	(10,000)	-	5,000
Sheffield Grammar SGS Grant	-	7,000	-	-	7,000
The Kaye Charitable Grant	-	500	(500)	-	-
	-	5,000	(59)	-	4,941
	<u>-</u>	<u>57,097</u>	<u>(19,930)</u>	<u>-</u>	<u>37,167</u>
<b>Previous year:</b>	<b>At 1 January 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>At 31 December 2022 £</b>
Bailey Thomas- student kitchen	48	-	-	(48)	-
	<u>48</u>	<u>-</u>	<u>-</u>	<u>(48)</u>	<u>-</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 16 Restricted funds

(Continued)

##### Restricted fund balances

A balance of £15,518 from Key Fund Investments for the refurb and refit of the digital media room and the purchase of media equipment for the teaching of the students.

A Balance of £2,400 from Church Burgesses Educational foundation issued to aid towards the cost of a laser cutting machine.

A balance of £2,308 also from Church Burgesses Educational Foundations issues to aid towards the costs of the digital media equipment.

a balance of £4,941 from Sheffield Burgesses Trust issued to aid with the works required and the new site of Kreate.

A balance of £5,000 from The Baily Thomas Charitable Fund issued to aid the core delivery costs of the advanced woodworking training programme.

A Balance of £7,000 from the Sheffield Grammar SGS Grant to aid the new Jesmonite workshop classes, provided to purchase materials and starter kits.

#### 17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Asset replacement fund	200,000	-	-	-	200,000
General funds	297,580	1,215,325	(1,183,762)	-	329,143
	<u>497,580</u>	<u>1,215,325</u>	<u>(1,183,762)</u>	<u>-</u>	<u>529,143</u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
Asset replacement fund	200,000	-	-	-	200,000
General funds	326,174	993,754	(1,022,396)	48	297,580
	<u>526,174</u>	<u>993,754</u>	<u>(1,022,396)</u>	<u>48</u>	<u>497,580</u>

Designated funds relate to the asset replacement fund which recognises the need for the company to retain sufficient designated reserves to replace core fixed assets and continue in business.



# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 19 Operating lease commitments

##### Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	23,381	8,660
Between two and five years	58,755	13,678
	<u>82,136</u>	<u>22,338</u>

#### 20 Related party transactions

##### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Purchase of services	
	2023 £	2022 £
KP Joinery	17,380	9,985
	<u>17,380</u>	<u>9,985</u>

The company of one of the key management personnel's spouses has been used for maintenance work on the charity's premises.

#### 21 Analysis of changes in net funds

The charity had no material debt during the year.

#### 22 Cash generated from operations

	2023 £	2022 £
Surplus/(deficit) for the year	68,730	(28,642)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,602)	(324)
Gain on disposal of tangible fixed assets	(630)	(731)
Depreciation and impairment of tangible fixed assets	37,457	29,798
Movements in working capital:		
(Increase)/decrease in stocks	(20,813)	216
(Increase)/decrease in debtors	(11,833)	15,518
Increase in creditors	29,809	13,229
<b>Cash generated from operations</b>	<u>100,118</u>	<u>29,064</u>

**WORTHWHILE OCCUPATIONAL AND RECREATIONAL KRAFTS LIMITED**

England & Wales - Charity number 1050876

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# Accounts

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**Charity registration number 1050876**

**Company registration number 03085148 (England and Wales)**

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Cordingley S Laing J Wilkinson M Evans Mr J Smith	(Appointed 22 March 2022) (Appointed 25 October 2022)
<b>Secretary</b>	B Henderson	
<b>Charity number</b>	1050876	
<b>Company number</b>	03085148	
<b>Registered office</b>	Off Folkwood Road Ringinglow Road Sheffield S11 7TB	
<b>Independent examiner</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU	
<b>Bankers</b>	HSBC Bank Plc Carmel House 49-63 Fargate Sheffield S1 2HD	

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### Objectives and activities

The year 2022 saw a really turn for us at WORK Ltd after the covid pandemic. We were able to work in our normal surroundings again and get back to doing what we do best, supporting, encouraging and developing our students.

WORK Ltd began with around a 12students in 1995. From these humble beginnings, it has grown dramatically and now serves over 85 learning disabled students each week drawn from right across the city of Sheffield, South Yorkshire. The Charity is operated by a board of local Trustees. It is run and managed by three Centre Managers.

It is vital that individuals find the right, personalised support to lead a full and interesting life and have the same opportunities as everyone else. At WORK Ltd we aim to provide a friendly, encouraging and rewarding environment. We create opportunities in the form of hands-on work projects for adults with learning disabilities to develop life skills, which help to build confidence and self-esteem. These activities include woodwork, gardening, textiles, arts & crafts, nature walks, sports, dance, music and drama.

We passionately believe that our caring, supportive and rewarding community-based environment encourages our students to reach their full potential – and so 'achieve their dreams'. Through these activities, our 'students' have blossomed with many never previously appreciating just what they could achieve. One student's parent commented, "WORK Ltd has provided the best of services for my adult daughter. She has done things I wouldn't have thought possible. She loves going there. She is well cared for and her opinions are respected. She feels she belongs. In her own words, 'brilliant!' Such peace of mind that you have what you need and from such caring, happy and dedicated people."

### Charitable purposes (Public Benefit)

In setting plans and priorities for areas of work the Board of WORK Ltd has had regard to the guidance from the Charity Commission on the provision of Public Benefit, with particular attention paid to how planned activities will contribute to meeting the objectives of WORK Ltd.

The Trustees confirm that they have complied with the duty in section 4 of the 2011 Charity Act to have due regard to guidance published by the Charity Commission regarding public benefit.

### Significant activities

The various projects that are carried out at WORK Ltd by the students include:

**Main Workshop** – Staffed by qualified Tutors, support assistants and volunteers and where all main assembly work is done including woodwork, printing, textiles, arts and crafts.

**Glass Room** – Where stained glass products and Jewellery are made by the students.

**Resource/Student Kitchen** – This multifunctional area is staffed by qualified Tutors. Our fully equipped home from home kitchen is where our students learn basic life skills from washing, healthy living to cooking. Our students learn the importance of a healthy diet and are taught how to cook and bake simple recipes. As well as the kitchen area the resource room is used as a clean space to create bespoke textiles and crafts.

**The Hidden Gem Café** – At the heart of our charity is the award-winning Hidden Gem Café serving delicious food and operated by the support of our students. In the café our students are taught to serve tea and coffee, clear tables and interact with our many customers. Our students also work alongside our chefs learning basic food hygiene and food preparation.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### Training and Support Projects

WORK Ltd continues to provide intensive, person-centred training programmes. These include healthy eating, food preparation, catering, woodwork and horticulture. Creative crafts, such as knitting, sewing, art, training in music, drama, dance, exercise, personal expression, literacy and reading skills, from important aspects of our development programmes. We have qualified teachers employed as our Tutors.

The quality of goods produced by our students are exceptional and we only purchase a small amount of goods from outside suppliers which compliments what is made on site by our students. This is not only more profitable for us but helps to build the self-esteem of the students.

In addition, WORK Limited provides ongoing training and advocacy skills to enable students to identify what they would like to achieve and need to achieve, giving student's fulfilment in their learning and development. Staff provide support on a wide range of issues from relationships to bereavement. Mechanisms are in place to refer to specialised professionals if required.

Individual practical support is given to carers to enable them to have access to relevant information, service and advice.

### **Achievements and performance**

Our tutors worked on bringing new and fresh arts and crafts ideas for our students to create and sell on our online Esty shop and in our Hidden Gem café. We were able to be part of fundraising projects again, these included The Coop Small spaces fund, The Spirit of Sheffield's Children's trust who provided us with the funding we needed to purchase new camera equipment. With this our students visited Whirlow Farm, The National History Museum & surrounding areas taking pictures of nature. With the photos captured we created bespoke Calendars. We were able to host our annual pop up fairs. Our student enjoyed a visit to the pantomime which was kindly organised by the Sheffield Lyceum. Our Hidden Gem Café was busier than ever and bringing new customers in from all over Sheffield. We also made a few cosmetic changes to the café to cater for the growing number of customers.

# **WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Financial review**

The results for the year ended 31 December 2022 shows a loss of £28,642 after charging depreciation of £29,798.

The total income for the year of £993,754 is a 26.5% increase on the previous year. Donations and fund-raising activities were £56,224 (2021 - £17,938) and café and shop sales have increased to £462,350 (2021 - £282,119).

Support costs totalled £347,582 compared to £309,178 in the previous year.

The forecast for the current year is again that there will continue to be sufficient income to meet all costs but without sufficient ability to invest in future developments.

#### **Reserves and Leasehold improvements**

The Trustees seek to keep a minimal level of unrestricted funds to ensure the charity remains a going concern and sufficient unrestricted funds to cover known commitments. They have assessed the risk to the charity's ongoing income and the level of reserves required has been determined taking in to account the current economic climate and local and national government policies. The appropriate reserves level has been set at 4 months of the current rate of expenditure. Even at this level, the charity would face sever difficulties in seeking to replace any lost oncome over such a relatively short period.

At this year end the unrestricted funds were £297,580 which equates to 3.5 months of charitable expenditure. The Trustees consider this to be acceptable in the short term but will work towards achieving the target of 4 months at the earliest opportunity.

The Asset Replacement Fund has been formed as an essential means of enabling the Trustees to replace core fixed assets when required.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Plans for the future

The Trustees and Managers of WORK Ltd have put in place a number of incentives to enable successful achievement of the organisations aims and objectives, over the next 3-5 years. These include:

**Hidden Gem Cafe:** Our short term goal is to change the terms within the lease as to how the cafe operates, and is allowed to operate, including applying for a license to serve alcohol. The obstacle here is that this is determined by the council, who will have to run checks to make sure we meet their particular criteria. If we cannot get the lease renewed this will restrict the hours in which the cafe can operate. Another short term goal is to have a small deli within the café, where we sell local produce. The idea is to sell jams, honey, sauces, artwork and gifts by local artists aswell as stocking a variety of home-made granola, oils and chutneys made by our chefs at the Hidden Gem. This will encourage and support small businesses and keep it all local as well as produce additional income for the charity.

Looking a little further ahead to the medium term, we plan to expand the number and variety of events the cafe holds, including bringing back our bistro nights and running themed nights every month, plus potentially opening in the evening a couple of nights a week. This will increase our revenue but again it depends on having the necessary staff to work, and the success of the lease changes and renewal.

**Workshop and Resource:** In the short term we plan to recruit two new full time members of staff to be a support worker to assist our tutors within our workshop and resource classroom. This also keeps our student and staff ratios level to accommodate our steady flow of additional new students. Another shorter term goal is to introduce some new skills to the existing curriculum. This being advanced woodworking. The program will further develop their basic woodworking skills to design, make and put to market high quality bespoke products. Another new skill we are keen to roll out with our students is a project called Jesmonite. Jesmonite is a material which introduces a spectrum of opportunities making it the perfect material for creatives and makers. Jesmonite is an eco-friendly safe alternative to resin, plaster and concrete and produces stunning products as an outcome, making it the perfect new skill for our students to learn.

Looking a little further ahead and always keeping in mind how beneficial it is for us to have a steady influx of new students at the end of every school year, we intend to begin hosting open evenings and fun days to build and secure relationships with the corresponding agencies involved, as well as the new students and their families.

**Funding Projects:** One of our short term goals is to gain much need additional space for our growing number of students. We are hoping to gain planning permission to expand our current boundary a few meters to enable us to place two additional log cabins for classroom space, a quiet area and office space.

Looking into the medium term, it is our wish to secure the old pavilion and it's premises, and to rebuild it into a brand new workshop space. The new workshop will be fully ventilated and be equipped with all the necessary tools and machinery, as well as workbenches for the students and a wood storage area. This project's success will depend on our application being granted by the council, funding for the project having been secured, and the feasibility study being carried out in the appropriate time scale.

A longer term goal is to demolish the current workshop and to rebuild a larger two storied structure. This new space is then to be used for office space, fully equipped classrooms, a quiet area, and a designated eating area for staff and students. As stated, the old pavilion by the car park will become the new workshop area. This expansion will depend on the planning permission and funding situation, as well as us being granted permission to use the pavilion. Another long term goal would be to secure a second site to offer a wider range of skills and learning to our students aswell

The need for and the call upon the charity's services from learning disabled adults across the city continues to grow. There continues to be a need to seek additional, outside funding for key projects to empower the Trustees to make the investments in the new developments that are essential to enable the charity to continue to meet these vitally important needs from some of the most vulnerable members of society. We are investing time in applying for large specific grants as well as working hard on getting donations via other means such as Become a friend of WORK (a monthly donation amount), Pop up shops, Festivals, concerts, becoming company's charities of the year, and setting up a Just giving account. By doing this we are hoping it will secure and provide much needed funding.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Structure, governance and management

Worthwhile Occupational and Recreational Krafts Ltd (WORK) is a charitable company limited by guarantee incorporated in England and Wales. It is governed by a Memorandum and Articles of Association. The charity and company registration numbers and registered office are set out within "Legal and Administrative Information".

Members of the board, who are directors for the purpose of company law and trustees for the purpose of the charity law, who served during the year and up to the date of this report are set out on page 1. In this report the board members are referred to as trustees although they have a dual role as directors.

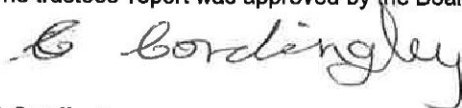
None of the trustees has a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees are recruited based on their skills and as far as possible matched to the skills required by the Board.

The charity seeks new trustees from time to time through known contacts. If a person makes it known they are interested in becoming a trustee, they are invited to attend an interview with one or more of the trustees. The appointment is then considered by the full board. New trustees receive induction training about the aims, objectives and activities of the charity and made aware of their responsibilities as trustees.

The senior management team in charge of the day to day management of the company are D Wilson, G Philliskirk and SJ Field.

The trustees' report was approved by the Board of Trustees.



**C Cordingley**

Trustee

Dated: 25 September 2023

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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I report on the financial statements of the charity for the year ended 31 December 2022, which are set out on pages 7 to 20.

#### Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Worthwhile Occupational & Recreational Krafts Limited for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of ICAEW, which is one of the listed bodies.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



N Bracey FCA  
Hart Shaw LLP

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Dated: 29 September 2023

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	<b>Notes</b>						
<b>Income and endowments from:</b>							
Donations and legacies	2	56,224	-	56,224	17,938	-	17,938
Charitable activities	3	936,475	-	936,475	713,442	-	713,442
Investments	4	324	-	324	17	-	17
Other income	5	731	-	731	53,971	-	53,971
<b>Total income</b>		<b>993,754</b>	<b>-</b>	<b>993,754</b>	<b>785,368</b>	<b>-</b>	<b>785,368</b>
<b>Expenditure on:</b>							
Charitable activities	6	1,022,396	-	1,022,396	815,053	-	815,053
<b>Net outgoing resources before transfers</b>		<b>(28,642)</b>	<b>-</b>	<b>(28,642)</b>	<b>(29,685)</b>	<b>-</b>	<b>(29,685)</b>
Gross transfers between funds		48	(48)	-	-	-	-
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(28,594)</b>	<b>(48)</b>	<b>(28,642)</b>	<b>(29,685)</b>	<b>-</b>	<b>(29,685)</b>
Fund balances at 1 January 2022		526,174	48	526,222	555,859	48	555,907
<b>Fund balances at 31 December 2022</b>		<b>497,580</b>	<b>-</b>	<b>497,580</b>	<b>526,174</b>	<b>48</b>	<b>526,222</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		265,153		266,729
<b>Current assets</b>					
Stocks	13	2,515		2,731	
Debtors	14	39,839		55,357	
Cash at bank and in hand		247,366		245,469	
		<u>289,720</u>		<u>303,557</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(57,293)</u>		<u>(44,064)</u>	
Net current assets			<u>232,427</u>		<u>259,493</u>
<b>Total assets less current liabilities</b>			<u>497,580</u>		<u>526,222</u>
<b>Income funds</b>					
Restricted funds	16		-		48
<u>Unrestricted funds</u>					
Designated funds	17	200,000		200,000	
General unrestricted funds		<u>297,580</u>		<u>326,174</u>	
			<u>497,580</u>		<u>526,174</u>
			<u>497,580</u>		<u>526,222</u>

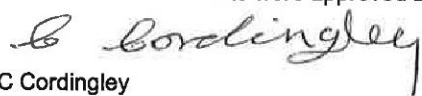
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25 September 2023

  
C Cordingley  
Trustee

Company Registration No. 03085148

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		29,064		7,632
<b>Investing activities</b>					
Purchase of tangible fixed assets		(28,711)		(13,023)	
Proceeds on disposal of tangible fixed assets		1,220		-	
Interest received		324		17	
<b>Net cash used in investing activities</b>			(27,167)		(13,006)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			1,897		(5,374)
Cash and cash equivalents at beginning of year			245,469		250,843
<b>Cash and cash equivalents at end of year</b>			247,366		245,469

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Charity information

Worthwhile Occupational & Recreational Krafts Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Off Folkwood Road, Ringinglow Road, Sheffield, S11 7TB.

#### 1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Gifts in kind, donated for distribution are included at valuation and recognised as income when distributed to the projects. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

#### 1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the term of the lease
Plant and equipment	15% reducing balance
Fixtures and fittings	25% reducing balance

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is calculated using the first in, first out formula.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	56,224	17,938

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3 Charitable activities**

	Student support grants 2022	Sale of merchandise 2022	Total 2022 support grants	Student support grants 2021	Sale of merchandise 2021	Total 2021
	£	£	£	£	£	£
Sales within charitable activities	467,839	462,350	930,189	431,323	282,119	713,442
Other income	6,286	-	6,286	-	-	-
	<u>474,125</u>	<u>462,350</u>	<u>936,475</u>	<u>431,323</u>	<u>282,119</u>	<u>713,442</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	324	17

### 5 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Net gain on disposal of tangible fixed assets	731	-
Coronavirus job retention scheme grant	-	28,454
Other coronavirus funding	-	25,517
	731	53,971

### 6 Charitable activities

	2022	2021
	£	£
Staff costs	492,869	396,429
Cost of sales	181,945	109,446
	674,814	505,875
Share of support costs (see note 7)	325,800	293,383
Share of governance costs (see note 7)	21,782	15,795
	1,022,396	815,053
<b>Analysis by fund</b>		
Unrestricted funds	1,022,396	815,053

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	166,496	-	166,496	165,975	-	165,975
Depreciation	29,798	-	29,798	30,000	-	30,000
Consumables	46,151	-	46,151	42,983	-	42,983
Insurance	12,857	-	12,857	10,935	-	10,935
Advertising	13,578	-	13,578	7,104	-	7,104
Motor and travel	5,030	-	5,030	5,291	-	5,291
Utilities	34,512	-	34,512	16,636	-	16,636
Rent, rates and refuse	1,333	-	1,333	861	-	861
Office costs	9,470	-	9,470	10,584	-	10,584
Sundry expenses	1,965	-	1,965	3,014	-	3,014
Repairs and maintenance	3,256	-	3,256	-	-	-
Staff training	1,354	-	1,354	-	-	-
Accountancy fees	-	5,294	5,294	-	5,135	5,135
Bank charges	-	5,496	5,496	-	3,518	3,518
Legal and professional	-	8,567	8,567	-	3,876	3,876
Partial exemption VAT	-	2,425	2,425	-	3,266	3,266
	<u>325,800</u>	<u>21,782</u>	<u>347,582</u>	<u>293,383</u>	<u>15,795</u>	<u>309,178</u>
Analysed between						
Charitable activities	<u>325,800</u>	<u>21,782</u>	<u>347,582</u>	<u>293,383</u>	<u>15,795</u>	<u>309,178</u>

### 8 Independent examiner's remuneration

The independent examiners remuneration amounts to an independent examination fee of £3,500 (2021 - £2,750) and other services of £1,090 (2021 - £1,213).

### 9 Trustees and key management personnel remuneration and expenses

None of the trustees received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

Remuneration to key management personnel has been disclosed in note 20.

The charity paid Insurance of £12,857 (2021 - £10,935) which included trustees indemnity insurance.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	36	32

### Employment costs

	2022 £	2021 £
Wages and salaries	605,462	518,623
Social security costs	43,333	35,076
Other pension costs	10,570	8,705
	<u>659,365</u>	<u>562,404</u>

There were no employees whose annual remuneration was more than £60,000.

### 11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2022	323,573	87,913	186,460	597,946
Additions	5,844	2,400	20,467	28,711
Disposals	-	-	(3,645)	(3,645)
At 31 December 2022	<u>329,417</u>	<u>90,313</u>	<u>203,282</u>	<u>623,012</u>
<b>Depreciation and impairment</b>				
At 1 January 2022	123,958	80,792	126,467	331,217
Depreciation charged in the year	9,987	1,640	18,171	29,798
Eliminated in respect of disposals	-	-	(3,156)	(3,156)
At 31 December 2022	<u>133,945</u>	<u>82,432</u>	<u>141,482</u>	<u>357,859</u>
<b>Carrying amount</b>				
At 31 December 2022	<u>195,472</u>	<u>7,881</u>	<u>61,800</u>	<u>265,153</u>
At 31 December 2021	<u>199,615</u>	<u>7,121</u>	<u>59,993</u>	<u>266,729</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 13 Stocks

	2022 £	2021 £
Raw materials and consumables	2,515	2,731

### 14 Debtors

Amounts falling due within one year:		2022 £	2021 £
Trade debtors		37,610	53,916
Prepayments and accrued income		2,229	1,441
		<u>39,839</u>	<u>55,357</u>

### 15 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	30,080	27,234
Trade creditors	11,050	5,403
Other creditors	5,907	4,073
Accruals and deferred income	10,256	7,354
	<u>57,293</u>	<u>44,064</u>

### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021 £	Movement in funds Incoming resources £	Balance at 1 January 2022 £	Movement in funds Incoming resources £	Balance at 31 December 2022 £
Bailey Thomas- student kitchen	48	-	48	-	48

#### Restricted fund balances

A balance of £48 from Bailey Thomas Charitable Trust. The grant was made to contribute towards the costs of a new student kitchen.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Movement in funds Incoming resources	Balance at 1 January 2022	Movement in funds Incoming resources	Balance at 31 December 2022
	£	£	£	£	£
Asset replacement fund	200,000	-	200,000	-	200,000
	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

18 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total	
	2022	£	2022	£	2022	£	2021	£
Fund balances at 31 December 2022 are represented by:								
Tangible assets	65,153		200,000		-		66,729	
Current assets/(liabilities)	232,379		-		48		259,445	
	<u>297,532</u>		<u>200,000</u>		<u>48</u>		<u>326,174</u>	
							<u>200,000</u>	
							<u>48</u>	
							<u>200,000</u>	
							<u>48</u>	
							<u>266,729</u>	
							<u>259,493</u>	
							<u>526,222</u>	

Designated funds relate to the asset replacement fund which recognises the need for the company to retain sufficient designated reserves to replace core fixed assets and continue in business.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	8,660	1,880
Between two and five years	13,678	1,835
	<u>22,338</u>	<u>3,715</u>

### 20 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2022 £	2021 £
Aggregate compensation	<u>120,459</u>	<u>122,227</u>

### 21 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(28,642)	(29,685)
Adjustments for:		
Investment income recognised in statement of financial activities	(324)	(17)
Gain on disposal of tangible fixed assets	(731)	-
Depreciation and impairment of tangible fixed assets	29,798	30,000
Movements in working capital:		
Decrease/(increase) in stocks	216	(1,345)
Decrease/(increase) in debtors	15,518	(11,067)
Increase in creditors	13,229	23,486
(Decrease)/increase in provisions	-	(3,740)
<b>Cash generated from operations</b>	<u>29,064</u>	<u>7,632</u>

### 22 Analysis of changes in net funds

The charity had no debt during the year.

**WORTHWHILE OCCUPATIONAL AND RECREATIONAL KRAFTS LIMITED**

England & Wales - Charity number 1050876

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# Accounts

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**Charity Registration No. 1050876**

**Company Registration No. 03085148 (England and Wales)**

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Cordingley S Lang J Wilkinson M Evans	(Appointed 1 June 2021) (Appointed 22 March 2022)
<b>Secretary</b>	B Henderson	
<b>Charity number</b>	1050876	
<b>Company number</b>	03085148	
<b>Registered office</b>	Off Folkwood Road Ringinglow Road Sheffield S11 7TB	
<b>Independent examiner</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU	
<b>Bankers</b>	HSBC Bank Plc Carmel House 49-63 Fargate Sheffield S1 2HD	

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the accounts	10 - 22

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The year of 2021 was still unpredictable and potential worrying times for WORK Ltd due to the Covid 19 pandemic. We adapted very quickly to the new working conditions, to ensure our students and staff were being kept safe and implement new ideas to reduce any financial implications.

WORK Ltd began with around a dozen students in 1995. From these humble beginnings, it has grown dramatically and now serves over 88 learning disabled students each week drawn from right across the city of Sheffield, South Yorkshire. The Charity is operated by a board of local Trustees. It is run and managed by three Centre Managers.

It is vital that individuals find the right, personalised support to lead a full and interesting life and have the same opportunities as everyone else. At WORK Ltd we aim to provide a friendly, encouraging and rewarding environment. We create opportunities in the form of hands-on work projects for adults with learning disabilities to develop life skills, which help to build confidence and self-esteem. These activities include woodwork, gardening, textiles, arts & crafts, nature walks, sports, dance, music and drama.

We passionately believe that our caring, supportive and rewarding community-based environment encourages our students to reach their full potential – and so 'achieve their dreams'. Through these activities, our 'students' have blossomed with many never previously appreciating just what they could achieve. One student's parent commented, "WORK Ltd has provided the best of services for my adult daughter. She has done things I wouldn't have thought possible. She loves going there. She is well cared for and her opinions are respected. She feels she belongs. In her own words, 'brilliant!' Such peace of mind that you have what you need and from such caring, happy and dedicated people."

#### **Charitable purposes (Public Benefit)**

In setting plans and priorities for areas of work the Board of WORK Ltd has had regard to the guidance from the Charity Commission on the provision of Public Benefit, with particular attention paid to how planned activities will contribute to meeting the objectives of WORK Ltd.

The Trustees confirm that they have complied with the duty in section 4 of the 2011 Charity Act to have due regard to guidance published by the Charity Commission regarding public benefit.

#### **Significant activities**

The various projects that are carried out at WORK Ltd by the students include:

**Main Workshop** – Staffed by qualified Tutors, support assistants and volunteers and where all main assembly work is done including arts and crafts, painting, printing and woodwork.

**Glass Room** – Where stained glass products are made by the students.

**Resource/Student Kitchen** – This multifunctional area is staffed by qualified Tutors. Our fully equipped home from home kitchen is where our students learn basic life skills from washing, healthy living to cooking. Our students learn the importance of a healthy diet and are taught how to cook simple recipes. As well as the kitchen area the resource room is used as a clean space to create bespoke textiles.

**The Hidden Gem Café** – This is where our students are taught to serve tea and coffee, clear tables and interact with our many customers. Our students also work alongside our chefs learning basic food hygiene and food preparation.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **Training and Support Projects**

WORK Ltd continues to provide intensive, person-centred training programmes. These include healthy eating, food preparation, catering, woodwork and horticulture. Creative crafts, such as knitting, sewing, art, training in music, drama, dance, exercise, personal expression, literacy and reading skills, from important aspects of our development programmes. We have qualified teachers employed as our Tutors.

The quality of goods produced by our students are exceptional and we only purchase a small amount of goods from outside suppliers which compliments what is made on site by our students. This is not only more profitable for us but helps to build the self-esteem of the students.

In addition, WORK Limited provides ongoing training and advocacy skills to enable students to identify what they would like to achieve and need to achieve, giving student's fulfilment in their learning and development. Staff provide support on a wide range of issues from relationships to bereavement. Mechanisms are in place to refer to specialised professionals if required.

Individual practical support is given to carers to enable them to have access to relevant information, service and advice.

### **Achievements and performance**

The Coronavirus Pandemic has continued to have a huge effect on our achievements and Performance. Fund raising events had to be cancelled, our café/shop had to close intermittently. We had to work in bubbles. Our main focus was continuing the interaction with our students and making sure they were safe and their mental health wasn't being affected. We soon adapted to the new way of working and were able to send out work packs and run our classes via zoom to our students that had to isolate.

Despite the negatives and all the uncertainty, we still increased our student numbers and recruited a support worker to accommodate the increase in numbers.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### Financial review

The results for the year ended 31 December 2021 shows a loss of £29,685 after charging depreciation of £30,000.

The total income for the year of £785,368 is a 9% increase on the previous year. Donations and fund-raising activities were £17,938 (2020 - £28,450) and café and shop sales have increased to £282,119 (2020 - £171,459).

Support costs totalled £309,178 compared to £284,356 in the previous year.

The forecast for the current year is again that there will continue to be sufficient income to meet all costs but without sufficient ability to invest in future developments.

#### Reserves and Leasehold Improvements

The Trustees seek to keep a minimal level of unrestricted funds to ensure the charity remains a going concern and sufficient unrestricted funds to cover known commitments. They have assessed the risk to the charity's ongoing income and the level of reserves required has been determined taking in to account the current economic climate and local and national government policies. The appropriate reserves level has been set at 4 months of the current rate of expenditure. Even at this level, the charity would face severe difficulties in seeking to replace any lost income over such a relatively short period.

At this year end the unrestricted funds were £326,174 which equates to just under 5 months of charitable expenditure. The Trustees consider this to be acceptable in the short term but will work towards achieving the target of 4 months at the earliest opportunity.

The Asset Replacement Fund has been formed as an essential means of enabling the Trustees to replace core fixed assets when required.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Plans for the future**

The Trustees and Managers of WORK Ltd have put in place a number of incentives to enable successful achievement of the organisations aims and objectives, over the next 3-5 years. These include:

**Hidden Gem Cafe:** In the shorter term we plan to recruit a new, full time chef to support the day to day operation of the cafe. This could prove difficult due to the fact there is a huge shortage of hospitality staff because of the recent pandemic.

We are also aiming to start an Afternoon Tea service (Fizz Afternoon Teas) which will run in the Cafe extension on a Friday and a Sunday. This will boost our revenue and offer something different to the normal daily menu, keeping things fresh and interesting. Once again we must be sure that we have staff available to work potential new and additional hours.

Another short term goal is to change the terms within the lease as to how the cafe operates, and is allowed to operate, including applying for a license to serve alcohol. The obstacle here is that this is determined by the council, who will have to run checks to make sure we meet their particular criteria. If we cannot get the lease renewed this will restrict the hours in which the cafe can operate.

Looking a little further ahead to the medium term, we plan to expand the number and variety of events the cafe holds, including bringing back our bistro nights and running themed nights every month, plus potentially opening in the evening a couple of nights a week. This will increase our revenue but again it depends on having the necessary staff to work, and the success of the lease changes and renewal.

**Workshop and Resource:** In the short term we plan to recruit two new full time members of staff one who will be a support worker and one an assistant coordinator. We are also working on a restructuring of the current staff teams to help strengthen each department, and to more efficiently utilize their individual strengths and talents to increase the level of service that we can provide to our students.

Another shorter term goal is to introduce some new skills to the existing curriculum. We plan to expand upon our art classes and begin a new photography class, with the intention of attending and participating in exhibitions at some time in the future.

It is beneficial for us to have a steady influx of new students at the end of every school year, and soon we intend to begin hosting open evenings again, to build and secure relationships with the corresponding agencies involved, as well as the new students and their families.

**Funding Projects:** The container opposite the pavilion is currently in use as a management office. One of our short term goals is to convert it into a fully functional staff room with decking built around the rear.

Looking into the medium term, it is our wish to secure the old pavilion and its premises, and to rebuild it into a brand new workshop space. The new workshop will be fully ventilated and be equipped with all the necessary tools and machinery, as well as workbenches for the students and a wood storage area. This project's success will depend on our application being granted by the council, funding for the project having been secured, and the feasibility study being carried out in the appropriate time scale.

A longer term goal is to demolish the current workshop and to rebuild a larger two storied structure. This new space is then to be used for office space, fully equipped classrooms, a quiet area, and a designated eating area for staff and students. As stated, the old pavilion by the car park will become the new workshop area. This expansion will depend on the planning permission and funding situation, as well as us being granted permission to use the pavilion.

The need for and the call upon the charity's services from learning disabled adults across the city continues to grow. There continues to be a need to seek additional, outside funding for key projects to empower the Trustees to make the investments in the new developments that are essential to enable the charity to continue to meet these vitally important needs from some of the most vulnerable members of society. We are investing time in applying for large specific grants as well as working hard on getting donations via other means such as Become a friend of WORK (a monthly donation amount), Pop up shops, Festivals, concerts, becoming company's charities of the year, and setting up a Just giving account. By doing this we are hoping it will secure and provide much needed funding.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

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### Structure, governance and management

Worthwhile Occupational and Recreational Krafts Ltd (WORK) is a charitable company limited by guarantee incorporated in England and Wales. It is governed by a Memorandum and Articles of Association. The charity and company registration numbers and registered office are set out within "Legal and Administrative Information".

Members of the board, who are directors for the purpose of company law and trustees for the purpose of the charity law, who served during the year and up to the date of this report are set out on page 1. In this report the board members are referred to as trustees although they have a dual role as directors.

None of the trustees has a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees are recruited based on their skills and as far as possible matched to the skills required by the Board.

The charity seeks new trustees from time to time through known contacts. If a person makes it known they are interested in becoming a trustee, they are invited to attend an interview with one or more of the trustees. The appointment is then considered by the full board. New trustees receive induction training about the aims, objectives and activities of the charity and made aware of their responsibilities as trustees.

The senior management team in charge of the day to day management of the company are D Wilson, G Philliskirk and SJ Field.

The trustees' report was approved by the Board of Trustees.

**C Cordingley**

Trustee

Dated: 14 September 2022



# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

---

I report on the financial statements of the charity for the year ended 31 December 2021, which are set out on pages 7 to 22.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of Worthwhile Occupational & Recreational Krafts Limited for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of ICAEW, which is one of the listed bodies.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of Independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



N Bracey FCA  
Hart Shaw LLP

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Dated: 29 September 2022

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income and endowments from:</b>							
Donations and legacies	2	17,938	-	17,938	13,450	15,000	28,450
Charitable activities	3	713,442	-	713,442	581,381	-	581,381
Other trading activities	4	-	-	-	138	-	138
Investments	5	17	-	17	164	-	164
Other Income	6	53,971	-	53,971	110,322	-	110,322
<b>Total Income</b>		<b>785,368</b>	<b>-</b>	<b>785,368</b>	<b>705,455</b>	<b>15,000</b>	<b>720,455</b>
<b>Expenditure on:</b>							
Charitable activities	7	815,053	-	815,053	666,709	13,162	679,871
Gross transfers between funds		-	-	-	7,144	(7,144)	-
<b>Net (expenditure)/Income for the year/</b>							
<b>Net movement in funds</b>		<b>(29,685)</b>	<b>-</b>	<b>(29,685)</b>	<b>45,890</b>	<b>(5,306)</b>	<b>40,584</b>
Fund balances at 1 January 2021		555,859	48	555,907	509,969	5,354	515,323
<b>Fund balances at 31 December 2021</b>		<b>526,174</b>	<b>48</b>	<b>526,222</b>	<b>555,859</b>	<b>48</b>	<b>555,907</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		266,729		283,706
<b>Current assets</b>					
Stocks	13	2,731		1,386	
Debtors	14	55,357		44,290	
Cash at bank and in hand		245,469		250,843	
			303,557		296,519
<b>Creditors: amounts falling due within one year</b>	15	(44,064)		(20,578)	
Net current assets			259,493		275,941
<b>Total assets less current liabilities</b>			526,222		559,647
<b>Provisions for liabilities</b>	16		-		(3,740)
<b>Net assets</b>			526,222		555,907
<b>Income funds</b>					
Restricted funds	17		48		48
<u>Unrestricted funds</u>					
Designated funds	18	200,000		200,000	
General unrestricted funds		326,174		355,859	
			526,174		555,859
			526,222		555,907

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 14 September 2022

C Cordingley  
Trustee

Company Registration No. 03085148



# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		7,632		25,617
<b>Investing activities</b>					
Purchase of tangible fixed assets		(13,023)		(39,908)	
Interest received		17		164	
<b>Net cash used in investing activities</b>			<b>(13,006)</b>		<b>(39,744)</b>
<b>Net cash used in financing activities</b>			<b>-</b>		<b>-</b>
<b>Net decrease in cash and cash equivalents</b>			<b>(5,374)</b>		<b>(14,127)</b>
Cash and cash equivalents at beginning of year			250,843		264,970
<b>Cash and cash equivalents at end of year</b>			<b>245,469</b>		<b>250,843</b>

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1 Accounting policies

##### Charity Information

Worthwhile Occupational & Recreational Krafts Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Off Folkwood Road, Ringinglow Road, Sheffield, S11 7TB.

#### 1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Gifts in kind, donated for distribution are included at valuation and recognised as income when distributed to the projects. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the term of the lease
Plant and equipment	15% reducing balance
Fixtures and fittings	25% reducing balance

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is calculated using the first in, first out formula.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Donations and gifts	17,938	13,450	-	13,450
General grants	-	-	15,000	15,000
	<u>17,938</u>	<u>13,450</u>	<u>15,000</u>	<u>28,450</u>

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

3 Charitable activities	Student support grants 2021 £	Sale of merchandise 2021 £	Total 2021 support grants £	Student support grants 2020 £	Sale of merchandise 2020 £	Total 2020 £
Sales within charitable activities	431,323	282,119	713,442	409,922	171,459	581,381

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Other trading activities

	Total	Unrestricted funds
	2021	2020
	£	£
Fundraising events	-	138

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	17	164

### 6 Other Income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Coronavirus job retention scheme grant	28,454	94,777
Other coronavirus funding	25,517	15,545
	<u>53,971</u>	<u>110,322</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 7 Charitable activities

	2021	2020
	£	£
Staff costs	396,429	328,589
Cost of sales	109,446	66,926
	<u>505,875</u>	<u>395,515</u>
Share of support costs (see note 8)	293,383	259,288
Share of governance costs (see note 8)	15,795	25,068
	<u>815,053</u>	<u>679,871</u>
<b>Analysis by fund</b>		
Unrestricted funds	815,053	666,709
Restricted funds	-	13,162
	<u>815,053</u>	<u>679,871</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Support costs

	Support costs	Governance costs	2021 Support costs		Governance costs	2020
	£	£	£	£	£	£
Staff costs	165,975	-	165,975	146,862	-	146,862
Depreciation	30,000	-	30,000	29,375	-	29,375
Consumables	42,983	-	42,983	41,591	-	41,591
Insurance	10,935	-	10,935	8,083	-	8,083
Advertising	7,104	-	7,104	5,396	-	5,396
Motor and travel	5,291	-	5,291	2,663	-	2,663
Utilities	16,636	-	16,636	12,366	-	12,366
Rent, rates and refuse	861	-	861	1,017	-	1,017
Office costs	10,584	-	10,584	7,434	-	7,434
Sundry expenses	3,014	-	3,014	4,501	-	4,501
Accountancy fees	-	5,135	5,135	-	4,430	4,430
Bank charges	-	3,518	3,518	-	2,056	2,056
Legal and professional	-	3,876	3,876	-	5,246	5,246
Partial exemption VAT	-	3,266	3,266	-	13,336	13,336
	<u>293,383</u>	<u>15,795</u>	<u>309,178</u>	<u>259,288</u>	<u>25,068</u>	<u>284,356</u>
Analysed between						
Charitable activities	<u>293,383</u>	<u>15,795</u>	<u>309,178</u>	<u>259,288</u>	<u>25,068</u>	<u>284,356</u>

### 9 Independent examiner's remuneration

The independent examiners remuneration amounts to an independent examination fee of £2,750 (2020 - £2,650) and other services of £1,213 (2020 - £1,221).

### 10 Trustees and key management personnel remuneration and expenses

None of the trustees received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

Remuneration to key management personnel has been disclosed in note 20.

The charity paid Insurance of £10,935 (2020 - £8,083) which included trustees indemnity insurance.

### 11 Employees

The average monthly number of employees during the year was:

2021	2020
Number	Number
<u>32</u>	<u>29</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 11 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	518,623	440,528
Social security costs	35,076	27,423
Other pension costs	8,705	7,500
	<u>562,404</u>	<u>475,451</u>

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000.

There were no employees whose annual remuneration was more than £60,000.

#### 12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2021	323,573	85,775	175,575	584,923
Additions	-	2,138	10,885	13,023
	<u>323,573</u>	<u>87,913</u>	<u>186,460</u>	<u>597,946</u>
<b>Depreciation and Impairment</b>				
At 1 January 2021	113,804	79,190	108,223	301,217
Depreciation charged in the year	10,154	1,602	18,244	30,000
	<u>123,958</u>	<u>80,792</u>	<u>126,467</u>	<u>331,217</u>
<b>Carrying amount</b>				
At 31 December 2021	<u>199,615</u>	<u>7,121</u>	<u>59,993</u>	<u>266,729</u>
At 31 December 2020	<u>209,769</u>	<u>6,586</u>	<u>67,351</u>	<u>283,706</u>

The trustees believe that the market value of the leasehold improvements is likely to be substantially lower than the continued use value, reflected in the financial statements.

#### 13 Stocks

	2021 £	2020 £
Raw materials and consumables	<u>2,731</u>	<u>1,386</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

---

<b>14 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	53,916	30,939
Prepayments and accrued income	1,441	13,351
	<u>55,357</u>	<u>44,290</u>
<b>15 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	27,234	11,883
Trade creditors	5,403	1,564
Other creditors	4,073	927
Accruals and deferred income	7,354	6,204
	<u>44,064</u>	<u>20,578</u>
<b>16 Provisions for liabilities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Coronavirus Job Retention Scheme repayment	-	3,740
	<u>-</u>	<u>3,740</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement In funds			Movement in funds			
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 January 2021 £	Incoming resources £	Balance at 31 December 2021 £
FB Bailey Thomas Charitable Trust - workshop	2,621	-	-	(2,621)	-	-	-
Big Lottery Fund	473	-	-	(473)	-	-	-
Bernard Sunley grant	84	-	-	(84)	-	-	-
Clothworkers grant	1,952	-	-	(1,952)	-	-	-
HSBC grant	3	-	-	(3)	-	-	-
St James Place - office equipment	221	-	-	(221)	-	-	-
Bailey Thomas- student kitchen	-	15,000	(13,162)	(1,790)	48	-	48
	<u>5,354</u>	<u>15,000</u>	<u>(13,162)</u>	<u>(7,144)</u>	<u>48</u>	<u>-</u>	<u>48</u>

### Restricted fund balances

A balance of £48 from Bailey Thomas Charitable Trust. The grant was made to contribute towards the costs of a new student kitchen.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement In funds		Movement In funds		
	Balance at 1 January 2020 £	Incoming resources £	Balance at 1 January 2021 £	Incoming resources £	Balance at 31 December 2021 £
Asset replacement fund	200,000	-	200,000	-	200,000
	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

19 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2021	£	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Fund balances at 31 December 2021 are represented by:																
Tangible assets	66,729		200,000		-		266,729		83,706		200,000		-		283,706	
Current assets/(liabilities)	259,445		-		48		259,493		275,893		-		48		275,941	
Provisions	-		-		-		-		(3,740)		-		-		(3,740)	
	<u>326,174</u>		<u>200,000</u>		<u>48</u>		<u>526,222</u>		<u>355,859</u>		<u>200,000</u>		<u>48</u>		<u>555,907</u>	

Designated funds relate to the asset replacement fund which recognises the need for the company to retain sufficient designated reserves to replace core fixed assets and continue in business.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	1,880	6,217
Between two and five years	1,835	656
	<u>3,715</u>	<u>6,873</u>

### 21 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2021 £	2020 £
Aggregate compensation	<u>122,227</u>	<u>110,036</u>

### 22 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(29,685)	40,584
Adjustments for:		
Investment income recognised in statement of financial activities	(17)	(164)
Depreciation and impairment of tangible fixed assets	30,000	29,375
Movements in working capital:		
(Increase)/decrease in stocks	(1,345)	1,950
(Increase) in debtors	(11,067)	(21,702)
Increase/(decrease) in creditors	23,486	(28,166)
Increase/(decrease) in provisions	(3,740)	3,740
<b>Cash generated from operations</b>	<u>7,632</u>	<u>25,617</u>

### 23 Analysis of changes in net funds

The charity had no debt during the year.

**WORTHWHILE OCCUPATIONAL AND RECREATIONAL KRAFTS LIMITED**

England & Wales - Charity number 1050876

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# Accounts

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0 3 DEC 2021

Charity Registration No. 1050876

Company Registration No. 03085148 (England and Wales)

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	L Alford C Cordingley S Lang D Yarwood
<b>Secretary</b>	B Henderson
<b>Charity number</b>	1050876
<b>Company number</b>	03085148
<b>Registered office</b>	Off Folkwood Road Ringinglow Road Sheffield S11 7TB
<b>Independent examiner</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU
<b>Bankers</b>	HSBC Bank Plc Camel House 49-63 Fargate Sheffield S1 2HD

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes to the accounts	11 - 23

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# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### **Objectives and activities**

The year of 2020 was an unpredictable and potential worrying time for WORK Ltd due to the Covid 19 pandemic. We had to adapt very quickly to the new working conditions, ensure our students and staff were kept safe and implement new ideas to reduce huge financial implications.

WORK Ltd began with around a dozen students in 1995. From these humble beginnings, it has grown dramatically and now serves over 87 learning disabled students each week drawn from right across the city of Sheffield.

It is vital that individuals find the right, personalised support to lead a full and interesting life and have the same opportunities as everyone else. At WORK Ltd we aim to provide a friendly, encouraging and rewarding environment. We create opportunities in the form of hands-on work projects for adults with learning disabilities to develop life skills, which help to build confidence and self-esteem. These activities include woodwork, gardening, textiles, arts & crafts, nature walks, sports, dance, music and drama.

We passionately believe that our caring, supportive and rewarding community-based environment encourages our students to reach their full potential – and so 'achieve their dreams'. Through these activities, our 'students' have blossomed with many never previously appreciating just what they could achieve. One student's parent commented, "WORK Ltd has provided the best of services for my adult daughter. She has done things I wouldn't have thought possible. She loves going there. She is well cared for and her opinions are respected. She feels she belongs. In her own words, 'brilliant!' Such peace of mind that you have what you need and from such caring, happy and dedicated people."

### **Charitable purposes (Public Benefit)**

In setting plans and priorities for areas of work the Board of WORK Ltd has had regard to the guidance from the Charity Commission on the provision of Public Benefit, with particular attention paid to how planned activities will contribute to meeting the objectives of WORK Ltd.

The Trustees confirm that they have complied with the duty in section 4 of the 2011 Charity Act to have due regard to guidance published by the Charity Commission regarding public benefit.

### **Significant activities**

The various projects that are carried out at WORK Ltd by the students include:

**Main Workshop** – Staffed by qualified Tutors, support assistants and volunteers and where all main assembly work is done including arts and crafts, painting, printing and woodwork.

**Glass Room** – Where stained glass products are made by the students.

**Resource/Student Kitchen** – This multifunctional area is staffed by qualified Tutors. Our fully equipped home from home kitchen is where our students learn basic life skills from washing, healthy living to cooking. Our students learn the importance of a healthy diet and are taught how to cook simple recipes. As well as the kitchen area the resource room is used as a clean space to create bespoke textiles.

**The Hidden Gem Café** – This is where our students are taught to serve tea and coffee, clear tables and interact with our many customers. Our students also work alongside our chefs learning basic food hygiene and food preparation.

# **WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **Training and Support Projects**

WORK Ltd continues to provide intensive, person-centred training programmes. These include healthy eating, food preparation, catering, woodwork and horticulture. Creative crafts, such as knitting, sewing, art, training in music, drama, dance, exercise, personal expression, literacy and reading skills, from important aspects of our development programmes. We have qualified teachers employed as our Tutors.

The quality of goods produced by our students are exceptional and we only purchase a small amount of goods from outside suppliers which compliments what is made on site by our students. This is not only more profitable for us but helps to build the self-esteem of the students.

In addition, WORK Limited provides ongoing training and advocacy skills to enable students to identify what they would like to achieve and need to achieve, giving student's fulfilment in their learning and development. Staff provide support on a wide range of issues from relationships to bereavement. Mechanisms are in place to refer to specialised professionals if required.

Individual practical support is given to carers to enable them to have access to relevant information, service and advice.

### **Achievements and performance**

The Coronavirus Pandemic had a huge effect on our achievements and Performance. Fund raising events had to be cancelled, our café/shop had to close and we had to switch to remote working. Our main focus was continuing the interaction with our students and making sure they were safe and their mental health wasn't being affected. We soon adapted to the new way of working and were able to run our classes via zoom with our students on a daily basis, we sent out work packs and when restrictions were lifted we visited each student in their gardens until we were able to welcome them back to work.

We wanted to continue selling our students crafts so decided to put together "Happy Hampers" which we sold through our Etsy online shop as well as our students crafts. This allowed us to continue receiving a small amount of revenue and branch out to new customers all over the UK.

Despite the negatives and all the uncertainty, we still increased our student numbers and recruited a support worker to accommodate the increase in numbers.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Financial review**

The results for the year ended 31 December 2020 shows a surplus of £40,584 after charging depreciation of £29,375.

The total income for the year of £720,455 is an 3.1% decrease on the previous year. Donations and fund-raising activities were £28,450 (2019 - £7,751) and café and shop sales have decreased to £171,459 (2019 - £324,336), directly as a result of closure for prolonged periods due to COVID-19.

Support costs totalled £284,356 compared to £276,862 in the previous year.

The forecast for the current year is again that there will continue to be sufficient income to meet all costs but without sufficient ability to invest in future developments.

#### **Reserves and Leasehold Improvements**

The Trustees seek to keep a minimal level of unrestricted funds to ensure the charity remains a going concern and sufficient unrestricted funds to cover known commitments. They have assessed the risk to the charity's ongoing income and the level of reserves required has been determined taking in to account the current economic climate and local and national government policies. The appropriate reserves level has been set at 4 months of the current rate of expenditure. Even at this level, the charity would face severe difficulties in seeking to replace any lost income over such a relatively short period.

At this year end the unrestricted funds were £355,859 which equates to just under 6 months of charitable expenditure. The Trustees consider this to be acceptable in the short term but will work towards achieving the target of 4 months at the earliest opportunity.

The Asset Replacement Fund has been formed as an essential means of enabling the Trustees to replace core fixed assets when required.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Plans for the future**

The Trustees and Managers of WORK Ltd have put in place a number of incentives to enable successful achievement of the organisations aims and objectives, over the next 3-5 years. These include:

**Hidden Gem Cafe:** In the shorter term we plan to recruit a new, full time chef to support the day to day operation of the cafe. This could prove difficult due to the fact there is a huge shortage of hospitality staff because of the recent pandemic.

We are also aiming to start an Afternoon Tea service (Fizz Afternoon Teas) which will run in the Cafe extension on a Friday and a Sunday. This will boost our revenue and offer something different to the normal daily menu, keeping things fresh and interesting. Once again we must be sure that we have staff available to work potential new and additional hours.

Another short term goal is to change the terms within the lease as to how the cafe operates, and is allowed to operate, including applying for a license to serve alcohol. The obstacle here is that this is determined by the council, who will have to run checks to make sure we meet their particular criteria. If we cannot get the lease renewed this will restrict the hours in which the cafe can operate.

Looking a little further ahead to the medium term, we plan to expand the number and variety of events the cafe holds, including bringing back our bistro nights and running themed nights every month, plus potentially opening in the evening a couple of nights a week. This will increase our revenue but again it depends on having the necessary staff to work, and the success of the lease changes and renewal.

**Workshop and Resource:** In the short term we plan to recruit two new full time members of staff one who will be a support worker and one an assistant coordinator. We are also working on a restructuring of the current staff teams to help strengthen each department, and to more efficiently utilize their individual strengths and talents to increase the level of service that we can provide to our students.

Another shorter term goal is to introduce some new skills to the existing curriculum. We plan to expand upon our art classes and begin a new photography class, with the intention of attending and participating in exhibitions at some time in the future.

It is beneficial for us to have a steady influx of new students at the end of every school year, and soon we intend to begin hosting open evenings again, to build and secure relationships with the corresponding agencies involved, as well as the new students and their families.

**Funding Projects:** The container opposite the pavillon is currently in use as a management office. One of our short term goals is to convert it into a fully functional staff room with decking built around the rear.

Looking into the medium term, it is our wish to secure the old pavilion and it's premises, and to rebuild it into a brand new workshop space. The new workshop will be fully ventilated and be equipped with all the necessary tools and machinery, as well as workbenches for the students and a wood storage area. This project's success will depend on our application being granted by the council, funding for the project having been secured, and the feasibility study being carried out in the appropriate time scale.

A longer term goal is to demolish the current workshop and to rebuild a larger two storied structure. This new space is then to be used for office space, fully equipped classrooms, a quiet area, and a designated eating area for staff and students. As stated, the old pavilion by the car park will become the new workshop area. This expansion will depend on the planning permission and funding situation, as well as us being granted permission to use the pavillon.

The need for and the call upon the charity's services from learning disabled adults across the city continues to grow. There continues to be a need to seek additional, outside funding for key projects to empower the Trustees to make the investments in the new developments that are essential to enable the charity to continue to meet these vitally important needs from some of the most vulnerable members of society. We are investing time in applying for large specific grants as well as working hard on getting donations via other means such as Become a friend of WORK (a monthly donation amount), Pop up shops, Festivals, concerts, becoming company's charities of the year, and setting up a Just giving account. By doing this we are hoping it will secure and provide much needed funding.

# **WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

### **Structure, governance and management**

Worthwhile Occupational and Recreational Krafts Ltd (WORK) is a charitable company limited by guarantee incorporated in England and Wales. It is governed by a Memorandum and Articles of Association. The charity and company registration numbers and registered office are set out within "Legal and Administrative Information".

Members of the board, who are directors for the purpose of company law and trustees for the purpose of the charity law, who served during the year and up to the date of this report are set out on page 1. In this report the board members are referred to as trustees although they have a dual role as directors.

None of the trustees has a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees are recruited based on their skills and as far as possible matched to the skills required by the Board.

The charity seeks new trustees from time to time through known contacts. If a person makes it known they are interested in becoming a trustee, they are invited to attend an interview with one or more of the trustees. The appointment is then considered by the full board. New trustees receive induction training about the aims, objectives and activities of the charity and made aware of their responsibilities as trustees.

The senior management team in charge of the day to day management of the company are D Wilson, G Philliskirk and SJ Field.

### **Charity Information**

The charity and company registration numbers, registered address and details of relevant organisations providing services to the charity are set out on the company information page.

### **The effects of COVID-19 to our Centre and Cafe**

As a result of the Government lockdown on the 23rd of March our Centre and our Hidden Gem Cafe closed its doors.

The Centre continued to operate on a small scale with seven key members of staff who have continued to run the business from home. This enabled us to keep daily contact with all our students and their families. Our tutors also provided our students with projects to participate in whilst at home including regular Zoom sessions.

We were able to continue and complete one of our funded building projects during the closure. However our income has been affected and under the current climate there is every chance that this may continue.

We were able to secure a grant from Sheffield City Council and access a small grant from the Duke of Devonshire's Trust which we are grateful for.

Our Cafe opened on Tuesday 21st July 2020. Our Centre will open to a limited number of students on Monday the 3rd of August.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The effects of lockdown;

- Loss of income from the Cafe closure
- Reduction of volume of customers into the Cafe due to social distancing
- Loss of income from sales of our students hand made goods
- Cancellation of our annual Summer Fair and possibly our Christmas Fair, both which are pivotal to our fundraising
- Possible reduction from students due to vulnerability and some choosing not to attend or reduce their attendance to WORK LTD
- We may face Potential restructure/redundancies in the future

The trustees' report was approved by the Board of Trustees.



**C Cordingley**

Trustee

Dated: 7 October 2021

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

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I report on the financial statements of the charity for the year ended 31 December 2020, which are set out on pages 8 to 23.

#### Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Worthwhile Occupational & Recreational Krafts Limited for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of ICAEW, which is one of the listed bodies.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

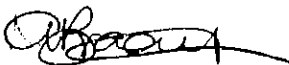
#### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



N Bracey ACA  
Hart Shaw LLP

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Dated: 6 December 2021

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<b><u>Income and endowments from:</u></b>							
Donations and legacies	2	13,450	15,000	28,450	7,751	-	7,751
Charitable activities	3	581,381	-	581,381	728,233	-	728,233
Other trading activities	4	138	-	138	7,480	-	7,480
Investments	5	164	-	164	403	-	403
Other income	6	110,322	-	110,322	-	-	-
<b>Total income</b>		<b>705,455</b>	<b>15,000</b>	<b>720,455</b>	<b>743,867</b>	<b>-</b>	<b>743,867</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	7	666,709	13,162	679,871	768,727	11,806	780,533
<b>Net Incoming/ (outgoing) resources before transfers</b>		<b>38,746</b>	<b>1,838</b>	<b>40,584</b>	<b>(24,860)</b>	<b>(11,806)</b>	<b>(36,666)</b>
Gross transfers between funds		7,144	(7,144)	-	11,046	(11,046)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>45,890</b>	<b>(5,306)</b>	<b>40,584</b>	<b>(13,814)</b>	<b>(22,852)</b>	<b>(36,666)</b>
Fund balances at 1 January 2020		509,969	5,354	515,323	523,783	28,206	551,989
<b>Fund balances at 31 December 2020</b>		<b>555,859</b>	<b>48</b>	<b>555,907</b>	<b>509,969</b>	<b>5,354</b>	<b>515,323</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		283,706		273,173
<b>Current assets</b>					
Stocks	13	1,386		3,336	
Debtors	14	44,290		22,588	
Cash at bank and In hand		250,843		264,970	
		<u>296,519</u>		<u>290,894</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(20,578)</u>		<u>(48,744)</u>	
Net current assets			275,941		242,150
<b>Total assets less current liabilities</b>			<u>559,647</u>		<u>515,323</u>
<b>Provisions for liabilities</b>			(3,740)		-
<b>Net assets</b>			<u>555,907</u>		<u>515,323</u>
<b>Income funds</b>					
Restricted funds	17		48		5,354
<u>Unrestricted funds</u>					
Designated funds	18	200,000		200,000	
General unrestricted funds		355,859		309,969	
		<u>555,859</u>		<u>509,969</u>	
			<u>555,907</u>		<u>515,323</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 7 October 2021



C Cordingley  
Trustee

Company Registration No. 03085148

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		25,617		10,289
<b>Investing activities</b>					
Purchase of tangible fixed assets		(39,908)		(42,022)	
Interest received		164		403	
<b>Net cash used in investing activities</b>			(39,744)		(41,619)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(14,127)		(31,330)
Cash and cash equivalents at beginning of year			264,970		296,300
<b>Cash and cash equivalents at end of year</b>			<u>250,843</u>		<u>264,970</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity Information

Worthwhile Occupational & Recreational Krafts Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Off Folkwood Road, Ringinglow Road, Sheffield, S11 7TB.

#### 1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Gifts in kind, donated for distribution are included at valuation and recognised as income when distributed to the projects. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies (Continued)

#### 1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the term of the lease
Plant and equipment	15% reducing balance
Fixtures and fittings	25% reducing balance

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is calculated using the first in, first out formula.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2020	2020	2020	2019
	£	£	£	£
Donations and gifts	13,450	-	13,450	7,751
General grants	-	15,000	15,000	-
	<u>13,450</u>	<u>15,000</u>	<u>28,450</u>	<u>7,751</u>

**WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**3 Charitable activities**

	Student support grants 2020	£	Sale of merchandise 2020	£	Total 2020 support grants	£	Student grants 2019	£	Sale of merchandise 2019	£	Total 2019	£
Sales within charitable activities	409,922		171,459		581,381		403,897		324,336		728,233	

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising events	138	7,480
	<u>138</u>	<u>7,480</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	164	403
	<u>164</u>	<u>403</u>

### 6 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Coronavirus job retention scheme grant	94,777	-
Other coronavirus funding	15,545	-
	<u>110,322</u>	<u>-</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Charitable activities

	2020 £	2019 £
Staff costs	328,589	368,885
Cost of sales	66,926	134,786
	<u>395,515</u>	<u>503,671</u>
Share of support costs (see note 8)	259,288	257,852
Share of governance costs (see note 8)	25,068	19,010
	<u>679,871</u>	<u>780,533</u>
<b>Analysis by fund</b>		
Unrestricted funds	666,709	768,727
Restricted funds	13,162	11,806
	<u>679,871</u>	<u>780,533</u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	146,862	-	146,862	131,293	-	131,293
Depreciation	29,375	-	29,375	28,275	-	28,275
Consumables	41,591	-	41,591	36,712	-	36,712
Insurance	8,083	-	8,083	10,067	-	10,067
Advertising	5,396	-	5,396	5,157	-	5,157
Motor and travel	2,663	-	2,663	5,322	-	5,322
Utilities	12,366	-	12,366	17,024	-	17,024
Rent, rates and refuse	1,017	-	1,017	1,715	-	1,715
Office costs	7,434	-	7,434	8,463	-	8,463
Sundry expenses	4,501	-	4,501	14,184	-	14,184
Bad debts	-	-	-	(360)	-	(360)
Accountancy fees	-	4,430	4,430	-	5,317	5,317
Bank charges	-	2,056	2,056	-	3,268	3,268
Legal and professional	-	5,246	5,246	-	4,709	4,709
Partial exemption VAT	-	13,336	13,336	-	5,716	5,716
	<u>259,288</u>	<u>25,068</u>	<u>284,356</u>	<u>257,852</u>	<u>19,010</u>	<u>276,862</u>
Analysed between						
Charitable activities	<u>259,288</u>	<u>25,068</u>	<u>284,356</u>	<u>257,852</u>	<u>19,010</u>	<u>276,862</u>

### 9 Independent examiner's remuneration

The independent examiners remuneration amounts to an independent examination fee of £2,650 (2019 - £2,450) and other services of £1,221 (2019 - £1,185).

### 10 Trustees and key management personnel remuneration and expenses

None of the trustees received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

Remuneration to key management personnel has been disclosed in note 18.

The charity paid insurance of £8,083 (2019 - £10,067) which included trustees Indemnity insurance.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	29	34
	<u>29</u>	<u>34</u>
<b>Employment costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	440,528	463,629
Social security costs	27,423	29,427
Other pension costs	7,500	7,122
	<u>475,451</u>	<u>500,178</u>

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000.

### 12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2020	313,693	84,566	146,756	545,015
Additions	9,880	1,210	28,818	39,908
	<u>323,573</u>	<u>85,776</u>	<u>175,574</u>	<u>584,923</u>
<b>Depreciation and Impairment</b>				
At 1 January 2020	103,363	77,953	90,526	271,842
Depreciation charged in the year	10,441	1,237	17,697	29,375
	<u>113,804</u>	<u>79,190</u>	<u>108,223</u>	<u>301,217</u>
<b>Carrying amount</b>				
At 31 December 2020	<u>209,769</u>	<u>6,586</u>	<u>67,351</u>	<u>283,706</u>
At 31 December 2019	<u>210,330</u>	<u>6,613</u>	<u>56,230</u>	<u>273,173</u>

The trustees believe that the market value of the leasehold improvements is likely to be substantially lower than the continued use value, reflected in the financial statements.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

<b>13 Stocks</b>	<b>2020</b>	<b>2019</b>
	£	£
Raw materials and consumables	1,386	3,336
	<u>          </u>	<u>          </u>
<b>14 Debtors</b>	<b>2020</b>	<b>2019</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	30,939	16,318
Prepayments and accrued income	13,351	6,270
	<u>          </u>	<u>          </u>
	<u>44,290</u>	<u>22,588</u>
<b>15 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	£	£
Other taxation and social security	11,883	25,836
Trade creditors	1,564	15,025
Other creditors	927	2,440
Accruals and deferred income	6,204	5,443
	<u>          </u>	<u>          </u>
	<u>20,578</u>	<u>48,744</u>
<b>16 Provisions for liabilities</b>	<b>2020</b>	<b>2019</b>
	£	£
Coronavirus Job Retention Scheme repayment	3,740	-
	<u>          </u>	<u>          </u>
Movements on provisions:		<b>Coronavirus Job Retention Scheme repayment £</b>
Additional provisions in the year		3,740
		<u>          </u>

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019		Resources expended		Transfers		Balance at 1 January 2020		Movement in funds			Balance at 31 December 2020	
	£	£	£	£	£	£	£	£	Incoming resources	Resources expended	Transfers	£	£
FB Bailey Thomas Charitable Trust - workshop	2,621	-	-	-	-	-	2,621	-	-	-	(2,621)	-	-
Big Lottery Fund	473	-	-	-	-	473	-	-	-	-	(473)	-	-
Bernard Sunley grant	84	-	-	-	-	84	-	-	-	-	(84)	-	-
Clothworkers grant	1,952	-	-	-	-	1,952	-	-	-	-	(1,952)	-	-
HSBC grant	22,242	(11,193)	-	(11,046)	-	3	-	-	-	-	(3)	-	-
JG Graves Charitable Trust	612	(612)	-	-	-	-	-	-	-	-	-	-	-
St James Place - office equipment	221	-	-	-	-	221	-	-	-	-	(221)	-	-
Bailey Thomas- student kitchen	-	-	-	-	-	-	-	15,000	(13,162)	(1,790)	-	-	48
	<u>28,206</u>	<u>(11,805)</u>	<u>(11,046)</u>	<u>5,354</u>	<u>15,000</u>	<u>(13,162)</u>	<u>(7,144)</u>						<u>48</u>

#### Transfers

During the year, £7,144 (2019: £11,046) was transferred from restricted funds to unrestricted funds. This transfer relates to the net book value of fixed assets purchased with restricted funds as the assets purchased are deemed to be of unrestricted use to the charity (£1,790). The remaining transfer relates to funds received in relation to restricted projects that have previously been taken on, and completed. Each project has been accepted as complete by the funding provider with no clawback, therefore any unspent funds are considered to be unrestricted.

#### Restricted fund balances

A balance of £48 from Bailey Thomas Charitable Trust. The grant was made to contribute towards the costs of a new student kitchen.

# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019	Movement in funds Incoming resources	Balance at January 2020	Movement in funds Incoming resources	Balance at 31 December 2020
	£	£	£	£	£
Asset replacement fund	200,000	-	200,000	-	200,000
	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>



# WORTHWHILE OCCUPATIONAL & RECREATIONAL KRAFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	6,217	6,434
Between two and five years	656	6,785
	<u>6,873</u>	<u>13,219</u>

### 21 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2020 £	2019 £
Aggregate compensation	<u>110,036</u>	<u>101,829</u>

### 22 Cash generated from operations

	2020 £	2019 £
Surplus/(deficit) for the year	40,584	(36,666)
Adjustments for:		
Investment income recognised in statement of financial activities	(164)	(403)
Depreciation and impairment of tangible fixed assets	29,375	28,275
Movements in working capital:		
Decrease/(increase) in stocks	1,950	(1,029)
(Increase)/decrease in debtors	(21,702)	3,259
(Decrease)/increase in creditors	(28,166)	16,853
Increase in provisions	3,740	-
<b>Cash generated from operations</b>	<u>25,617</u>	<u>10,289</u>

### 23 Analysis of changes in net funds

The charity had no debt during the year.