

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

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**WELLSPRING SETTLEMENT
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

| | |
|----------------------------------|--|
| Trustees | Abdi-Salam Askar (appointed 25 January 2022) Abdi Mohamed, Treasurer Abdilaahi Duale (resigned 28 September 2021) Abdullahi Farah Anne Joslin Gerry Monaghan Kerry Rowe, Vice Chair Mike Phipps Sarah Jahfar Sandra Kelly Thomas Meacock, Vice Chair Will Bee, Chair Abdihakim Asir (resigned 23 November 2021) Yvonne Deeney (resigned 23 November 2021) |
| Company registered number | 05031499 |
| Charity registered number | 1103139 |
| Registered office | 43 Ducie Road Barton Hill Bristol BS5 0AX |
| Company secretary | Joanna Holmes |
| Key management personnel | Joanna Holmes, CEO Anya Mulcahy-Bowman, Deputy CEO (appointed July 2021) Afzal Shah, Deputy CEO (appointed July 2021) Paul Simpson, Deputy CEO |
| Independent auditors | Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL |
| Bankers | Lloyds Bank Plc Regent Street Kingswood Bristol BS15 8HT |
| Solicitors | Burges Salmon 1 Glass Wharf Bristol BS2 0ZX |

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**CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

The chair presents his statement for the year.

The 2020-21 annual report was dominated by the Covid pandemic and its impact on Wellspring Settlement and this year it continued to shape many aspects of our work. As the year passed lockdowns ended and the rollout of the vaccine meant that life began to return to something more familiar, although it could certainly not be called normal.

The lasting effects of Covid had a major impact on our services. The deterioration in many people's mental health meant sharply rising demand for our social prescribing services. Frustratingly a significant proportion of referrals to this service were inappropriate as patients needed proper mental health treatment but there simply wasn't the capacity to meet demand. Pushing people onto our services was not good for the patients involved and imposed an unnecessary stress on our staff as they struggled to cope with referrals whose needs they were not equipped to meet. On the positive side it was good to see an increase in funding for physical activity which means that we can help some of the many people whose activity levels plummeted during lockdown.

Our BOOST service saw steadily climbing demand as financial support for the impact of Covid was withdrawn, peaking after the end of the £20 a week uplift to Universal Credit in October. Unfortunately this coincided with a reduction in the grant support for BOOST as we moved from one round of Bristol Investment Funding to a second.

As the report which follows shows all our services saw an increase in demand (with the exception of room hire which we are reopening in a phased way) but sadly this coincided with a tighter funding situation as both the statutory services and charitable Trusts cut back on the money they had released to respond to the immediate impact of Covid. This leaves Wellspring Settlement, like many other community groups, caught in an awkward situation of rising demand and declining funding.

During the year we continued to complete some of the integration work following our merger which had inevitably been delayed as we responded quickly to the Covid pandemic. At the beginning of the year Elaine Flint left as Co-Director and Joanna Holmes was confirmed as CEO, the Board also agreed to her request to reduce her hours as she turned her mind to her own eventual departure. To strengthen the senior leadership team, we recruited two additional Deputy CEOs, Anya Mulcahy-Bowman and Afzal Shah.

In addition to these new posts a significant degree of rearrangement of the staffing structure was negotiated to align the staffing teams and their work with the newly adopted strategy for Wellspring Settlement. All this required time and patience from staff while continuing to deliver high quality work and the Board is grateful to them.

Like many organisations we also found it difficult to recruit staff and carried a number of vacant posts at times during the year. While we worked hard to maintain the standard of our services it delayed some of the additional work to complete the merger and ensure that we had a consistent approach in everything we did. Of course, for much of the year staff spent part of the week working from home and it was notable how they appreciated the opportunities to get together and share knowledge and experience. The Board recognises that much of the potential for joined up working created by the merger has yet to be fulfilled and we look forward to making further progress in the coming year.

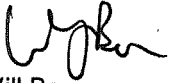
We now know that this phase in the development of Wellspring Settlement will have a new leader as shortly after the end of the financial year Joanna Holmes gave notice to end her employment as our CEO. Joanna has done a fantastic job over 20 years to build up the Settlement; not just a vital community anchor for the Barton Hill area, but an organisation which is respected on a national and international basis. She has led the Settlement through some very tough times but leaves us in a very strong position. It will be a tremendous challenge to follow in her footsteps but the Board are optimistic that we can find the dynamic and visionary leader we need to take Wellspring Settlement forward. Indeed at the point of writing this report we have just appointed a very strong candidate to fill the post.

By the time of the next report Joanna will have moved on so it seems appropriate here to thank her for the huge amount she has done for the Settlement. She has been steadfast in her commitment to serving the local community, and creative in finding ways to generate income to support our work and maximise the use of our buildings. As a leader she has been supportive and empathetic while always being prepared to take the tough decisions when necessary. The Settlement owes her an enormous debt of gratitude for all she has done over

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**CHAIR'S STATEMENT (CONTINUED)
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the years.



Will Bee
Chair

Date: 13/12/22

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The Annual Report serves the purposes of both a Trustee's report and a director's report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company's name is Wellspring Settlement with effect from the date of transfer to the charity of the charitable undertaking of Wellspring Healthy Living Centre (charitable number 1134593) on 1st February 2020. Wellspring Settlement is a charitable company limited by guarantee, not having a share capital. It was previously known as Barton Hill Settlement which formed as a company on 2 February 2004.

Recruitment and appointment of charity directors

The Directors of the Company are also the Charity Trustees. The Articles of Association require that Directors who have completed a three-year term of appointment shall retire at the annual general meeting. They shall be eligible for reappointment subject to a maximum of three terms of office. Any director who has completed three terms of appointment must step down from the board for a period of 12 months before they can be reappointed. Any director serving as a director on 18 December 2019 shall be taken to commence their first three-year term from that date.

All Trustees of the Board give their time voluntarily and receive no benefits from the charity.

The Charity's area of benefit is very diverse and therefore the Board of Trustees seek to ensure that the needs of the different communities are reflected through the diversity of the trustee body. The first board of trustees were all Wellspring Healthy Living Centre and Barton Hill Settlement Trustees who wished to join the Board of the merged Wellspring Settlement and continued to act as Trustees through the first financial year and in this financial year the appropriate numbers of people stepped down and new Trustees were appointed.

Trustee induction and training

An induction session to introduce all trustees to the work of the merged organisation was organised shortly after the completion of the merger. In this year three subgroups were set up: one to work on The Swan and asset development, the Temple Quarter development and another to look at Adult Social Care. All subgroups met on several occasions and submitted reports for the Board's decision. Wellspring Settlement will continue the practice of recruiting trustees who are local residents and are currently, or have been, service users so that they already have a good understanding of some of the organisation's work. New trustees will be given a pack of information containing key information such as M&A's, charity commission FAQ's, audited accounts, previous board meeting agendas and minutes, and the legal responsibilities of being a company director.

Organisational structure

Wellspring Settlement has a board with a maximum number of 15. One third of the current members of the Board steps down each AGM and their current term of office is terminated. They are eligible to stand for re-election for two further 3-year terms. A further third of the current members of the Board stepped down at the AGM 2021 and their term of office was terminated. They were eligible to stand for re-election for two further 3-year terms. If any member steps down part way through their 3-year term of office the Board can appoint someone to fill this vacancy for the remainder of the term.

Trustees meet monthly and are responsible for the strategic direction and policy of the charity and budget setting, including remuneration of staff. At present, the board has 10 full members plus the Chair and Treasurer. There are three sub-groups operating currently. A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the CEO along with the Wellspring Settlement Management Team. The CEO is responsible for ensuring the charity delivers against contracts and implements the strategic plans. The management team are responsible for the operation, review and development of the charity's financial information systems along with running the day-to-day finances; fundraising, strategic development of the

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

services and the day-to-day management of service delivery; the day to day running of the Centre and management of the assets.

Wider networks

Wellspring Settlement is a member of Locality, a national umbrella body, and locally is a member of Voscur and of the Care Forum.

Key partnerships

Wellspring Settlement works in many partnerships such as with Knowle West Health Park and Southmead Development Trust. Together we form the Healthy Living Consortium, and we deliver major programmes in partnership with them. We work in partnership with other community anchor organisations (CAOs) to be Locality leads for the NHS, in the Make it Local consortium exploring new ways of working within Adult Social Care and with CAOs and the University of Bristol on Many Neighbourhoods One City to influence policy makers. We work with Talking Money, and others to run Boost Finance. These are just a few examples of many long term as well as new partnerships.

Merger process

Wellspring Settlement formed on 1st February 2020 after a two-year merger feasibility process between Barton Hill Settlement and Wellspring Healthy Living Centre. Its launch became immediately consumed with preparing for the COVID-19 pandemic, delaying some of our integration and business planning. We have caught up on this during the year and now have a new website, comms strategy, many new policies and fully integrated reception and site teams.

Succession planning

Elaine Flint, Co-Director, retired in March 21. This was planned and part of succession planning for the organisation. Joanna Holmes became CEO on 3 days per week and two new Deputy CEO's were appointed in July 21 to work alongside the existing Deputy, Paul Simpson. This was to build immediate strategic links across the City and capacity in the organisation for the period beyond Covid which we predicted would be tough for the communities we serve as well as for the demands placed on organisations such as Wellspring Settlement. Difficulties filling some vacancies meant that this capacity was used to cover the unfilled posts for some periods.

COVID-19 pandemic and beyond

Wellspring Settlement became the emergency hub for the Lawrence Hill ward, acting as part of a co-ordinated response with Bristol City Council, Feeding Bristol and many other organisations. As recorded fully in last year's Trustees Report, a comprehensive range of new and existing services were operated face to face, by phone as well as electronically.

The impact of this was stronger relationships with local people, new contacts with people who are isolated, as well as new opportunities for more strategic contracts across the City. Since then, this work has developed into looking at new, more integrated ways of working with the City Council and Health with two contracts directly coming from this and others in the pipeline including for welcome and warm spaces.

Our room bookings were zero during lockdown and restarted gradually, late in 2021. Our tenants remained stable during the covid period and are now all back working from site. The Micro Settlement was completed and the new tenants moved in during July 2021. We were delighted to welcome the University of Bristol and Bristol Refugee Rights as new tenants. We have focussed on many ways for the staff team to get to know each other both for the first time and renew face to face working for others. We have started a new communications team for staff across the organisation so that we expand our communications with the local community as they slowly return to pre covid daily routines and activities. The staff team have all had communications training, have joined reflective learning sets and there is a programme of ongoing learning prepared and starting in September 22.

One of the impacts of the covid period was some staff deciding to leave and there was approximately a one third staff churn. It has been sad to see people leave but also positive to welcome new staff who bring new energy and ideas. Our staff team are now 38% BAME, part of a longer-term plan to ensure our staff team reflects our diverse local communities. We were affected by the national issue of difficulty to recruit to some posts but have resolved this largely now, though some took much longer than normal and delayed some delivery e.g. CASS Manager vacancy.

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The longer-term impacts of covid are beginning to emerge with mental health issues featuring strongly for local people. The major issue though remains the underlying economic challenges which were so apparent during Covid and have been amplified further with the cost-of-living crisis. There have been many periods over the year when local residents have expressed anger at a scale not seen before by even long serving staff members who were born in this area. People feel their experience during covid, especially those in the overcrowded high-rise accommodation, was much worse than for others and that they are being made to pay for covid now the economic consequences are being understood. This is in addition to the impact on people's lives of over 10 years of austerity cuts which have decimated public services and other support.

Related Parties

We have had no related party transactions during the financial year.

Risk Management

The Board of Trustees conducts at least bi annual reviews of the major risks to which the charity is exposed, and this is logged in the Risk Management Register. Where appropriate, systems or procedures are established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of fundraising and unrestricted income generation strategies which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with Health and Safety of staff, volunteers, clients and visitors to the centres which include the creation of COVID-19 Safety Officers. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objects of the charity are, for the public benefit, the relief of poverty, the promotion of good health and the advancement of education in the counties of Bristol, South Gloucestershire, Bath and North East Somerset and North Somerset ("the Area of Benefit"), but with a particular focus on the residents of Lawrence Hill and Easton and the surrounding neighbourhoods, whether alone or in partnership with local residents and statutory, voluntary and other organisations in a common effort by:

advancing awareness and education around the issues of good health (mental and physical) and adopting and maintaining healthy lifestyles (which shall include promoting and encouraging public participation in healthy exercise and physical activity) and through the provision of support, education and practical advice reducing health inequalities, improving self-esteem and the health and wellbeing of the community so that conditions of life may be improved; and

providing or assisting in the provision of facilities in the Area of Benefit in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life; and

maintaining and managing community assets in the Area of Benefit and co-operating with any partner organisation in the maintenance and management of such assets and to develop further community assets for activities promoted by the charity in furtherance of its objects.

The Trustees of Wellspring Settlement have regard to the Charity Commission's guidance on public benefit in the delivery of the charity's purpose and aims.

Our activities, how we benefit the public:

Wellspring Settlement delivers a broad range of services under four hubs: Locality, Development, Community First and Families. We also act as landlord to 15 other organisations and rent out rooms for educational and leisure purposes.

The Locality Hub service delivery includes our social prescribing project, CASS partnership project, Muscular Skeletal Service, arts, and physical activities. We also combined this with community development during this period.

The impact of covid saw a significant shift in emphasis for the role of social prescribing within primary care, and it was no different in the Inner City and East locality. Demand continued to be significantly higher than expected,

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with mental health issues being particularly prevalent as services and local activities started to re-emerge post-covid. The Social Prescribing team worked exceptionally hard to manage complex needs and the service was greatly enhanced by the appointment of a Social Prescribing Manager in November 2021, ensuring structured support for the team and improved communication and collaboration with primary care partners. Over the financial year the Social Prescribing team received 1,705 referrals from the 12 practices across the three primary care networks, against a target of 1,367 referrals. Exceeding the target by 25% demonstrates the level of demand for the service both for local residents and for referrers.

Alongside this, the Physical Activities strand continued to play a significant part in improving the mental and physical health of people referred to social prescribing; our model for delivery was used as the basis for a collaboration with Wesport which secured funding from Bristol City Council to continue for a further year, alongside Southmead Development Trust and Knowle West Health Park in their respective areas of the city. The Arts strand worked closely with the Social Prescribing Team to deliver accessible arts activities to support people to build their social and cultural capital and collaborated with a local facilitator to form a new approach to narrative therapy that used comedy as a tool for wellbeing.

The CASS project was integrated into the Locality Hub in the second half of the year. A partnership between Wellspring Settlement, Knowle West Health Park and Southmead Development Trust, CASS played a key role in contributing to discussions and changes regarding the Community Mental health Framework and the Integrated Care Partnerships. As a key contact between commissioners, services and communities, CASS ensured that communities, and particularly those that are marginalised, were central to conversations around mental health transformation, with the ambition of making mental health services more appropriate and accessible.

The first half of the year included a well-attended city-wide CASS network event and the roll-out of the Wellbeing Pack project funded by the Libraries Innovation Fund; we led on the development of a How to Talk About Suicide booklet which received attention beyond the region and has been shared with other organisations as a template which can be adapted with information relevant to the local area.

Progress in the second year was affected by a delay in funding being extended, which led to significant changes in staffing; initial attempts to reform the team were hampered by a challenging job market, although by the end of the year we were able to appoint a new Community Engagement Worker. Nevertheless, during this time key communications work continued, with the CASS newsletter being set out to a growing mailing list, the CASS website and social media accounts being constantly updated and CASS marketing support strengthening the impact of the ongoing Black Men Talk Health workshops delivered by Nilaari and Rethink. Furthermore, the appointment of a new CASS Money and Mental Coordinator, funded by Bristol City Council, led to the development and rollout of workshops linking mental health with financial issues and wellbeing which were well received across the city, alongside the publication of a new Money and Mental Health book.

The experience of working with the statutory health system was defined by a constant need to evolve. The direction of travel has been positive with an increasing number of opportunities for Wellspring Settlement, as one representative of the VCSE, to engage with and help to define the narrative of health care in the city, in line with the overarching strategy for the health sector.

Fundamentally, there is a shared vision of advancing the social model of health; in practice, however, it has proved more complex: partly because of the reframing of priorities due to the pandemic, but also because of the difference in scale in which the two parties operate. The sense that the VCSE has to constantly justify having a seat at the table does place a burden on the team and the organisation. At a delivery level, for as significant as the social prescribing programme has been for the organisation, it still represents a small share of the work that primary care undertakes and can subsequently allocate time to. This has led to a misalignment in demand and expectations, with a financial and emotional burden placed on the organisation and its staff; a burden that is not necessarily reflective of intent within the health sector, but rather the level of need with communities and shortfall in funding and resources to address it.

2021/22 has continued to see a vast amount of change as the Clinical Commissioning Group continued to position itself for the emergence of the new Integrated Care Partnerships for Bristol, North Somerset and South Gloucestershire. Wellspring Settlement, as the VCSE Locality Lead for Inner City and East continued to work to understand its representational role in an opaque and difficult to manage system that was in a program of strain, transition and uncertain reform. Options presenting to the Wellspring Settlement ranged from fully investing unfunded resource into the population health agenda at a local, city and regional level to withdraw to focus on a

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more localised strategy and work to clear community informed priorities. Ultimately the decision to broaden our representation engagement in the system from across the organisation at local level enabled the Deputy CEO leading on Health to contribute to a stronger VCSE regional position, using our collective voice and influence and power to ensure genuine participation and meaningful change was the consistent message and direction preferred. The VCSE Locality partnership has continued to grow in its influence and is recognised at system level. The aim continues to be championing for a joint strategic position with an understanding and mutual respect of how the VCSE sector works and the social value it contributes.

This period was a transitional time for the Economic Development Hub as it moved into the new structure of the organisation, becoming the **Development Hub** and as the Hub Manager moved into one of the three Deputy CEO roles at the end of July.

From April to the end of September **BOOST Finance** continued to deliver its final 6mths of its Bristol Impact Fund 1 provision. BOOST adapted its model to accommodate COVID safe guidelines, offering socially distanced 1:1 and facilitated zoom appointments and telephone support. The service supported 159 people, from April to Sept, exceeding its targets considerably and the project continued to recruit to its volunteer program. 67% of those attending reported an increase in their knowledge to be able to make more informed financial decisions. In October BOOST began its 4yr Bristol Impact Fund 2 BOOST Community model, with a focus on community champions and working with role models. The project is also working alongside the University of Bristol to explore financial resilience within communities.

The **Food Club** welcomed its new coordinator in post, and we established the Kitchen Equipment Library which has proved very popular with Food Club members, as well as events such as an Apple Day, Cooking Group, Winter Gathering and After School Cooking Club, where a Food Club member attended a Food Leaders Club facilitated in partnership with Square Food, and the member was supported to deliver groups to 5 local families. The service has continued to be actively involved in discussions focused on a Food Strategy for the area, and in the Bristol-wide Food Equality Strategy consultation. Referrals and self-referrals have been constantly high throughout this period with 107 registered members. However, it is more noticeable that some longer-term members are having to make tough decision with regards to coming every week (maybe every two or three weeks or stop attending for a period) as when under pressure, the challenge of unpredictable ingredients / box contents feels risky, particularly if they have children or dietary needs. We can only address this to a degree, by sharing recipes and requesting from Fareshare that halal/vegan/vegetarian options are available, so the boxes meet as many needs as possible.

Supported by the **West of England Works Project** our community-led **Routes to Community Influence** (in partnership with the University of Bristol), report was presented in an event at the Engine Shed attended by several employers, including Burges Salmon, Digital marketing employer, Adult Social Care agency and retail representatives among others. The report was well received with employers interested in the self-exclusion element of the work that identified that a lot of people carry around the negative perceptions and narratives of the community and don't see the opportunities as applicable or relevant to them. There was also interest in how we can promote the skills of this area (33% of those talked to were educated to degree+ level/ 15 languages were fluently spoken in amongst the pool of 60 people). There was an emphasis on what could really be influenced on a hyper local level without bigger changes, minimum wages, employee rights etc, but also the ideas of changes starting off small and a commitment to change. The report was published in November.

WOEW has been continuing to grow referral pathways and work in partnership with DWP to support those furthest from the workplace as it coped with people recovering from the various lockdowns and many of the referral partner organisations were not open to full capacity running services. This also coincided with Restart starting and competition saw a loss of huge numbers of potential clients to mandated DWP programmes. In October the project recruited 2 new caseworkers and began running more outreach events in the community to help advertise WOEW and wider settlement services. This led to an increase of referrals for the over 50's, women and refugees. The demand for training as a goal also increased, in particular for ESOL and IT as the project saw an increased in the number of people who did not speak English.

Our Community Inclusion work was evaluated and a decision made to make some changes as it moved into our newly created **Community First Hub**. We decided that we needed to respond to the fears of local residents about re-emerging post covid and felt this was more of an issue in this area than in most other places in the City. This may be because of the terrible time people had or because the area is very overcrowded, and people were

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worried about the high level of contact with others.

We decided to create 4 new posts which focussed on community engagement, building relationships and conversations with people to ensure good contact with the organisation and each other and increased activities for people. We separated community development and made this a function which is part of the core services team and works with all staff and the community building community led responses to issues the community faces. This has taken time but is fully functional after the period of this report, including re-opening the café as a volunteer run community cafe. It was further delayed by the long-term illness of the manager.

The Family Hub has delivered to a full menu of family support during this period. Overall attendance was 331 males and 719 females who broadly reflected the local demographics for ethnicity with the majority being of BAME backgrounds, the largest single group being Somali, and 30% white British in most of the family services. Parenting programmes resumed on site and services are now fully accessible with no booking restrictions. Universal services have enabled parents to take their first steps out of lockdown and share information with other parents and staff about their lockdown experiences and the impact this has had on whole families and child development.

Referrals to more specialist support have been made to offer reassurance for families and improved child health and wellbeing outcomes. We continue to work in partnership with health including on-site support working with health partners, Speech and language therapists, health visitors and ante natal groups delivered by the WHLC midwives. We are extending our health partnerships by offering parents with children affected by Asthma monthly sessions on site with health partners, to improve access and engagement working within a community model moving away from a clinical model to improve access and engagement for families.

We have resumed supervised contact visits for local parents of children in care which enables easy access for parents and children who are familiar with the setting and improves attachment for the whole family working towards children being returned to the family home.

The Creative Connections project (moved under the family hub management during this period) is funded by ARHC to undertake a program of art activities as a research project to gather information on experiences during lockdown. The project is assessed in terms of achieving its stated milestones and evaluating impact. In total 30 parents were recruited to the project including, 5 Art researchers, of these 4 progressed to co-facilitate the groups. A campaign presenting the participants' experience was developed by the project team, Rising Art, and a commissioned artist completed the campaign designs ready for October 22. A celebration event was held to present the campaign to the participants, which was attended by 17 participants and 48 people all together.

Strengthening Families Strengthening communities delivered 4 parenting programmes during this period. 36 parents have attended at least one session of the programme. We have had 31 completers. A new staff member that started in June and recently trained (in July) to deliver upcoming SFSC programmes. 2 workshops were also delivered at The Vench Lockleaze in March and April with a total of 11 attendees.

A new programme started this year called The Holiday Activity Fund and the delivery started in April 2022, just after the financial year end.

The project has responded to parents wanting more youth services by successfully recruiting two detached youth engagement worker posts, this work will be visible out in the community for 2 evening sessions per week in early October. This work will enable Wellspring Settlement to gather information from our younger residents and give them a voice in the form of a steering group to inform the development of the Swan provision and wider youth offer.

Other Projects

We have continued developing the Social Justice Project with the University of Bristol which has widened to include community anchors from across the City. We are also working with them on the Bristol Model which involves working with students and researchers on our database as well as the Many Neighbourhoods, One City project to explore how information held in communities can provide granular information which the City needs to inform its policy development and planning.

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Work has continued in the Make it Local programme to consider ways of us intervening in Adult Social Care which improves the options for people who need adult social care as well as broadening community level early intervention and prevention schemes so that people remain independent with a good quality of life for as long as possible. We are considering establishing an Introductory Agency to match self-employed local residents with people who need care.

We have submitted a planning application for The Swan public house and started enabling works to make it watertight and stabilise the structure. We remain committed to using it for youth work in the evenings and weekends and community use during the day, with offices for community organisations on the first floor. Original aspirations to convert the first floor to housing were thwarted by it being too expensive to ensure harmonious dual use.

We have been working with partners looking at the Temple Quarter development which is close to our area to see if we can create opportunities for people who live in Barton Hill and Lawrence Hill. The development is large and it is a huge challenge and opportunity.

ACHIEVEMENT AND PERFORMANCE

Some statistics about the take-up of our services

We worked in depth with 3,519 people who attended services 57,380 times during this period.

Our rooms to rent were not open for the full year but nevertheless 9,510 people used this service.

The profile of the people who come to our sessions broadly reflect the local demographic of 33% white British, 30% African, 12% other BAME groups. There is some variation of this as our social prescribing team work across the inner city and east Bristol which does not have such a high BAME population.

We worked with a slight majority of females and the largest number for age range was in the 25- 49 year old category.

Some quotes from people who we worked alongside:

"The training provided by CASS was a great way to understand and help others deal with debt. It was very helpful to know the options available to support those in debt, and to know what should be treated as a priority debt and non-priority debt. It was a great resource for looking at those in debt in an inclusive way in which individual needs can be supported and provide understanding of how debt and mental health are linked."

"I am writing this email to send a massive thank you to xxx who is your social prescriber. She has been amazing she helped me manage to get some help from the council due to the major problems and damp within my current home. I have been under a lot of stress and pressure and it made everything so much easier having someone to help and talk to and guide me in the right direction of help I didn't realise was available."

She managed to speak to the council and kept informing me of the progress. She listened to everything I had to say and never judged my situation.

She really is so good at her job, she's made myself and my little girl really happy in our new home and I wouldn't of been able to do this without her. She's so professional, kind and caring she is a credit to her organisation."

"I feel connected in a way I haven't in a long time"

"It makes me feel hopeful and that now is the time to have a voice and be acknowledged"

Highlights

- 0-5 hub, a very successful model of partnership working with health services fully accessible to our families in a community setting

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

- Creation of a new website to communicate better with communities coming out of lockdown
- Partnership with the University of Bristol
- Starting work on redeveloping The Swan
- First Apple Day event which was well attended by local residents

Challenges

- Impact of cost of living and lack of respite post covid to re charge batteries for local residents and staff
- Recruitment of staff
- How to navigate the focus on communities by health and the local authority as answers to the complex problems of public service near collapse

FINANCIAL REVIEW

The Statement of Financial Activities (SoFA), set out on page 16 is designed to reflect all incoming resources receivable in the year. Gross income of £1,750,390 (2021: £1,989,505) decreased by £239,115, a decrease of 12%. Charitable expenditure decreased by 3% to £1,866,103 for the year (2021: £1,924,909). Of the total outgoing resources, £1,231,309 relates to restricted projects and £634,794 to unrestricted projects. General reserves now stand at £4,202,212 and the restricted fund balances amount to £56,199 (see note 17).

Investment policy

The organisation does not hold any investments other than cash on deposit.

Reserves policy

Wellspring Settlement recognises the importance of maintaining an appropriate level of reserves to allow for contingency planning or action. Wellspring Settlement will aim to develop the level of reserves at three months operational costs.

Reserves will be reviewed at meetings of the Board meeting at least half yearly, or more frequently if required. Decisions regarding the use of reserves will be informed by the Board.

Principal Funding Sources

We have a range of funding agreements with:

Weston College
Bristol Clinical Commissioning Group
Sirona
Bristol City Council
John James Foundation
John Armitage Charitable Trust
Social Investment Business
St Monica's Trust
and many others.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Will Bee
Chair of Trustees

Date: 13/12/22

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WELLSPRING SETTLEMENT

OPINION

We have audited the financial statements of Wellspring Settlement (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WELLSPRING SETTLEMENT (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WELLSPRING SETTLEMENT (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 have considered the nature of the sector, control environment and financial performance of the entity;
- We have considered the results of enquiries with management and Trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and FRS 102 and UK tax legislation.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery,

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WELLSPRING SETTLEMENT (CONTINUED)

misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 21 December 2022

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | - | 136 | 136 | 5,895 |
| Charitable activities | 5 | 705,749 | 1,044,505 | 1,750,254 | 1,981,963 |
| Investments | 6 | - | - | - | 1,647 |
| Total income | | 705,749 | 1,044,641 | 1,750,390 | 1,989,505 |
| Expenditure on: | | | | | |
| Charitable activities | 7 | 1,231,309 | 634,794 | 1,866,103 | 1,924,909 |
| Total expenditure | | 1,231,309 | 634,794 | 1,866,103 | 1,924,909 |
| Net (expenditure)/income | | (525,560) | 409,847 | (115,713) | 64,596 |
| Transfers between funds | 17 | (2,903,736) | 2,903,736 | - | - |
| Net movement in funds | | (3,429,296) | 3,313,583 | (115,713) | 64,596 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 3,485,495 | 888,629 | 4,374,124 | 4,309,528 |
| Total funds carried forward | | 56,199 | 4,202,212 | 4,258,411 | 4,374,124 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 34 form part of these financial statements.

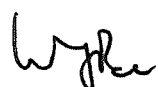
WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:05031499

BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 5,915,299 | 6,051,989 |
| | | <u>5,915,299</u> | <u>6,051,989</u> |
| Current assets | | | |
| Debtors | 13 | 219,761 | 223,450 |
| Cash at bank and in hand | | 119,212 | 233,177 |
| | | <u>338,973</u> | <u>456,627</u> |
| Creditors: amounts falling due within one year | 14 | (748,820) | (621,067) |
| Net current liabilities | | <u>(409,847)</u> | <u>(164,440)</u> |
| Total assets less current liabilities | | <u>5,505,452</u> | <u>5,887,549</u> |
| Creditors: amounts falling due after more than one year | 15 | (1,228,384) | (1,486,179) |
| Provisions for liabilities | | (18,657) | (27,246) |
| Total net assets | | <u><u>4,258,411</u></u> | <u><u>4,374,124</u></u> |
| Charity funds | | | |
| Restricted funds | 17 | 56,199 | 3,485,495 |
| Unrestricted funds | 17 | 4,202,212 | 888,629 |
| Total funds | | <u><u>4,258,411</u></u> | <u><u>4,374,124</u></u> |

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Will Bee
Chair

Date:

13/12/22

The notes on pages 19 to 34 form part of these financial statements.

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 44,156 | 201,749 |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | - | 1,647 |
| Purchase of tangible fixed assets | (59,373) | (504,153) |
| Net cash used in investing activities | (59,373) | (502,506) |
| Cash flows from financing activities | | |
| Repayments of borrowing | (98,748) | (22,178) |
| New borrowing | - | 250,000 |
| Net cash (used in)/provided by financing activities | (98,748) | 227,822 |
| Change in cash and cash equivalents in the year | (113,965) | (72,935) |
| Cash and cash equivalents at the beginning of the year | 233,177 | 306,112 |
| Cash and cash equivalents at the end of the year | 119,212 | 233,177 |

The notes on pages 19 to 34 form part of these financial statements

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. GENERAL INFORMATION

The company, formed on 2 February 2004, is limited by guarantee (No. 5034199) and is a registered charity (No. 1103139). The charity is registered in England and Wales. The charity's registered office is 43 Ducie Road, Barton Hill, Bristol, BS5 0AX.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wellspring Settlement meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 GOING CONCERN

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the Trustees consider appropriate having regard to the current level of unrestricted reserves. The Trustees have considered the consequences of COVID-19 and have determined that they do not create a material uncertainty that casts significant doubt upon the charities ability to continue as a going concern. The actual and projected Covid support Income from Trusts, Government and local authorities heavily mitigate any projected losses incurred by the Charity.

As a result there are no material uncertainties about the charity's ability to continue as a going concern.

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|-----------------------|---|--------------------------|
| Freehold property | - | 2% Straight Line Method |
| Fixtures and fittings | - | 10% Straight Line Method |
| Motor vehicles | - | 20% Straight Line Method |
| Microsettlements | - | 4% Straight Line Method |
| Computer equipment | - | 33% Straight Line Method |
| Other fixed assets | - | 10% Straight Line Method |

2.6 DEBTORS

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

2.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.8 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.10 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 FUND ACCOUNTING

General funds are unrestricted funds which 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.

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 costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------|------------------------------------|-----------------------------|-----------------------------|
| Donations | 136 | 136 | 5,895 |

5. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|----------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Grants and contracts | 705,749 | 463,832 | 1,169,581 | 1,182,424 |
| Service charges | - | 106,145 | 106,145 | 119,832 |
| Room hire | - | 32,415 | 32,415 | 2,696 |
| Rental income | - | 394,116 | 394,116 | 372,107 |
| Other earned income | - | 45,968 | 45,968 | 293,389 |
| Consultancy | - | 2,029 | 2,029 | 11,515 |
| | 705,749 | 1,044,505 | 1,750,254 | 1,981,963 |
| TOTAL 2021 | 1,014,616 | 967,347 | 1,981,963 | |

6. INVESTMENT INCOME

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Investment income | - | - | 1,647 |

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|-----------------------|--|--|-----------------------------|-----------------------------|
| Charitable activities | 1,231,309 | 634,794 | 1,866,103 | 1,924,909 |
| TOTAL 2021 | 1,052,157 | 872,752 | 1,924,909 | |

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------|--|---|---------------------------------------|---------------------------------------|
| Charitable activities | 1,118,939 | 747,164 | 1,866,103 | 1,924,909 |
| TOTAL 2021 | 1,251,370 | 673,539 | 1,924,909 | |

ANALYSIS OF DIRECT COSTS

| | Total funds 2022 £ | Total funds 2021 £ |
|----------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 1,052,831 | 1,173,537 |
| Catering & provision costs | 2,657 | 3,285 |
| SLA provision | 59,290 | 70,864 |
| External contract costs | 4,161 | 3,684 |
| | 1,118,939 | 1,251,370 |

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

| | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------------------|-----------------------------|-----------------------------|
| Depreciation | 196,063 | 166,421 |
| Other staff costs | 7,108 | 9,189 |
| Premises costs | 212,814 | 156,842 |
| Computer and office supplies | 86,473 | 130,321 |
| Governance and professional costs | 56,189 | 42,258 |
| Marketing and subscriptions | 392 | 1,595 |
| Insurance | 24,457 | 21,418 |
| Bank and interest charges | 56,613 | 43,819 |
| FOCUS | 12,452 | 6,801 |
| External partners | 83,889 | 90,249 |
| Vehicle costs | 1,854 | 1,115 |
| Bad debts | 8,860 | 3,511 |
| | <u>747,164</u> | <u>673,539</u> |

9. AUDITORS' REMUNERATION

| | 2022 £ | 2021 £ |
|--|---------------|--------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | <u>10,275</u> | <u>9,850</u> |

10. STAFF COSTS

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Wages and salaries | 940,581 | 1,048,294 |
| Social security costs | 68,835 | 76,607 |
| Contribution to defined contribution pension schemes | 43,415 | 48,636 |
| | <u>1,052,831</u> | <u>1,173,537</u> |

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

| | 2022 No. | 2021 No. |
|-------|---------------------|---------------------|
| Staff | 74 | 63 |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the Deputy Director and both Co-Directors. The total employee benefits of the key management personnel, comprising gross salary, employers' national insurance and employers' pension contributions was £179,902 (2021: £174,669).

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

**WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. TANGIBLE FIXED ASSETS

| | Freehold property £ | Micro- settlements £ | Motor vehicles £ | Fixtures, fittings & equipment £ | Total £ |
|--------------------------|---------------------------|----------------------------|------------------------|---|------------|
| COST OR VALUATION | | | | | |
| At 1 April 2021 | 6,978,859 | 719,911 | 13,200 | 307,991 | 8,019,961 |
| Additions | 47,162 | 3,809 | - | 8,402 | 59,373 |
| At 31 March 2022 | 7,026,021 | 723,720 | 13,200 | 316,393 | 8,079,334 |
| DEPRECIATION | | | | | |
| At 1 April 2021 | 1,704,399 | 14,083 | 13,200 | 236,290 | 1,967,972 |
| Charge for the year | 141,213 | 28,949 | - | 25,901 | 196,063 |
| At 31 March 2022 | 1,845,612 | 43,032 | 13,200 | 262,191 | 2,164,035 |
| NET BOOK VALUE | | | | | |
| At 31 March 2022 | 5,180,409 | 680,688 | - | 54,202 | 5,915,299 |
| At 31 March 2021 | 5,274,460 | 705,828 | - | 71,701 | 6,051,989 |

13. DEBTORS

| | 2022 £ | 2021 £ |
|--------------------------------|-----------|-----------|
| DUE WITHIN ONE YEAR | | |
| Trade debtors | 173,233 | 165,231 |
| Other debtors | 7,585 | - |
| Prepayments and accrued income | 38,943 | 58,219 |
| | 219,761 | 223,450 |

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Bank loans | 253,682 | 94,635 |
| Trade creditors | 90,324 | 121,541 |
| Other taxation and social security | 44,114 | 78,072 |
| Other creditors | 63,852 | 45,741 |
| Accruals and deferred income | 296,848 | 281,078 |
| | <u>748,820</u> | <u>621,067</u> |
| | 2022 £ | 2021 £ |
| Deferred income at 1 April 2021 | 256,249 | 32,913 |
| Resources deferred during the year | 295,648 | 256,249 |
| Amounts released from previous periods | (256,249) | (32,913) |
| | <u>295,648</u> | <u>256,249</u> |

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2022 £ | 2021 £ |
|-------------|------------------|------------------|
| Bank loans | 222,289 | 356,822 |
| Other loans | 1,006,095 | 1,129,357 |
| | <u>1,228,384</u> | <u>1,486,179</u> |

Included within the above are amounts falling due as follows:

| | 2022 £ | 2021 £ |
|-----------------------------------|----------------|------------------|
| BETWEEN ONE AND TWO YEARS | | |
| Bank loans | 38,381 | 134,532 |
| Other loans | 61,320 | 50,339 |
| | <u>100,000</u> | <u>184,871</u> |
| BETWEEN TWO AND FIVE YEARS | | |
| Bank loans | 183,908 | 120,567 |
| Other loans | 205,354 | 65,762 |
| | <u>389,262</u> | <u>186,329</u> |
| OVER FIVE YEARS | | |
| Bank loans | - | 101,723 |
| Other loans | 739,421 | 1,013,256 |
| | <u>739,421</u> | <u>1,114,979</u> |

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The original loan with Lloyds bears interest at a rate of 6.95% and was taken out in November 2009. The charity took a second loan with Lloyds with an interest rate of 7.205%, repayable over 10 years, in March 2011. The loans are secured by a legal charge over 22 - 28 Bright Street and 3 - 9 Morley Road. The Farmhouse Building rebuild was part funded by a loan from Futurebuilders England, repayable over 21 years, commencing on 1 March 2021. Interest was charged at 0.5% until November 2019, then at 5% for three years and is subject to an annual review. This loan is secured by a legal charge on the Farmhouse building. During the year ended 2017 the bank overdraft was converted to a third loan with Lloyds, repayable over 10 years with interest payable at bank rate plus 3.85%. The purchase of the Swan was funded by a loan with a charge over the property, repayable over 8 years with a fixed interest rate of 4.5%.

16. PROVISIONS

| | 2020 £ |
|-----------------|--------------------|
| At 1 April 2021 | 27,246 |
| Amounts used | (8,589) |
| | <hr/> 18,657 <hr/> |

A provision is recognised for the future maintenance of the freehold property at Beam Street.

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|---|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| General funds | 888,629 | 1,044,641 | (634,794) | 2,903,736 | 4,202,212 |
| RESTRICTED FUNDS | | | | | |
| Freehold WHLC | 2,090,223 | - | (52,549) | (2,037,674) | - |
| SPEAR grants | 6,500 | 35,446 | (41,946) | - | - |
| COVID Income | - | 10,963 | (10,963) | - | - |
| CAF Resilliance Fund | 6,698 | - | (6,698) | - | - |
| BCC grants | 6,144 | - | (1,476) | - | 4,668 |
| CASS | 43,888 | 164,630 | (208,518) | - | - |
| Other restricted funds | 52,497 | 95,621 | (96,587) | - | 51,531 |
| The Network | 12,590 | 58,209 | (70,799) | - | - |
| St Pauls Nursery | - | 80,000 | (80,000) | - | - |
| Farmhouse development | 558,864 | - | (36,713) | (522,151) | - |
| John James Foundation - community fridge | 2,582 | - | (2,582) | - | - |
| Microsettlement | 703,509 | - | (359,598) | (343,911) | - |
| University of Bristol Fellowship Grant | 2,000 | 30,736 | (32,736) | - | - |
| BOOST | - | 40,449 | (40,449) | - | - |
| West of England Works | - | 125,876 | (125,876) | - | - |
| SPAN | - | 63,819 | (63,819) | - | - |
| | 3,485,495 | 705,749 | (1,231,309) | (2,903,736) | 56,199 |
| TOTAL OF FUNDS | 4,374,124 | 1,750,390 | (1,866,103) | - | 4,258,411 |

**WELLSPRING SETTLEMENT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. STATEMENT OF FUNDS (CONTINUED)

Restricted Funds

Freehold WHLC – this balance reflects the transfer of buildings to the newly formed Wellspring Settlement, transferred from Wellspring Healthy Living Centre, following the merger on 1 February 2020.

Spear, Bristol Ageing Better, BCC Grants, Cass, The Network and John James Foundation – Restricted income unspent balances will be spent in 2021– 22. All funds are used to provide services across all our Impact areas.

Farmhouse development – balance reflects the amount funded by Futurebuilders England and NHS Building Fund, less non-capital spending on the project to redevelop the Farmhouse and includes tenant specific requirements for the farmhouse development.

George Wills Hall – the charity received funds from Bristol City Councils CIL fund, these funds will be used for a new roof and the addition of accessible facilities at the venue.

Microsettlement – these funds were used in the construction of the new building project as outlined in the Report from the Trustees.

Strong Families – this fund includes both the Family Centre Project from previous years together with our SPAN project. The Family Centre received funding from St Pauls Children's centre and Children in Need whilst SPAN's grants include Impact Funding from Bristol City Council together with funding to deliver Strengthening Families Strengthening Communities courses.

Economic Resilience – encompasses BOOST Finance and West of England Works projects, funding is aimed at improving local people's economic prospects.

Transfers between funds

During the year the Trustees reviewed the funding restrictions that had attached to the property acquisitions. The Trustees consider that all restrictions have been fulfilled and consequently these amounts have been transferred to unrestricted funds in the current year.

WELLSPRING SETTLEMENT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 5,915,299 | 5,915,299 |
| Current assets | 56,199 | 282,774 | 338,973 |
| Creditors due within one year | - | (748,820) | (748,820) |
| Creditors due in more than one year | - | (1,228,384) | (1,228,384) |
| Provisions for liabilities and charges | - | (18,657) | (18,657) |
| TOTAL | 56,199 | 4,202,212 | 4,258,411 |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 3,352,596 | 2,699,393 | 6,051,989 |
| Current assets | 333,381 | 123,246 | 456,627 |
| Creditors due within one year | (200,482) | (420,585) | (621,067) |
| Creditors due in more than one year | - | (1,486,179) | (1,486,179) |
| Provisions for liabilities and charges | - | (27,246) | (27,246) |
| TOTAL | 3,485,495 | 888,629 | 4,374,124 |

WELLSPRING SETTLEMENT
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|---|---------------------------------|-------------|------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| General funds | 997,248 | 974,889 | (872,752) | (210,756) | 888,629 |
| RESTRICTED FUNDS | | | | | |
| Freehold WHLC | 2,142,772 | - | (52,549) | - | 2,090,223 |
| SPEAR grants | 6,500 | 71,399 | (71,399) | - | 6,500 |
| COVID Income | 4,839 | - | (4,839) | - | - |
| CAF Resilliance Fund | - | 49,679 | (42,981) | - | 6,698 |
| BCC grants | 8,642 | 86,332 | (88,830) | - | 6,144 |
| CASS | 43,888 | 173,605 | (173,605) | - | 43,888 |
| Other restricted funds | 46,338 | 107,584 | (101,425) | - | 52,497 |
| The Network | 12,590 | 90,052 | (90,052) | - | 12,590 |
| Farmhouse development | 594,377 | - | (35,513) | - | 558,864 |
| John James Foundation - community fridge | 6,195 | - | (3,613) | - | 2,582 |
| George Wills Hall | 45,000 | - | (45,000) | - | - |
| Microsettlement | 401,139 | 108,013 | (16,399) | 210,756 | 703,509 |
| The Swan | - | 33,470 | (33,470) | - | - |
| University of Bristol Fellowship Grant | - | 38,975 | (36,975) | - | 2,000 |
| BOOST | - | 97,976 | (97,976) | - | - |
| West of England Works | - | 86,272 | (86,272) | - | - |
| SPAN | - | 71,259 | (71,259) | - | - |
| | 3,312,280 | 1,014,616 | (1,052,157) | 210,756 | 3,485,495 |
| TOTAL OF FUNDS | 4,309,528 | 1,989,505 | (1,924,909) | - | 4,374,124 |

WELLSPRING SETTLEMENT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2022 £ | 2021 £ |
|--|---------------|----------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | (115,713) | 64,596 |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 196,063 | 166,421 |
| Dividends, interests and rents from investments | - | (1,647) |
| Decrease in stocks | - | 307 |
| Decrease in debtors | 3,689 | 38,686 |
| Decrease in creditors | (31,294) | (66,614) |
| Movement in provisions | (8,589) | - |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 44,156 | 201,749 |

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Cash in hand | 119,212 | 233,177 |
| TOTAL CASH AND CASH EQUIVALENTS | 119,212 | 233,177 |

21. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 April 2021 £ | Cash flows £ | At 31 March 2022 £ |
|--------------------------|-------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 233,177 | (113,965) | 119,212 |
| Debt due within 1 year | (94,635) | (159,047) | (253,682) |
| Debt due after 1 year | (1,486,179) | 257,795 | (1,228,384) |
| | (1,347,637) | (15,217) | (1,362,854) |

**WELLSPRING SETTLEMENT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £43,415 (2021: £48,636) with a balance of £6,195 (2021: £6,114) payable at the balance sheet date which is included in creditors.

23. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|--|--------------|-----------|
| Not later than 1 year | 2,856 | - |
| Later than 1 year and not later than 5 years | 4,563 | - |
| | <u>7,419</u> | <u>-</u> |

24. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

25. RELATED PARTY TRANSACTIONS

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2022.