

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

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

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 2021

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

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

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 (Flizz 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

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 £
Notes							
Income and endowments from:							
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
Total Income		785,368	-	785,368	705,455	15,000	720,455
Expenditure on:							
Charitable activities	7	815,053	-	815,053	666,709	13,162	679,871
Gross transfers between funds		-	-	-	7,144	(7,144)	-
Net (expenditure)/Income for the year/							
Net movement in funds		(29,685)	-	(29,685)	45,890	(5,306)	40,584
Fund balances at 1 January 2021		555,859	48	555,907	509,969	5,354	515,323
Fund balances at 31 December 2021		526,174	48	526,222	555,859	48	555,907

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

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

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
	53,971	110,322

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>
Analysis by fund		
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
Bank charges	-	3,518	3,518	-	2,056
Legal and professional	-	3,876	3,876	-	5,246
Partial exemption VAT	-	3,266	3,266	-	13,336
	<u>293,383</u>	<u>15,795</u>	<u>309,178</u>	<u>259,288</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>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 £
Cost				
At 1 January 2021	323,573	85,775	175,575	584,923
Additions	-	2,138	10,885	13,023
At 31 December 2021	<u>323,573</u>	<u>87,913</u>	<u>186,460</u>	<u>597,946</u>
Depreciation and Impairment				
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
At 31 December 2021	<u>123,958</u>	<u>80,792</u>	<u>126,467</u>	<u>331,217</u>
Carrying amount				
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

14 Debtors

	2021	2020
	£	£
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>

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
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>

16 Provisions for liabilities

	2021	2020
	£	£
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 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>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

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)	
		326,174		200,000		48		526,222		355,859		200,000		48		555,907	

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
Cash generated from operations	<u>7,632</u>	<u>25,617</u>

23 Analysis of changes in net funds

The charity had no debt during the year.