

TAPESTRY CARE UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2025

Company Registration No. 3942243 (England and Wales)

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Directors

Chair

Neil Yeomans
Gillian Botwright
Mark Burton
Rev Hugh Dibbens
Catherine McCarthy (Resigned 26/09/2024)
Lesley Buckland
Mariska Van Beukering
Galiya Bayzhuman (Resigned 04/07/2025)
Florence Cantle (Resigned 04/02/2025)
Alexa Fernandez (Resigned 26/06/2025)
Tuoya Siqin

Executive team

Chief Executive Officer
Head of Operations

Anthony Lowe
Stuart Robinson

Registered Office

HOPWA House
Inskip Drive
Hornchurch
Essex
RM11 3UR

Bankers

Charities Aid Foundation
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

Auditors

PKF Littlejohn LLP
15 Westferry Circus
Canary Wharf
London E14 4HD

Charity Registration number

1079969

Company Registration number

03942243

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice “Accounting and Reporting by Charities” (“FRS 102 SORP”) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The Trustees who served during the year are disclosed on page 2 of this report.

Objectives and activities

Tapestry Care UK Limited (“the Charity”) is a company limited by guarantee, governed by its Memorandum and Articles of Association (dated 24 February 2000). It assumed all activities of its predecessor organisations founded in 1949. Each Company member agrees to contribute £1 in the event of winding up. Membership is open to statutory and non-statutory organisations in the London Borough of Havering and individuals aligned with the Charity’s purpose.

The Board of Trustees governs the charity, meeting at least six times annually to set strategic direction and monitor financial and operational performance. A Finance & Governance Committee provides oversight of financial matters. The Growth Committee, established in 2024, continues to oversee development of the Community Hüb model, the Havering Food Alliance, and major new contracts. The Chief Executive Officer and Head of Operations manage day-to-day operations.

Introduction

The year has been one of both substantial progress and considerable challenge. We continue to rebuild from the impact of the pandemic, while navigating an increasingly unstable economic and funding environment. Client demand for our services remains high and continues to grow; however, the conditions under which we operate are now more financially uncertain than at any point in the past decade.

Despite these pressures, Tapestry remains committed to delivering high-quality, prevention-focused care that supports adults to live healthier, more connected, and more independent lives. Throughout 2024–25, the organisation maintained strong performance across its Community HÜBs, developed new services, and strengthened its position as a trusted local provider.

Overview of Service Provision

Tapestry’s services continue to focus on personalised, high-quality care for adults and older people, particularly those most vulnerable or socially isolated. Our core offer includes:

- Healthy, affordable food, specialist activities and therapies
- Carer support, advice, respite and welfare support
- Friendship groups, peer support, transport and person-centred care at home or in the community
- Health, safety and wellbeing interventions that reduce risk and enable independent living

These services are delivered through our Community Hüb model, which blends prevention, social connection, practical support and direct care, tailoring support to individual needs.

Challenges and Strategic Focus

The Trustees ensure that all activities remain aligned with the public benefit requirement. Several challenges shaped our operations during the year:

1. Underfunding in Local Government Social Care

Rising staff costs, inflation and social care wage uplifts continue to outstrip the rates paid by Havering Council for statutory-funded clients. This structural underfunding remains the single greatest threat to the Charity's financial sustainability.

2. Cost-of-Living Crisis

Increases in energy, food and transport costs have affected both clients and the organisation. More people require support, while the cost of providing services has risen sharply.

3. Integrated Care Systems (ICS)

The restructuring of health and care systems requires ongoing partnership work, engagement and flexibility.

4. Workforce Pressures

National shortages in the social care workforce continue to make recruitment and retention difficult, particularly in specialist roles.

Future Activity and Strategic Direction

Alongside operational delivery, the Trustees have undertaken a significant strategic review, informed by the Tapestry Strategic Plan 2025–26. This assessment has made clear that the organisation stands at a critical point.

Our Current Position

Tapestry has not failed. Our staff and volunteers continue to deliver exceptional, evidence-based, compassionate care that is widely valued. We have grown significantly since the pandemic and remain the borough's only large-scale, specialist prevention-focused care provider. We have rebuilt relationships with the local authority and partners and demonstrated consistently strong performance.

However, external conditions, most notably chronic underfunding in local government, now significantly limit our financial stability.

Why We Are Here

The organisation is where it is for reasons beyond its control:

- Havering Council continues to pay rates for day services and transport below the cost of delivering care, resulting in substantial annual losses.
- Rising wages, NI contributions and inflation are necessary and justified but unfunded.
- Local government remains in a precarious financial position with no short-term prospect of improvement.

This funding gap is now the largest factor affecting Tapestry's ability to remain financially sustainable.

What We Need to Do Moving Forward

The strategic plan confirms that Tapestry must now take a decisive approach:

- **Pursue Growth in Key Areas**

The organisation has chosen to move forward on a growth trajectory, centred on delivering the Living Well Community Wellness & Empowerment Contract for Havering Council and expanding the Community Hüb Model.

- **Develop the Havering Food Alliance**

Our leadership of the Food Alliance continues to be a core part of the borough's prevention and community resilience strategy. Scaling this work will be a priority.

- **Strengthen Partnership Working**

As commissioning moves increasingly toward collaborative and preventative models, we will continue to support smaller local organisations through a conduit-provider model.

- **Secure Fair Funding**

The organisation will advocate strongly for fair payment from the local authority. Without this, none of the new activity can be financially sustained.

Impact Report: 2024-2025

During the year, Tapestry delivered a wide range of essential services:

Day services

- 102,150 hours of care delivered across Community HübS
- Sustained support to more than 800 vulnerable residents
- Continued expansion of carer support
- Growth in the borough-wide Food Alliance, supporting thousands of residents through community partners
- 936 people accessed our foot care clinic
- Strengthening of social connection and independence through group and 1:1 interventions
- Client satisfaction across all areas remained extremely high, with many measures at or near 100%

Community Hub development

Events	Location	Date	Attendees
Health and Wellbeing	HOPWA Cafe	7 th February 2025	8
Warm Welcome Space	HOPWA Care	Started 17 th February (weekly)	238
CAB	HOPWA Cafe	14 th February	4
Love Food Hate Waste	Paines Brook Court	4 th March	8
Health and Wellbeing	Paines Brook Court	21 st March	8

Food Alliance performance**Food Redistribution**

- Total weight of food collected: 3,960 Kg
- Equivalent of 9,430 Meals for the community
- Stronger collaboration across local food providers
- Reduced edible food waste
- Greater food security for vulnerable residents

Pantry (Beneficiaries – 172)

- Total Adults: 106
- Total Children: 66
- 768 pantry purchases since 1st January 2025
- Equivalent to £15,360 of food
- Equivalent Savings £10,752 for clients

Based on WRAP and FareShare equivalence models

- Total weight of food collected: 5,400Kg
- Equivalent of 12,000 Meals for the community

Schools' pantry pack projects outcomes

- 8,671 items sourced, sorted, picked, and delivered
- £10,876 total value of food
- 3,799 kg (3.79 tonnes) in weight
- 61,327 meals provided
- 17 volunteers from corporate organisations and the public, provided 70 hours of pack preparation

Plans for Future Periods

Tapestry will continue developing the Community Hüb model, expand the Havering Food Alliance, and implement the new Living Well Empowerment Contract. These will form the cornerstone of future delivery.

However, all future plans are contingent on the organisation receiving fair and sustainable payment rates that meet the real cost of care.

Without this, Tapestry will need to revisit its operating model and potentially contract delivery to protect long-term viability.

Thank You to Our Supporters

As a social business in challenging times, we are immensely grateful to our supporters, whose help has enabled us to continue delivering essential services. Your support has ensured vulnerable individuals receive the care they need, safeguarding their well-being.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, for the year. In preparing those financial statements the Trustees are required to:

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

The Trustees are responsible for keeping adequate and sufficient accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011 and regulations made thereunder and with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee recruitment, induction and training

The skills and experience required by the Trustee Board is regularly reviewed and, where gaps are identified, new Trustees with the requisite skills and knowledge are actively sought. The methods used for recruiting new Trustees include advertising vacancies on Trustee registers and with Trustee recruitment agencies, as well as by search and word of mouth. Since the last set of accounts four new Trustees have been recruited to support the financial governance, improve the organisation's marketing activities and add additional specialist health knowledge.

All new Trustees receive an induction, which includes meetings with senior staff. They also receive copies of key documents e.g. the charity's governing instrument, the latest annual report and accounts and recent minutes of recent board meetings. Trustees receive updates on their roles and responsibilities as required.

Decision-making

Staff follow the policies laid down by the Trustee Board, working under the direction of the Chief Executive. They are delegated powers for operational matters within those policies and within agreed budgets. The Chief Executive reports back to the Board at regular meetings.

Preparation of the accounts on a going concern basis

The current economic environment is difficult and the marketplace, within which Tapestry Care UK Limited operates, is particularly challenging because of the ongoing cost of living crisis on the back of the damage caused to the organisation and our community by the Covid pandemic.

In assessing the going concern position of Tapestry Care UK Limited for the 12 months from the date of the approval of the accounts, the Trustees have considered the financial performance of the charitable company in the year ended 31 March 2025 and the company's financial position as at that date.

Tapestry concluded the year with an overall surplus of £48,932 for the year ended 31 March 2025. This compares to a surplus of £18,050 for the year ended 31 March 2024.

Total income in the year ended 31 March 2025 was £1,459,433, compared to £1,235,789 in the previous year.

Total expenditure was £1,410,501 compared to £1,217,739 in 2023-24.

Tapestry has net assets of £468,977 at 31 March 2025 compared to £420,045 at 31 March 2024.

The ability of the charitable company to continue as a going concern is dependent on the income generated from our two Community HÜBs continuing to generate surpluses at the forecast level. Evidence suggests that growth following the pandemic is secure and that demand for services has increased, as the pandemic has had a negative impact on the community's health and wellbeing.

The opening of new HÜBs will also bring in new income and surplus income that will be used to rebuild reserves that were depleted during the Covid Pandemic.

The successful tender to deliver Havering Councils Living Well Community Wellness and Empowerment Service will also raise Tapestry's profile, increase service delivery expand Tapestry's service delivery into new areas and also bring in additional income in the region of 1 million pounds over the next 5 years.

Given the current commissioning environment and the continuing gap between funding and true cost of delivery, the Trustees must highlight that Tapestry cannot confidently confirm it can commit to delivering all existing services for the 12-month period from signing of these accounts unless a fair rate for service delivery is secured from Havering Council. This uncertainty arises despite strong operational performance and reflects solely on the external financial environment. Without this, Tapestry will need to revisit its operating model and potentially contract delivery to protect long-term viability.

The Trustees have prepared a detailed financial and cash flow forecast under the existing and alternative operational models. The forecast shows that the charitable company will be in a position to meet its liabilities, as they fall due for the 12 months from the signing of these accounts.

The Trustees are confident that the preparation of the financial statements on a going concern basis is appropriate and the financial statements do not include the adjustments that would result if Tapestry Care UK Limited was unable to continue as a going concern.

Risk assessment

The Trustees have undertaken a comprehensive assessment of the risks to which the charity is exposed. This has included business, operational and financial risks. Major risks identified include the challenges of the funding environment in which the charity operates, particularly the loss of local government grant funding opportunities and the impact of cuts in public spending on income from service provision. Systems and procedures are in place to manage and reduce these risks, and the Trustees monitor the effects of these systems and procedures using an established management information framework.

Credit Risk

We manage our credit risk through monitoring payment terms, debt outstanding days and in rare circumstances by way of agreeing payments plans to ensure that there is no financial loss to the organisation.

To limit our credit risk payment terms for services are as follows:

- Private self-paying clients pay within 10 days.
- Cash paying clients settle their payment of services as and when the service occurs.
- One of the significant customers, whom pay for clients that have already been assessed for and have a budget to receive the service, pay regularly on monthly basis.

Liquidity Risk

As a social business we are very conscious of cashflow. For this reason, there is weekly cashflow management, which monitors fixed & ad hoc outgoings and regular income allowing foresight into the financial position of the group in the near future.

Interest Rate Risk

Commitments in place are set with fixed pre-agreed interest rates therefore exposure to fluctuations in rates are reduced.

Reserves policy

It is the long-term aim of the Trustees to maintain free reserves of six months forward unrestricted expenditure. This is to act as a financial safety net during times of uncertainty, when adverse trading conditions could threaten the survival of the charity, putting its vital services to communities at risk.

Tapestry has general reserves of £20,167 at 31 March 2025 (2024 - (£79,895)).

The Trustees are conscious of the need for adequate free reserves and continue to oversee activities that will build back reserves.

Investment policy

With the current nature of funding for the charity, the policy regarding investments is that all funds held should be in short-term investments of a liquid nature i.e. cash deposits. When available cash deposits are held with the Charities Official Investment Fund (COIF). The charity holds no investments in the form of equities or government securities. The investment policy is in keeping with the needs of the charity and cash flow is monitored closely.

Disclosure of information to auditors

In accordance with company law, each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

PKF Littlejohn LLP are appointed as auditors to the Charitable Company and have indicated their willingness to continue in office.

Status of this Directors' Report

This report is prepared in accordance with the small companies' regime under the Companies Act 2006.

This report was approved by Order of the Board of Directors on January 2026 and signed on its behalf by:

Neil Yeomans,

Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAPESTRY CARE UK LIMITED**Opinion**

We have audited the financial statements of Tapestry Care UK Limited (the 'charitable company') for the year ended 31 March 2025 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAPESTRY CARE UK LIMITED

Matters on which we are required to report by exception

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 charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

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.

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 obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the charitable company in this regard to be those arising from Companies Act 2006, Charities Act 2011, Charities (Accounts and Reports) Regulations 2008, tax and employee legislation, safeguarding regulations and health and safety.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that accruals and prepayments are also an area of risk. The financial statements have been adjusted for misstatements identified.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAPESTRY CARE UK LIMITED

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

2026

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 Total funds £	2024 Total funds £
Income from:					
Donations and gifts	4	35,466	-	35,466	9,156
Charitable activities	5	1,397,862	24,454	1,422,316	1,226,099
Other income	6	1,520	-	1,520	-
Bank interest		131	-	131	534
Total Income		1,434,979	24,454	1,459,433	1,235,789
Expenditure on:					
Charitable activities	8	1,368,913	41,588	1,410,501	1,217,739
Total Expenditure		1,368,913	41,588	1,410,501	1,217,739
Net Income/(expenditure)	3	66,066	(17,134)	48,932	18,050
Transfers between funds	15	23,596	(23,596)	-	-
Total funds brought forward		357,705	62,340	420,045	401,995
Total funds carried forward		447,367	21,610	468,977	420,045

All income and expenditure derive from continuing activities.

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

The Accounting Policies and Notes on pages 17 to 27 form part of these Financial Statements.

	Note	2025 £	2024 £
Fixed Assets			
Tangible assets	9	454,180	447,925
Investment in subsidiaries	10	4	4
		454,184	447,929
Current Assets			
Debtors	11	111,055	216,783
Cash at bank and in hand		92,109	12,995
		203,164	229,778
Creditors: amounts falling due within one year	12	188,371	211,906
		14,793	17,872
Net Current Assets			
Creditors: amounts falling due after more than one year	13	-	45,756
		468,977	420,045
Net Assets			
Restricted Funds	15	21,610	62,340
Unrestricted Funds	14		
General		20,167	(79,895)
Designated		427,200	437,600
Total Unrestricted Funds		447,367	357,705
Total Charity Funds		468,977	420,045

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

Approved by the Board on

2026 and signed on its behalf by:

Neil Yeomans
Chair

The Accounting Policies and Notes on pages 17 to 27 form part of these Financial Statements.

	2025 £	2024 £
Cash (outflow)/inflow from operating activities	126,432	(3,552)
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(19,734)	(3,949)
	<hr/>	<hr/>
Net cash flow provided by investing activities	(19,734)	(3,949)
	<hr/>	<hr/>
Cash flow from financing activities		
Repayment of borrowings	(27,585)	(22,459)
	<hr/>	<hr/>
Net cash flow provided by financing activities	(27,585)	(22,459)
	<hr/>	<hr/>
 Change in cash and cash equivalents in the year	 79,113	 (29,960)
Cash and cash equivalents at start of year	12,996	42,955
	<hr/>	<hr/>
Cash and cash equivalents at end of year	92,109	12,995
	<hr/>	<hr/>
Cash and cash equivalents consists of:		
Cash at bank and in hand	92,109	12,995
	<hr/>	<hr/>
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net (expenditure)/income for year	48,932	18,050
Depreciation of tangible fixed assets	13,479	20,457
Decrease/(increase) in debtors	105,728	(24,334)
Increase/(decrease) in creditors	(41,707)	(17,725)
	<hr/>	<hr/>
Net cash flow provided from operating activities	(126,432)	(3,552)
	<hr/>	<hr/>

The Accounting Policies and Notes on pages 17 to 27 form part of these Financial Statements.

1. General information and basis of preparation

Tapestry Care UK Limited is a company limited by guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are set out in the Report of the Directors.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity has opted to take advantage of the reduced disclosure exemption in paragraph 1.12(b) of FRS 102, from producing an individual cash flow statement.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going Concern

Tapestry concluded the year with an overall surplus of £48,932 for the year ended 31 March 2025. This compares to a surplus of £18,052 for the year ended 31 March 2024. This resulted in net assets of £468,977 at 31 March 2025 compared to £420,045 at 31 March 2024.

The ability of the charitable company to continue as a going concern is dependent on the income generated from our two Community HÜBs continuing to generate surpluses at the forecast level. Evidence suggests that growth following the pandemic is secure and that demand for services has increased, as the pandemic has had a negative impact on the community's health and wellbeing.

The opening of new HÜBs will also bring in new income and surplus income that will be used to rebuild reserves that were depleted during the Covid Pandemic.

The successful tender to deliver Havering Councils Living Well Community Wellness and Empowerment Service will also raise Tapestry's profile, increase service delivery expand Tapestry's service delivery into new areas and also bring in additional income in the region of 1 million pounds over the next 5 years.

Given the current commissioning environment and the continuing gap between funding and true cost of delivery, the Trustees must highlight that Tapestry cannot confidently confirm it can commit to delivering all existing services for the 12-month period from signing of these accounts unless a fair rate for service delivery is secured from Havering Council. This uncertainty arises despite strong operational performance and reflects solely on the external financial environment. Without this, Tapestry will need to revisit its operating model and potentially contract delivery to protect long-term viability.

The Trustees have prepared a detailed financial and cash flow forecast under the existing and alternative operational models. The forecast shows that the charitable company will be in a position to meet its liabilities, as they fall due for the 12 months from the signing of these accounts.

Key Judgements and estimates

To be able to prepare the financial statements in accordance with FRS102, the charity must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates are based on past experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. The key areas of the financial statements that we consider to be subject to estimation or judgement are as follows:

Fair value of Hopwa House

The property is held at valuation. This is discussed further in note 2.4.

Recoverable value of debtors

Debtors and their recoverability are assessed to determine provisions required, based on whether it is probable that the amounts will be received.

2. Accounting Policies**2.1 Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail of the contribution of volunteers to the charity is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Legacy income is recognised when the charity becomes aware that probate has been granted, there are sufficient assets in the estate to pay the legacy and that any conditions attached to the legacy are either in control of the charity or have already been met. On occasion legacies will be notified where it is not possible to measure the amount expected to be distributed with sufficient reliability. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes dividends, interest and rent. Interest income is recognised when receivable and dividend income is recognised as the charity's right to receive payment is established.

2.3 Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and management costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Termination benefits are recognised at the point at which end of employment is effective and communicated.

2.4 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% straight line
Computer equipment	33% straight line
Leasehold improvements	straight line over length of the lease
HOPWA House	2% straight line

HOPWA House was valued in September 2018 on a fair value basis by Hilbery Chaplin, RICS qualified valuers. This value is the value as at 31 March 2018 and is treated as the cost as at that date. HOPWA House is depreciated on a straight line basis as per the policy outlined above.

2.5 Investments

Publicly traded investments, or those where fair value can otherwise be measured reliably, are measured at fair value at each balance sheet date, with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

2.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2.7 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2.8 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

2.9 Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

2.10 Taxation

The Charitable Company is exempt from Corporation Tax as all of its income is charitable and is applied for charitable purposes. The Charitable Company is registered for Value Added Tax (VAT); irrecoverable VAT (where applicable) is included in the cost of those items to which it relates.

3. Net Expenditure

	2025	2024
	£	£
This is stated after charging:		
Fees payable for the audit of the Charity's financial statements	15,444	15,000
Depreciation	13,479	20,457
Operating leases	18,582	18,279
	<u> </u>	<u> </u>

4. Donations and gifts

	2025	2024
	£	£
Donations	13,166	4,909
Legacy income	22,300	4,247
	<u> </u>	<u> </u>
Total	<u>35,466</u>	<u>9,156</u>

5. Income from charitable activities	2025	2024
	£	£
Unrestricted income from:		
Day centres, meals and activities	1,148,163	921,099
Home Support and Befriending	-	5,882
Minibus operation	227,465	196,954
Other activities	22,234	17,384
	<hr/>	<hr/>
Total unrestricted income from charitable activities	1,397,862	1,141,319
Restricted income from:		
National Lottery	-	35,655
City Bridge Foundation	5,750	49,125
Veolia Environmental Trust	12,880	-
Essex Community Foundation	5,824	-
	<hr/>	<hr/>
Total restricted income from charitable activities	24,454	84,780
	<hr/>	<hr/>
Total income from charitable activities	1,422,316	1,226,099
	<hr/>	<hr/>
6. Other income	2025	2024
	£	£
Other Income	1,520	-
	<hr/>	<hr/>
	1,520	-
	<hr/>	<hr/>
7. Employee Information - Staff Costs	2025	2024
	£	£
Wages and salaries	833,907	715,654
Social security costs	66,202	55,097
Pension costs	41,197	34,608
	<hr/>	<hr/>
	941,306	805,359
	<hr/>	<hr/>

One employee earned between £90,000 and £99,999 in the year (2024: one between £70,000 and £79,999).

The total amount of employee benefits received by key management personnel, considered to be the Executive Team, during the year was £175,724 (2024 - £157,361).

7. Employee Information - Staff Costs (continued)

Average Monthly Number of Employees during the Year	2025	2024
Day centres	22	20
Management and administration	5	4
Minibus	5	4
Food	4	5
	—	—
	36	33
	==	==

Transactions with Directors

The Directors of the Charitable Company received no remuneration or reimbursement of expenses in the year (2024 - £Nil).

8. Total Resources Expended**8.1 Analysis of Charitable Expenditure**

	Direct costs £	Support costs £	Total 2025 £	Total 2024 £
Day centres, meals and activities	909,036	412,784	1,321,820	1,116,146
Minibus operation	88,681	-	88,681	101,593
	—	—	—	—
	997,717	412,784	1,410,501	1,217,739
	==	==	==	==
2024 totals	884,308	333,431	1,217,739	
	==	==	==	

Charitable expenditure was £1,410,501 (2024 - £1,217,739) of which £41,588 (2024 - £84,780) was attributable to restricted funds.

8.2 Analysis of Support Costs

	Total 2025 £	Total 2024 £
Wages and staff related costs	246,702	185,998
Establishment	21,068	26,341
Administration	51,257	39,716
Depreciation	13,479	20,457
Legal, professional and consultancy	8,674	6,265
IT costs	56,160	39,654
Audit	15,444	15,000
	—	—
	412,784	333,431
	==	==

Support costs are allocated on a basis consistent with the use of resources.

9. Tangible Assets – Charity

	Leasehold properties £	Furniture and Equipment £	Computer Equipment £	Total £
Cost or valuation				
At 1 April 2024	520,000	99,024	261,898	880,922
Additions	-	19,645	89	19,734
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	520,000	118,669	261,987	900,656
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2024	82,400	92,161	258,436	432,997
Charge for the year	10,400	2,491	588	13,479
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	92,800	94,652	259,024	446,476
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31 March 2025	427,200	24,017	2,963	454,180
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	437,600	6,863	3,462	447,925
	<hr/>	<hr/>	<hr/>	<hr/>

10. Investment in subsidiaries – Charity

	2025 £	2024 £
Investment in subsidiaries	4	4
	<hr/>	<hr/>
	4	4
	<hr/>	<hr/>

The Charitable Company owns 100% of the ordinary share capital of Age Concern Havering Trading Limited and Home Age Care Solutions Limited (HACS), which are both incorporated in England and Wales.

11. Debtors	2025	2024
Trade debtors	102,877	211,665
Other debtors and prepayments	8,178	5,118
	<u>111,055</u>	<u>216,783</u>

12. Creditors: Amounts falling due within one year	2025	2024
Trade Creditors	20,339	14,690
Social security and other taxes	50,106	112,639
Other creditors and accruals	44,133	28,955
Loans payable	71,616	53,445
Amount due to subsidiary	2,177	2,177
	<u>188,371</u>	<u>211,906</u>

13. Creditors: Amounts falling due after more than one year

	2025	2024
Loans payable	-	45,756
	<u>-</u>	<u>45,756</u>

During the year to 31 March 2022 the charity received a loan of £140,000 from the Social Investment Business FM Limited, the term of which is until 1 March 2026. The interest rate is 9% per annum until 1 April 2022 and 7% per annum thereafter. There is no security for the loan which forms part of the Government's Coronavirus Business Interruption Loan Scheme.

	2025	2024
Payable within:		
One year	71,616	53,445
Between one and two years	-	45,756
Two to five years	-	-
	<u>77,616</u>	<u>99,201</u>

14. Unrestricted Funds

Charity

	Balance at 1 April 2024 £	Incoming resources £	Outgoing expenditure £	Transfers £	Balance at 31 March 2025 £
General Funds	(79,895)	1,434,979	(1,358,513)	23,596	20,167
Designated Funds					
HOPWA house	437,600	-	(10,400)	-	427,200
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted Funds	357,705	1,434,979	(1,368,913)	23,596	447,367
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Charity

	Balance at 1 April 2023 £	Incoming resources £	Outgoing expenditure £	Transfers £	Balance at 31 March 2024 £
General Funds	(95,690)	1,151,009	(1,135,214)	-	(79,895)
Designated Funds					
HOPWA house	448,000	-	(10,400)	-	437,600
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted Funds	352,310	1,151,009	(1,145,614)	-	357,705
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

15. Restricted Funds – Charity

The income funds of the Charitable Company include the following restricted funds where the donor has specified the purpose for which the fund is to be used:

	Balance at 1 April 2024 £	Incoming resources £	Outgoing expenditure £	Transfers £	Balance at 31 March 2025 £
Hub creation	62,340	-	(30,014)	(10,716)	21,610
Funding for dementia	-	5,750	(5,750)	-	-
Veolia Environmental Trust	-	12,880	-	(12,880)	-
Essex Community Foundation	-	5,824	(5,824)	-	-
	<u>62,340</u>	<u>24,454</u>	<u>(41,588)</u>	<u>(23,596)</u>	<u>21,610</u>

The nature of the key ongoing funds is set out below:

- Hub creation – funding from the National Lottery to extend the work into two new hubs.
- Funding for dementia – funding received from City Bridge Foundation to develop new services for those suffering from dementia.
- Creation of a café – funding received from Veolia Environmental to create a Community Café
- Dementia friendly walks in Havering – funding received from Essex Community Foundation to establish dementia friendly walking groups in Havering

The transfers between funds represents:

- The reclassification of previously recognised unrestricted expenditure to Hub creation, which meet the criteria of the restricted fund; and
- The release of restrictions on capital grants following the acquisition of fixed assets. During the year, the charity received a capital grant of £12,880 restricted for creating a community café at HOPWA House. Upon capitalisation of the expenditure, the restriction was deemed fulfilled, and the amount was transferred from restricted funds to unrestricted funds.

	Balance at 1 April 2023 £	Incoming resources £	Outgoing expenditure £	Transfers £	Balance at 31 March 2024 £
Hub creation	26,685	35,655	-	-	62,340
Funding for dementia	23,000	49,125	(72,125)	-	-
	<u>49,685</u>	<u>84,780</u>	<u>(72,125)</u>	<u>-</u>	<u>62,340</u>

16. Allocation of Net Assets between Funds

Charity	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	454,184	-	454,184
Current assets	181,554	21,610	203,164
Current liabilities	(188,371)	-	(188,371)
	<hr/>	<hr/>	<hr/>
Net assets as at 31 March 2025	447,367	21,610	468,977
	<hr/>	<hr/>	<hr/>

Charity	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	447,929	-	447,929
Current assets	167,438	62,340	229,778
Current liabilities	(211,906)	-	(211,906)
Non current liabilities	(45,756)	-	(45,756)
	<hr/>	<hr/>	<hr/>
Net assets as at 31 March 2024	357,705	62,340	420,045
	<hr/>	<hr/>	<hr/>

17. Financial Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Within 1 year	119,993	62,471
Within 1-5 years	248,379	197,823
More than 5 years	-	-
	<hr/>	<hr/>
	368,372	260,294
	<hr/>	<hr/>

18. Capital Commitments

There were no contracted capital commitments at 31 March 2025 (2024 - nil).

19. Related Party Relationships and Transactions

Gill Botwright, a Trustee, is a Partner at Moss & Co. Tapestry occasionally engages Moss & Co to provide legal advice. During the year, legal expenses of £500 were incurred and paid to Moss & Co Solicitors. There is no outstanding balance as at 31 March 2025.