THE MUSTARD TREE FOUNDATION (READING)

England & Wales · Charity number 1104631

Details

Status	Registered
Legal form	Charitable company
Company number	04986086
Registered	2004-06-29
Register	View on the Charity Commission register

Contact

Address	4 Sackville Street Reading RG1 1NT
Phone	01189567000
Email	info@themustardtree.org
Website	www.themustardtree.org

Activities

Objects: The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith. To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by: (a) The promotion of improved health and wellbeing and the relief of poverty and distress. (b) To provide or assist in the provision of facilities and services that empower individuals to develop personally, and to build stronger and more cohesive communities.

Activities: The Mustard Tree is a Reading based charity supporting people who are often overlooked or marginalised. Working through partnerships with local communities, charities and statutory organisations we innovate and develop projects that reduce health and social inequalities, increase community engagement, and give a voice to the unheard.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Reading

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£297,852	£270,265	-	-
2024-12-31	£306,002	£335,196	-	-
2023-12-31	£489,828	£434,330	-	-
2022-12-31	£544,776	£503,313	£132,324	18
2021-12-31	£495,168	£501,916	-	-
2020-12-31	£341,130	£331,616	-	-

Trustees

Name	Role	Appointed
MR M J PENSON	Chair	
Alison Awuku		2021-08-16
DAVID GIBBONS		2021-10-21
Dr JOHN HAWKINS OBE		2015-09-01
Isabel Challis		2023-02-16
Kevin James Potter		2019-02-27

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THE MUSTARD TREE FOUNDATION (READING)

England & Wales - Charity number 1104631

Accounts

The Mustard Tree

ANNUAL REPORT AND ACCOUNTS

2025

Message from the CEO

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I am delighted to share the impact The Mustard Tree made in our community during 2025. It has been a year of growth and collaboration as we continued to plant hope and cultivate change. Highlights included a 28% increase in young people receiving mentoring, double the number accessing our Creative Opportunities, an 8% growth in our Engage volunteer team, and a 68% increase in Rahab outreach activity.

Throughout the year, we worked closely with the people we support, alongside statutory and voluntary sector partners, to ensure our services reflected the needs and aspirations of our local community. Through these strong partnerships, we expanded wellbeing support for young people, strengthened services for older people to age well in our communities and developed more accessible holistic support for women. We also developed volunteering opportunities and were encouraged to see people with lived experience using their skills and insight to support others, build resilience, and foster community.

As a Christian charity, we are guided by values of compassion, integrity, and inclusivity, and we are grateful to God for the people, partnerships, and provision that make this work possible. Looking ahead to 2026, I am excited by new connections and opportunities that will reduce isolation and demonstrate the power of support, empowerment, and community in action. I offer my heartfelt thanks to our volunteers, partners, and supporters. Together, we continue to nurture hope and create lasting change.

Katherine Shepherd

Our projects

Our projects are driven by local people through the networks and partnerships we have built over the last 20 years.

In 2025 we reached over 430 people with our 172 volunteers alongside 34 partners. We also trained over 200 people.

The Mustard Tree Foundation innovate and develop projects, working closely with people at the heart of our diverse community. Our mission is to:

- **Reduce health and social inequalities,**
- **Build stronger and more connected communities**
- **Give a voice to the unheard**

Our work supports people to overcome barriers to inclusion and achievement by creating opportunities and reducing isolation. As a charity with a Christian ethos the projects we generate are inspired by our faith. We work to break down barriers, challenge stigma, and bring hope and opportunity to those who are too often overlooked.

ENGAGE BEFRIENDING

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

RAHAB

Offering care and hope, to sex workers and those at risk of sex working in Reading.

STARTING POINT

Providing mentoring and creative opportunities for young people aged 11–25 who face disadvantage.

engage

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

THE YEAR IN NUMBERS:

81
VOLUNTEERS

3,888
HOURS OF VOLUNTEERING

138
PEOPLE POSTED OUR NEWSLETTERS

162
SERVICE USERS

13
DROP-INS

"We enjoy our varied conversations on a variety of topics and an hour and a half passes really quickly."

Engage client

WHAT WE DO

- One-to-one befriending, either in person or on the telephone. Providing a regular visit to look forward to and bring a smile.
- Some of our Engage Friends struggle to get out and about so our volunteers take them on local outings for a treat.
- We have a connected status, so those who don't want a regular volunteer befriender can get a less frequent call to check all is ok and can access our other services.
- Coffee mornings provide a friendly environment to make new friends and feel part of community. We also invite our friends along to offer advice like the Remap and Citizens Advice energy team.

>>

Our regular drop-in

The Christmas party

The Engage team at the Christmas party

- Monthly newsletter highlighting local activities, new hobbies to try and a wordsearch which is particularly popular. It means when someone is unable to get out of the house they can still feel connected to community. It is also lovely to receive in the post rather than bills! View our latest newsletter here
- Our Christmas Party is now an annual event. Our volunteers provide transport so no one is left out and we have carol singing, quizzes and lots of cake!
- Regular email news sent to volunteers which highlights services locally they can connect their Engage friend to, and opportunities to access training.
- We have partnerships with Age UK Berkshire, Age UK Reading and Communicare, commissioned together by Reading Council to ensure our community ages well. We provide a range of activities between us including befriending, social clubs, information and advice. We also work with other local charities, health and social care professionals to identify older people who will benefit from our services and ensure they have access to support.

VOLUNTEERING

Our volunteers are absolutely vital to the service we provide and do an amazing job. Hear two of our volunteers talking about what it's like to be a befriender here

Whether visiting or phoning people, compiling and posting the newsletter or helping at our drop in, everyone makes a big difference. Our volunteers range in age, our oldest being 88.

"The scheme has saved my life. You have good get togethers. It's all great."

Engage client

"I have someone to look forward to visiting me."

Engage client

RAHAB

Rahab is an outreach caring for on-street sex workers in Reading.

THE YEAR IN NUMBERS

169 OUTREACH SESSIONS

680 HOURS OF VOLUNTEERING

17 VOLUNTEERS

40 DAYTIME OUTREACHES

55 SERVICE USERS

"You're brilliant, because you are on our side"

Rahab service user.

In 2025 year Rahab celebrated our 20 year anniversary. Over the year our support has included:

- helping one woman move into secure accommodation
- supporting two women whilst they were in hospital with serious health issues. Both appreciate the regular visits from volunteers and the supplies they brought in, one saying she had managed to remain in hospital for as long as she had needed to (previously she had discharged herself too early) feeling a peace that she had never experienced before
- supporting a woman who had experienced serious sexual violence and was very fearful not wanting to talk to anyone. With support from Rahab staff and volunteers she was able to access the help she needed and is now in a safe place.

Over the year we have developed joint working with other agencies. CGL (Change Grow Live, the local agency working to reduce drug and alcohol addiction) and a nurse from the Florey sexual health unit now join us regularly on the streets at night. This has had a significant impact on the wellbeing of the women we meet, as they can access the help they need when they need it.

Over the last year we have begun two daytime multi agency drop ins to bring services to the women during the week staff from drug, health and housing agencies are available to meet with the women and offer help as needed.

We have also developed closer links with Bronzefield prison, attending safer streets meetings with other agencies and prisoners the prison, to offer support to women for when they are released.

SUPPORTERS

Rahab is predominately a team of amazing volunteers and we want to say thank you to all of them who go out to meet the women in all weathers offering befriending and prayer, supporting the women to appointments, offering practical help, and attending drop-ins and providing activities for the women who attend.

We are also very grateful to all those who provide outreach supplies and gifts for the women. Your support is essential and the Christmas gifts bring a smile to the women's faces each year.

"Because you are here and can help me, I can reduce my £100 a day heroin addiction and I won't need to [sex] work so much"

Rahab service user.

STARTINGPOINT

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

STARTING POINT IN NUMBERS

220+ YOUNG PEOPLE SUPPORTED

65 VOLUNTEERS

72 YOUNG PEOPLE MENTORED

38 YOUNG PEOPLE SUPPORTED BY NAVIGATORS

72 YOUNG PEOPLE ATTENDED THE HUB DROP-INS

12 CREATIVE PROJECTS

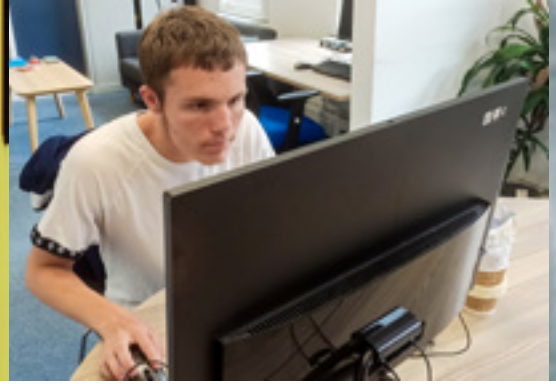
- Due to regular meeting with mentors, 91% of our young people felt an increase in work ready skills, with 19% beginning volunteering roles locally

- Our Hub drop-in sessions provide the opportunity for young people to build new friendships and helping improve social skills. In 2025 we held nearly 100 sessions, with over 75% of young people attending saying The Hub gives them a reason to leave their house.

- Starting Point creative opportunities gave young people at local secondary schools the opportunity to work in a creative team. In 2025 we were involved in 12 creative projects with local partners such as Reading and Wokingham Borough Councils and the NHS.

- In July 2025, we had to make some changes to the Navigators due to an end in funding – we don't run regular volunteer shifts anymore, however have maintained positive links with the hospital to accept direct referrals to ensure the young people are still offered community support.

Creative Opportunities filming for South Central Ambulance service



Creative Opportunities skills sessions

Playing games and building relationships at The Hub

Joel (18) hadn't been in formal education since age 11. He is full of energy, loves playing games, and has an extensive knowledge of tv and film. The arts is something he is super passionate about, he just didn't know what he could do with those talents.*

Joel was matched with a local mentor, to figure out what he wants to do and how he can access that. Through mentoring, Joel and his mentor worked on establishing an overarching goal, and then broke this down into smaller parts. As Joel had been out of education for so long, he wasn't aware of what was out there for him to do, as well as wasn't confident using technology to be able to access the opportunities.

Joel and his mentor applied for a college course, to study drama. Joel was really excited by this, eager to be around others his own age again, and by getting to act every day, which he loves. As the time grew closer, Joel's anxiety grew about this – he was nervous about having to make and sustain relationships as he hasn't had a consistent one in his life.

Joel and his mentor focused on this through the months leading up to the course, helping him access an employability course to gain some skills around the world of work and connecting with others, as well as a local drama club to get used to meeting new people and being confident acting around them. Joel thrived at this, and his anxiety reduced.

Joel has now been at college for a whole term, and is excelling. He exercises his newfound social skills by signing up for additional activities around the college, using any opportunity to make new connections. Reflecting on mentoring, Joel reported that he has felt a growth in his skills and wellbeing, particularly relating to his education and new friendships. Joel stated 'Meeting with [my mentor] has been great, he's just one of those people that care'

*Name changed to protect young person's identity.

"All the things I'm doing or thinking about I wouldn't have considered without mentoring"

Young person

"everybody is welcome here, being here you make memories, makes you want to come again and again to have fun with everyone"

Young person at The Hub

Our funders

We would like to thank the trusts, churches, individuals and organisations who have supported our work over the last 12 months. Without your partnership and generosity we would not have been able to provide our services to our local communities.

Abbey Baptist Church
Berkshire Community Foundation
Better Care Fund
Bishop Radford Trust
Charles Hayward Foundation
Coop Community Fund
David Lister Charitable Trust
Deloitte
Earley Charity
Englefield Charitable Trust
Festival Republic
Garfield Weston
Gerald Palmer Eling Trust
Greyfriars Church
Haines Hill Charitable Trust
Hillsong Church
Kiriath Trust
Leigh Trust
Lifespring Church
Maurice and Hilda Laing Charitable Trust
Mountain Healthcare
National Lottery Reaching Communities
National Lottery Awards for All
NHS B.O.B. ICB
Norcot Mission Church
Osborne Clarke
Oxford Health NHS Foundation Trust
Pat Newman Memorial Trust
Reading Borough Council
Rotary Club of Reading
Shanly Foundation
Society of the Holy Child Jesus
Souter Charitable Trust
Southall Trust
St James Place
St Laurence Relief in Need Trust
St Mary's Church Purley
Thames Valley Violence Prevention Partnership
The Pargiter Trust
University of Reading
Wokingham Borough Council

THE MUSTARD TREE FOUNDATION (READING)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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Trustees
Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms A Awuku
Mr D Gibbons
Mrs I Challis

CEO Ms Katherine Shepherd

Charity number 1104631
Company number 04986086

Principal address
4 Sackville Street, Reading, Berkshire RG1 1NT

Registered office
4 Sackville Street, Reading, Berkshire RG1 1NT

Independent examiner
Colin Dadswell FCA ACCA DChA
Caladine Limited, Chantry House, 22 Upperton Road, Eastbourne,
East Sussex BN21 1BF

Bankers
HSBC Bank PLC, 26 Broad Street, Reading RG1 2BU

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their annual report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects for which the Charity is established are:

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith.
- To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by:
    a) The promotion of improved health and wellbeing and the relief of poverty and distress.
    b) To provide or assist in the provision of facilities and services that empowers individuals todevelop personally, and to build stronger and more cohesive communities.

We continue to work to identify social needs that are not being met by existing provision, and underrepresented beneficiaries who face barriers to support. We partner with local communities, other charities, and organisations to create and develop high impact projects. Removing barriers to engagement and providing opportunities. We have also maintained our strategic presence on various boards to effect positive change for overlooked communities or individuals. By doing so we seek to:

- Reduce health and social inequalities.
- Build stronger more cohesive communities.
- Give a voice to the unheard.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The first section of the report has set out the achievements and impact of the charity over the year. Our projects are driven by local people and enhanced by our networks and partnerships.

We have a number of active commissioning partnerships involving multiple charities and statutory agencies and a working model that enables us to engage with 'the hardest to reach'. Our strong reputation demonstrates that we deliver high impact services, collaborate effectively, and use our resources well.

Fundraising performance

Fundraising activities during the year

We are very grateful for the donations from our financial supporters (see pg 10 for details of our funders).
Our services are funded by statutory bodies and charitable trusts, fundraising events and donations from organisations, churches and individuals. The charity does not work with any commercial partners for fundraising.

Volunteers

Many of our activities are carried out by our team of volunteers who live within the communities we serve and are often experts by lived experience. They provide befriending, mentoring, outreach, admin and prayer support. Our work would not be possible without them and we want to take this opportunity to recognise and thank them for all they do.

Financial review

The charity received income amounting to £297,852 (2024: £306,002) and incurred expenditure of £270,265 (2024: £335,196) leading to a surplus in the year of £27,587 (2024: deficit of £29,194). Unrestricted reserves at the balance sheet date amounted to £181,434 (2024: £149,653). There were restricted funds amounting to £4,781 (2024: £8,975) held at the balance sheet date.

During the year there have been changes to some of our activities. The hospital navigators programme grant ended resulting in the closure of the programme in July. In November we started a new contract delivering support in schools and our expenditure is forecast to increase slightly during 2026.

Reserves policy

The Trustees have considered the level of reserves (that is those funds that are freely available) that the charity ought to have. The Trustees have set a reserves policy of at least 3 months of budgeted expenditure to bridge any funding gaps between spending on administrative and operational activities and resources received. They have also considered any additional obligations such as contracts. At the end of 2025 this amount was approximately £142k, which compared to current reserves held across designated and unrestricted funds of £181k. The trustees have reviewed these and are satisfied with our current level of reserves. The trustees will continue to monitor the level of reserves to support the charity's activities.

Structure, governance and management

The charity is constituted as a company limited by guarantee, registered under the Companies Acts, and its governing document is a Memorandum and Articles of Association under company legislation, dated 5 December 2003.

By operation of law all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and Charity legislation. The Trustees are all individuals.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms A Awuku
Mr D Gibbons
Mrs I Challis

Recruitment and appointment of trustees

The Mustard Tree Foundation seeks to attract new trustees with relevant skills and experience to ensure a balanced and effective trustee board. We have recruitment and induction procedures in place so that each trustee is clear of the work of the charity, and the expectation of a trustee so that we are well governed and operating with best practice.

Induction and training of trustees

Trustees are encouraged to attend appropriate external training events that facilitate the undertaking of their role. They are also able to request training through the Chair, and arrangements will be made where appropriate and cost effective for the needs of the charity.

Statement of trustees' responsibilities

The trustees, who are also the directors of The Mustard Tree Foundation (Reading) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

Mr M Penson (Chair) Trustee
Date: 30 April 2026

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MUSTARD TREE FOUNDATION (READING)

I report to the trustees on my examination of the financial statements of The Mustard Tree Foundation (Reading) (the charity) for the year ended 31 December 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

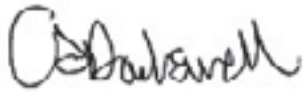
Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Colin Dadswell FCA FCCA DChA
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex BN21 1BF
Date: 30 April 2026

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
Income from:		£	£	£	£	£	£
Donations and legacies	3	70,947	215,410	286,357	104,086	199,089	303,175
Charitable activities	4	8,325	-	8,325	-	-	-
Investments	5	3,170	-	3,170	2,827	-	2,827
Total income		82,442	215,410	297,852	106,913	199,089	306,002
Expenditure on:							
Raising funds	6	11,449	-	11,449	13,988	-	13,988
Charitable activities	7	39,212	219,604	258,816	131,094	190,114	321,208
Total expenditure		50,661	219,604	270,265	145,082	190,114	335,196
Net income/(expenditure) and movement in funds		31,781	(4,194)	27,587	(38,169)	8,975	(29,194)
Reconciliation of funds:							
Fund balances at 1 January 2025		149,653	8,975	158,628	187,822	-	187,822
Fund balances at 31 December 2025		181,434	4,781	186,215	149,653	8,975	158,628

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Property, plant and equipment	**13**		1,782		2,835
Current assets					
Trade and other receivables	**14**	18,864		2,341	
Cash at bank and in hand		234,100		221,923	
		252,964		224,264	
Current liabilities	**15**	(68,531)		(68,471)	
Net current assets			184,433		155,793
Total assets less current liabilities			186,215		158,628
The funds of the charity					
Restricted income funds	**18**		4,781		8,975
Unrestricted funds	**19**		181,434		149,653
			186,215		158,628

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the trustees on 30 April 2026

Mr M Penson (Chair)
Trustee

Company registration number 04986086 (England and Wales)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Company information

The Mustard Tree Foundation (Reading) is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Sackville Street, Reading, RG1 1NT.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. This includes amounts disclosed as 'designated funds' representing monies allocated to projects run by the charity. These projects are partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for those projects.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.5 Expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increase in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Items of PPE with a cost over £500 are capitalized and depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures and fittings 25% reducing balance
Computers 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets

Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities
Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

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

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£	£	£
Donations and gifts	70,387	-	70,387	89,237	-	89,237
Grants - Statutory and Trusts	560	215,410	215,970	14,849	199,089	213,938
	70,947	215,410	286,357	104,086	199,089	303,175
Donations and gifts						
Donations Individuals	41,545	-	41,545	49,069	-	49,069
Donations Churches	16,207	-	16,207	17,317	-	17,317
Donations Trusts	1,250	-	1,250	21,550	-	21,550
Gift aid recovered	-	-	-	1,301	-	1,301
Donations Business	11,385	-	11,385	-	-	-
	70,387	-	70,387	89,237	-	89,237

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Charitable activities		
Income from charitable activities	8,325	-

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	3,170	2,827

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2024 £
Fundraising and publicity		
Fundraising costs	11,449	2,908
Staff costs	-	11,080
	11,449	13,988

7 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Staff costs	191,532	243,301
Depreciation and impairment	1,053	2,434
Staff costs incl travel, subsistence, voluntary, training	4,450	3,746
Property	26,046	27,161
Professional fees	13,155	16,160
Other expenditure	5,749	4,236
Postage and stationery	2,378	3,385
Telecommunications	2,243	4,051
Insurance	3,241	3,745
Subscriptions	4,017	6,816
Cleaning	1,894	3,577
Sub-contractors	610	66
	256,368	318,678
Share of support and governance costs (see note 8)		
Governance	2,448	2,530
	258,816	321,208
Analysis by fund		
Unrestricted funds	39,212	131,094
Restricted funds	219,604	190,114
	258,816	321,208

8 Support costs allocated to activities

	2025 £	2024 £
Governance costs	2,448	2,530
Analysed between:		
Charitable activities	2,448	2,530

Governance costs comprise:	2025 £	2024 £
Independent examination fees	808	830
Accountancy	1,640	1,700
	2,448	2,530

9 Net movement in funds

	2024 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	808	830
Depreciation of owned property, plant and equipment	1,053	2,434

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.
There were £200 donations received from Trustees in the year (2024: £132).

11 Employees

	2025 Number	2024 Number
The average monthly number of employees during the year was:	10	12

Employment costs	2025 £	2024 £
Wages and salaries	179,564	237,316
Social security costs	8,674	12,904
Other pension costs	3,294	4,161
	191,532	254,381

The majority of staff were part time. The average full-time equivalent was 5.87 (2024: 6.29).
There were no employees whose annual remuneration was more than £60,000.

12 Taxation

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

13 Property, plant and equipment

	Fixtures and fittings	Computers	Total
Cost	**£**	**£**	**£**
At 1 January 2025	3,789	7,819	11,608
At 31 December 2025	3,789	7,819	11,608
Depreciation and impairment			
At 1 January 2025	1,636	7,137	8,773
Depreciation charged in the year	538	515	1,053
At 31 December 2025	2,174	7,652	9,826
Carrying amount			
At 31 December 2025	1,615	167	1,782
At 31 December 2024	2,153	682	2,835

14 Trade and other receivables

	2025	2024
Amounts falling due within one year:	**£**	**£**
Trade receivables	18,271	900
Other receivables	-	404
Prepayments and accrued income	593	1,037
	18,864	2,341

15 Current liabilities

	Notes	2025 £	2024 £
Other taxation and social security		4,534	59
Deferred income	16	55,833	63,647
Trade payables		289	1,606
Accruals		7,875	3,159
		68,531	68,471

16 Deferred income

	2025 £	2024 £
Other deferred income	55,833	63,647

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	55,833	63,647
Movements in the year:		
Deferred income at 1 January 2025	63,647	50,391
Released from previous periods	(63,647)	(50,391)
Resources deferred in the year	55,833	63,647
Deferred income at 31 December 2025	55,833	63,647

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the Charity.

Deferred income analysed by project is as follows:

Rahab	£15,250
Starting point	£26,416
Engage	£14,167

17 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	3,294	4,161

18 Restricted funds

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

	At 1 January 2025	Incoming resources	Resources expended	Transfers	At 31 December 2025
	£	£	£	£	£
Starting Point	-	136,550	(145,525)	8,975	-
Rahab Project	-	13,751	(13,751)	-	-
Engage Befriending	-	65,109	(60,328)	-	4,781
Creative Opportunities	8,975	-	-	(8,975)	-
	8,975	215,410	(219,604)	-	4,781

Previous year:	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Starting Point	-	110,636	(110,636)	-	-
Rahab Project	-	7,689	(7,689)	-	-
Engage Befriending	-	64,303	(64,303)	-	-
Creative Opportunities	-	15,961	(6,986)	-	8,975
Central Services	-	500	(500)	-	-
	-	199,089	(190,114)	-	8,975

Note 18 (continued)

Projects undertaken by the Charity were partly funded through restricted grants. Restricted funding received as shown above was all expended during the year. The Trustees additionally allocated some general funds towards the projects to cover additional expenses as can be seen in note 19.

Starting Point

Providing mentoring and creating opportunities for young people aged 11-25. Enabling them to overcome barriers to achievement and attain, sustain and thrive within education, employment, and training

Rahab Project

Offering care and hope to those at risk of, or sex working, in Reading. Supporting them with challenges such as homelessness, poverty, addiction, violence and poor health.

Engage Befriending

Reducing the isolation and loneliness experienced by older people by developing positive relationships and networks in the community.

Creative Opportunities

A range of creative opportunities for young people including: Starting Point Studio; Alternative Provision; Young Voices. As the funding for Creative Opportunities is available for activities accounted for under the banner of Starting Point, these funds have now been combined into one fund.

Continued overleaf >>

19 Unrestricted funds

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

	At 1 January 2025 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2025 £
Starting Point	-	28,152	(29,109)	957	-
Rahab Project	-	11,555	(9,759)	-	1,796
Engage Befriending	-	805	-	-	805
General funds	149,653	41,930	(11,793)	(957)	178,833
	149,653	82,442	(50,661)	-	181,434

Previous year:	At 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2024 £
Starting Point	79,503	50,946	(75,651)	(54,798)	-
Rahab Project	6,357	12,905	(18,241)	(1,021)	-
Engage Befriending	-	24,073	(24,433)	360	-
Creative Opportunities	-	14,849	-	(14,849)	-
General funds	101,962	4,140	(26,757)	70,308	149,653
	187,822	106,913	(145,082)	-	149,653

For descriptions of the various designated funds, see note 18.

Once any restricted funds received to support the various activities undertaken by the charity have been exhausted, remaining costs incurred on projects will be drawn from general unrestricted funds.

20 Analysis of net assets between funds

At 31 December 2025:	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Property, plant and equipment	1,782	-	1,782
Current assets/(liabilities)	179,652	4,781	184,433
	181,434	4,781	186,215

At 31 December 2024:	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Property, plant and equipment	2,835	-	2,835
Current assets/(liabilities)	146,818	8,975	155,793
	149,653	8,975	158,628

21 Operating lease commitments

Lessee

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

	2025 £	2024 £
Within one year	16,000	16,000
Between two and five years	28,625	44,625
	44,625	60,625

22 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

THE MUSTARD TREE FOUNDATION (READING)

England & Wales - Charity number 1104631

Accounts

The Mustard Tree

ANNUAL REPORT AND ACCOUNTS 2024

'Planting hope, cultivating change'

Message from the CEO

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At The Mustard Tree we are committed to developing projects with our service beneficiaries and local communities so that they are led by those with lived experience. This year it has been fantastic to see young people taking the lead in developing the Starting Point Crew. We have run new workshops and seen more young people developing skills and confidence. In Engage we developed our service to include new types of support as older people told us they wanted something a bit different to help them feel less lonely and more connected with their community. The women we support through Rahab were struggling to access some statutory support, so we have developed partnerships and outreaches that enable them to engage in a way that works for them. We have also developed volunteering opportunities with more of our beneficiaries going on to support others out of their own lived experience.

As we start 2025 we are continuing to work with our local communities to identify unmet needs and build high impact projects that enable people to thrive. We couldn't do it without the commitment and kindness shown by our volunteers, staff, statutory and voluntary partnerships, local businesses, trusts and foundations, and community groups who are all part of the Mustard Tree team. Thank you for your part in this as we continue to plant hope and cultivate change in our community.

Katherine Shepherd

Our projects

Our projects are driven by local people through the networks and partnerships we have built over the last 20 years.

In 2024 we reached over 100 more people than last year. Supporting 509 people with our 169 volunteers alongside 24 partners. We also trained over 200 people.

The Mustard Tree Foundation innovate and develop projects, working closely with people at the heart of our diverse community. Our mission is to:

- **Reduce health and social inequalities,**
- **Build stronger and more connected communities**
- **Give a voice to the unheard**

Our work supports people to overcome barriers to inclusion and achievement by creating opportunities and reducing isolation, so people can thrive.

ENGAGE BEFRIENDING

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

RAHAB

Identifying and supporting sex workers to break free from the cycles of abuse, poverty and addiction.

STARTING POINT

Providing mentoring and creative opportunities for young people aged 11–25 who face disadvantage.

engage

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

THE YEAR IN NUMBERS:

75 VOLUNTEERS

3,640 HOURS OF VOLUNTEERING

120 MONTHLY NEWSLETTER RECIPIENTS

160 SERVICE USERS

13 SOCIAL ACTIVITIES HELD

There are may reasons why someone might become isolated and lonely and in 2024 we were there to help 160 people to connect with the community through tailored support.

The majority of our service beneficiaries are over 60 but we supported people from 34–99yrs.

Our work has included one-to-one befriending either in person or on the telephone through our team of volunteer befrienders. We also hosted a regular coffee morning and provided a monthly newsletter which you can view on our website

"It's something to look forward to each week when you're on your own. It's not easy getting old. We sit and chat and it breaks up the day."

Engage client

Our regular drop-in

With the mayor at old people's showcase event

The Engage team at the Christmas party

This year we developed a new service with our service beneficiaries who fed back that they would like to feel connected but in a more flexible way. Our new 'connected' service provides extra support for those that don't want or need a befriender but like to be able to reach out to one of our coordinators when needed. We provide regular contact including supported access to our drop in.

VOLUNTEERING

Our volunteers are vital to the service we provide and do an amazing job. They offer all sorts of support including face to face visits, telephoning someone for a chat, and compiling and posting the newsletter out. We couldn't support everyone we do without them.

Hear two of our volunteer befrienders talking about their experiences here: themustardtree.org/volunteer/#videos

"I forget that she's from the befriending charity because I really consider her a friend now. It doesn't matter how yuck I feel, or how tired I am, I can just go and she'll accept me as I am."

Engage client

RAHAB

Rahab is an outreach caring for on-street sex workers in Reading.

THE YEAR IN NUMBERS

142 OUTREACH SESSIONS

561 HOURS OF VOLUNTEERING

18 VOLUNTEERS

80 PEOPLE TRAINED

63 SERVICE USERS

"You're brilliant, because you are on our side"

Rahab service user.

In 2024 we supported women to medical appointments, to access drug and alcohol support, to look for rehab, and to get accommodation during the very cold weather.

Our volunteers provided support for women who were homeless. They also made referrals to local charities for clothes and other essential items.

In 2024, we delivered training sessions to 63 individuals. Feedback reported how helpful the training had been in increasing awareness of the issues these women face.

During 2024 we had the privilege of recording one womans story of a journey out of sex worker and drug addiction, to see the video have a look at our website **here**.

In 2025 we are increasing this support, offering befriending, advocacy and daytime support.

We have begun to develop closer links with other agencies, some of them joining us on outreach, working together to make it easier for the women to access support.

Rahab also delivers sex worker awareness training to churches, other charities and organisations to increase awareness of the issues and ways in which they can support this vulnerable group.

We also offer to pray with the women, one who a child last year, currently in care regularly asks for prayer to get a place in mother and baby rehab.

The team have also supported R as she has reduced her drug use, started to look for rehab and felt ready to volunteer and give something back.

"You're always there when I need you"

Rahab service user.

STARTINGPOINT

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

STARTING POINT IN NUMBERS

280+ YOUNG PEOPLE SUPPORTED

53 YOUNG PEOPLE MENTORED

71 YOUNG PEOPLE ATTENDED THE HUB DROP-INS

64 VOLUNTEERS

150 YOUNG PEOPLE SUPPORTED THROUGH A+E NAVIGATORS

36 SCHOOL PUPILS ATTENDED OUR ALTERNATIVE PROVISION

- By providing a consistent role model, 90% of our young people engaged in mentoring saw an increase in their confidence.

- Navigators continued to provide young people in crisis a listening ear and a moment of connection. In 2024 we met 150 young people in the Royal Berkshire Hospital with the support of 20 volunteers across a total of 464 volunteer hours.

- Our Hub drop-in sessions provide the opportunity for young people to build new friendships and helping improve social skills. In 2024 we held over 100 sessions, with over 85% of young people attending saying The Hub gives them a reason to leave their house.

- Starting Point creative opportunities gave young people at local secondary schools the opportunity to work in a creative team. In 2024 we were involved in 7 creative projects with local partners such as Reading Borough Council and the NHS.

- In September 2024 we introduced AQA Unit Awards into our Creative Opportunities, giving the young people a chance to recognise their creative achievements. We had 16 awards achieved in our first term.

Creative Opportunities skills session

Art at The Hub

Two of our Volunteer Navigators

Ella (19) and Pheobe* (19) both started attending The Hub as they wanted to develop their confidence and social skills.*

When Pheobe moved to the UK she struggled to form friendships in her new community. She relied on her family, which, coupled with her lack of confidence in her new area, impacted on her independence. She was unsure of how to navigate social situations outside of her family's protective bubble.

Ella was also considerably socially isolated, and struggled with maintaining meaningful relationships with her peers – she found it challenging to engage with others and often felt disconnected from social groups.

Both girls initially connected at The Hub due to their similar interests in fashion games and art. This grew into a friendship, meeting up with each other in the community, outside of The Hub. Ella encourages Pheobe to explore the local community with her, frequenting local shops and cafes.

Pheobe's dependency on her parents began to decrease, as she felt more comfortable in her new environment. Together, they have encouraged each other with their goals, both getting involved in creative media workshops with Starting Point Studio and have achieved AQA awards – achieved by building up their social skills and confidence at The Hub.

*Names changed to protect young person's identity.

"At the hub I've made friends in real life"

Young person

"my hub highlight is being able to laugh with people"

Young person

Our funders

We would like to thank the trusts, churches, individuals and organisations who have supported our work over the last 12 months. Without your partnership and generosity we would not have been able to provide our services to our local communities.

Abbey Baptist Church
Berkshire Community Foundation
Bishop Radford
Brighter Futures for Children
Caversham Good Neighbours
Caversham Park Church
Church Welfare Association
Deloitte
Earley Charity
Edward Gostling Foundation
Englefield Charitable Trust
Garfield Weston
Gerald Palmer Eling Trust
Greyfriars Church
John Lewis and Partners
John Sykes foundation
Kiriath Trust
Lifespring Church
Mapledurham Bridge Club
Maurice And Hilda Laing
Norcot Mission Church
Olly's Work
Pat Newman Memorial Trust
Reading Borough Council
Reading Integration Board
Rotary Club
Society of the Holy Child
St James's Place Charitable Foundation
St Laurence Relief in Need Trust
St Mary's Purley
Southall Trust
Souter Charitable Trust
Thames Valley Violence Prevention Partnership
The Blagrave Trust
The National Lottery Community Fund
The Rank Foundation

THE MUSTARD TREE FOUNDATION (READING)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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Trustees
Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms A Awuku
Mr D Gibbons
Mrs I Challis

CEO Ms Katherine Shepherd

Charity number 1104631
Company number 04986086

Principal address
4 Sackville Street, Reading, Berkshire RG1 1NT

Registered office
4 Sackville Street, Reading, Berkshire RG1 1NT

Independent examiner
Colin Dadswell FCA ACCA DChA
Caladine Limited, Chantry House, 22 Upperton Road, Eastbourne,
East Sussex BN21 1BF

Bankers
HSBC Bank PLC, 26 Broad Street, Reading RG1 2BU

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects for which the Charity is established are:

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith.
- To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by:
  a) The promotion of improved health and wellbeing and the relief of poverty and distress.
  b) To provide or assist in the provision of facilities and services that empowers individuals todevelop personally, and to build stronger and more cohesive communities.

We continue to work to identify social needs that are not being met by existing provision, and underrepresented beneficiaries who face barriers to support. We partner with local communities, other charities, and organisations to create and develop high impact projects. Removing barriers to engagement and providing opportunities. We have also maintained our strategic presence on various boards to effect positive change for overlooked communities or individuals. By doing so we seek to:

- Reduce health and social inequalities.
- Build stronger more cohesive communities. Give a voice to the unheard.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The first section of the report has set out the achievements and impact of the charity over the year. Our projects are driven by local people and enhanced by our networks and partnerships.

We have a number of active commissioning partnerships involving multiple charities and statutory agencies and a working model that enables us to engage with 'the hardest to reach'. Our strong reputation demonstrates that we deliver high impact services, collaborate effectively, and use our resources well.

Fundraising performance

Fundraising activities during the year

We are very grateful for the donations from our financial supporters (see pg 11 for details of our funders). Our services are funded by statutory bodies and charitable trusts, fundraising events and donations from organisations, churches and individuals. The charity does not work with any commercial partners for fundraising.

Volunteers

Many of our activities are carried out by our team of volunteers who live within the communities we serve and are often experts by lived experience. They provide befriending, mentoring, outreach, admin and prayer support. Our work would not be possible without them and we want to take this opportunity to recognise and thank them for all they do.

Financial review

The charity received income amounting to £306,002 (2023: £489,828) and incurred expenditure £335,196 (2023: £434,330) leading to a deficit in the year of to £29,194 (2023: surplus of £55,498). Unrestricted reserves at the balance sheet date amounted to £149,653 (2023: £187,822). There were restricted funds amounting to £8,975 (2023: £nil) held at the balance sheet date.

We undertook a comprehensive review of our operations and organisational structure at the beginning of the year. The resulting restructure ensured our activities are optimised in line with local demand and changes in operational need.

Reserves policy

The Trustees have considered the level of reserves (that is those funds that are freely available) that the charity ought to have. The Trustees have set a reserves policy of at least 3 months of budgeted expenditure to bridge any funding gaps between spending on administrative and operational activities and resources received. They have also considered any additional obligations such as contracts. At the end of 2024 this amount was approximately £147k, which compared to current reserves held across designated and unrestricted funds of £149,653. The trustees have reviewed these and are satisfied with our current level of reserves. The trustees will continue to monitor the level of reserves to support the charity's activities.

Structure, governance and management

The charity is constituted as a company limited by guarantee, registered under the Companies Acts, and its governing document is a Memorandum and Articles of Association under company legislation, dated 5 December 2003.

By operation of law all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and Charity legislation. The Trustees are all individuals.

The trustees, who are also the directors for the purpose of company law, and who served during theyear and up to the date of signature of the financial statements were:

Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms A Awuku
Mr D Gibbons
Mrs I Challis

Recruitment and appointment of trustees

The Mustard Tree Foundation seeks to attract new trustees with relevant skills and experience to ensure a balanced and effective trustee board. We have recruitment and induction procedures in place so that each trustee is clear of the work of the charity, and the expectation of a trustee so that we are well governed and operating with best practice.

Induction and training of trustees

Trustees are encouraged to attend appropriate external training events that facilitate the undertaking of their role. They are also able to request training through the Chair, and arrangements will be made where appropriate and cost effective for the needs of the charity.

Statement of trustees' responsibilities

The trustees, who are also the directors of The Mustard Tree Foundation (Reading) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

Mr M Penson (Chair) Trustee
Date: 1 May 2025

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MUSTARD TREE FOUNDATION (READING)

I report to the trustees on my examination of the financial statements of The Mustard Tree Foundation (Reading) (the charity) for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

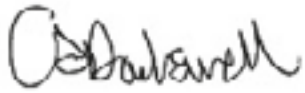
Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Colin Dadswell FCA FCCA DChA
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex BN21 1BF
Date: 1 May 2025

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2024	Total 2023
Income from:		£	£	£	£	£	£
Donations and legacies	3	104,086	199,089	303,175	178,807	306,354	485,161
Charitable activities	4	-	-	-	850	-	850
Investments	5	2,827	-	2,827	3,817	-	3,817
Total income		106,913	199,089	306,002	183,474	306,354	489,828
Expenditure on:							
Raising funds	6	11,080	-	11,080	23,845	-	23,845
Charitable activities	7	134,002	190,114	324,116	104,131	306,354	410,485
Total expenditure		145,082	190,114	335,196	127,976	306,354	434,330
Net income/(expenditure) and movement in funds		(38,169)	8,975	(29,194)	55,498	-	55,498
Reconciliation of funds:							
Fund balances at 1 January 2024		187,822	-	187,822	132,324	-	132,324
Fund balances at 31 December 2024		149,653	8,975	158,628	187,822	-	187,822

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Property, plant and equipment	**13**		2,835		4,313
Current assets					
Trade and other receivables	**14**	2,341		9,684	
Cash at bank and in hand		221,923		232,924	
		224,264		242,608	
Current liabilities	**15**	(68,471)		(59,099)	
Net current assets			155,793		183,509
Total assets less current liabilities			158,628		187,822
The funds of the charity					
Restricted income funds	**18**		8,975		-
Unrestricted funds	**19**		149,653		187,822
			158,628		187,822

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise

comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the trustees on 1 May 2025

Mr M Penson (Chair)
Trustee

Company registration number 04986086 (England and Wales)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

The Mustard Tree Foundation (Reading) is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Sackville Street, Reading, RG1 1NT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. This includes amounts disclosed as 'designated funds' representing monies allocated to projects run by the charity. These projects are partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for those projects.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.5 Expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increase in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Items of PPE with a cost over £500 are capitalized and depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures and fittings 25% reducing balance
Computers 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets

Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities
Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

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

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£
Donations and gifts	89,237	-	89,237	146,107	-	146,107
Grants - Statutory and Trusts	14,849	199,089	213,938	32,700	306,354	339,054
	104,086	199,089	303,175	178,807	306,354	485,161
Donations and gifts						
Donations Individuals	49,069	-	49,069	25,469	-	25,469
Donations Churches	17,317	-	17,317	20,181	-	20,181
Donations Trusts	21,550	-	21,550	98,394	-	98,394
Gift aid recovered	1,301	-	1,301	2,063	-	2,063
	89,237	-	89,237	146,107	-	146,107

4 Income from charitable activities

Charitable activities	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sale of goods	-	850

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	2,827	3,817

6 Expenditure on raising funds

Fundraising and publicity	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Staff costs	11,080	23,845

7 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	243,301	306,838
Depreciation and impairment	2,434	2,513
Staff costs incl travel, subsistence, voluntary, training	3,746	6,160
Property	27,161	36,251
Office refurbishment	-	2,841
Professional fees incl accountancy and IT support	16,160	18,099
Other expenditure	4,236	6,041
Postage and stationery	3,385	3,173
Telecommunications	4,051	4,108
Insurance	3,745	4,365
Subscriptions	6,816	6,679
Cleaning	3,577	5,034
Sub-contractors	66	1,884
Advertising, PR and fundraising	2,908	4,189
	321,586	408,175
Share of support and governance costs (see note 8)		
Governance	2,530	2,310
	324,116	410,485
Analysis by fund		
Unrestricted funds	134,002	104,131
Restricted funds	190,114	306,354
	324,116	410,485

8 Support costs allocated to activities

	2024 £	2023 £
Governance costs	2,530	2,310
Analysed between:		
Charitable activities	2,530	2,310

Governance costs comprise:	2024 £	2023 £
Independent examination fees	830	710
Accountancy	1,700	1,600
	2,530	2,310

9 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	830	710
Depreciation of owned property, plant and equipment	2,434	2,513

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.
There were no donations received from Trustees in the year (2023: £132).

11 Employees

	2024 Number	2023 Number
The average monthly number of employees during the year was:	12	16

Employment costs	2024 £	2023 £
Wages and salaries	237,316	305,979
Social security costs	12,904	18,874
Other pension costs	4,161	5,830
	254,381	330,683

The majority of staff were part time. The average full-time equivalent was 6.29 (2023: 12).
There were no employees whose annual remuneration was more than £60,000.

12 Taxation

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

13 Property, plant and equipment

	Fixtures and fittings	Computers	Total
Cost	**£**	**£**	**£**
At 1 January 2024	2,834	7,819	10,653
Additions	955	-	955
At 31 December 2024	3,789	7,819	11,608
Depreciation and impairment			
At 1 January 2024	1,157	5,182	6,339
Depreciation charged in the year	479	1,955	2,434
At 31 December 2024	1,636	7,137	8,773
Carrying amount			
At 31 December 2024	2,153	682	2,835
At 31 December 2023	1,676	2,637	4,313

14 Trade and other receivables

	2024	2023
Amounts falling due within one year:	**£**	**£**
Trade receivables	900	3,111
Other receivables	404	823
Prepayments and accrued income	1,037	5,750
	2,341	9,684

15 Current liabilities

	Notes	2024 £	2023 £
Other taxation and social security		59	4,747
Deferred income	16	63,647	50,391
Trade payables		1,606	1,151
Accruals		3,159	2,810
		68,471	59,099

16 Deferred income

	2024 £	2023 £
Other deferred income	63,647	50,391

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	63,647	50,391
Movements in the year:		
Deferred income at 1 January 2024	50,391	177,349
Released from previous periods	(50,391)	(177,349)
Resources deferred in the year	63,647	50,391
Deferred income at 31 December 2024	63,647	50,391

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the Charity.

Deferred income analysed by project is as follows:

Rahab	£4,397
Starting point	£43,724
Engage	£15,526

17 Retirement benefit schemes

Defined contribution schemes	2024 £	2023 £
Charge to profit or loss in respect of defined contribution schemes	4,161	5,830

18 Restricted funds

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

	At 1 January 2024 £	Incoming resources £	Resources expended £	At 31 December 2024 £
Starting Point	-	110,636	(110,636)	-
Rahab Project	-	7,689	(7,689)	-
Engage Befriending	-	64,303	(64,303)	-
Creative Opportunities	-	15,961	(6,986)	8,975
Central Services	-	500	(500)	-
	-	199,089	(190,114)	8,975

Previous year:	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
Starting Point	-	265,921	(265,921)	-
Rahab Project	-	433	(433)	-
Engage Befriending	-	40,000	(40,000)	-
	-	306,354	(306,354)	

Projects undertaken by the Charity were partly funded through restricted grants. Restricted funding received as shown above was all expended during the year. The Trustees additionally allocated some general funds towards the projects to cover additional expenses as can be seen in note 19.

Note 18 (continued)

Engage Befriending

Connecting isolated, older people with their local community. Including through visits from a volunteer befriender.

Rahab Project

Offering support and advocacy to those involved in sex working.

Starting Point

Providing opportunities and journeying alongside young people aged 11-25. Enabling them to attain, sustain and thrive within education, employment, and training.

Creative Opportunities

A range of creative opportunities for young people who face barriers to achievement. These include: Starting Point Studio; Alternative Provision; Young Voices.

Continued overleaf >>

19 Unrestricted funds

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

	At 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2024 £
Starting Point	79,503	50,946	(75,651)	(54,798)	-
Rahab Project	6,357	12,905	(18,241)	(1,021)	-
Engage Befriending	-	24,073	(24,433)	360	-
Creative Opportunities	-	14,849	-	(14,849)	-
General funds	101,962	4,140	(26,757)	70,308	149,653
	187,822	106,913	(145,082)	-	149,653

Previous year:	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
Starting Point	52,644	107,679	(37,420)	(43,400)	79,503
Rahab Project	5,486	18,325	(17,454)	-	6,357
Engage Befriending	1,336	28,117	(44,720)	15,267	-
General funds	72,858	29,353	(28,382)	28,133	101,962
	132,324	183,474	(127,976)	-	187,822

For descriptions of the various designated funds, see note 18.

Once any restricted funds received to support the various activities undertaken by the charity have been exhausted, remaining costs incurred on projects can be drawn from general unrestricted funds. Therefore, the Trustees decided the benefits of tracking designated funds for each project did not serve any practical benefit.

20 Analysis of net assets between funds

At 31 December 2024:	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Property, plant and equipment	2,835	-	2,835
Current assets/(liabilities)	146,818	8,975	155,793
	149,653	8,975	158,628

At 31 December 2023:	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Property, plant and equipment	4,313	-	4,313
Current assets/(liabilities)	183,509	-	183,509
	187,822		187,822

21 Operating lease commitments

Lessee

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

	2024 £	2023 £
Within one year	16,000	16,000
Between two and five years	44,625	60,625
	60,625	76,625

22 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

THE MUSTARD TREE FOUNDATION (READING)

England & Wales - Charity number 1104631

Accounts

The Mustard Tree

ANNUAL REPORT AND ACCOUNTS 2023

'Planting hope, cultivating change'

Message from the CEO

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The Mustard Tree is part of the diverse communities we serve, and we are passionate about local people supporting local people. Inflation and cost-of-living pressures placed additional burdens on our communities in 2023. However, our team responded by drawing on their own experience and compassion for others and giving their time and energy to provide befriending, mentoring, and outreach, while creating opportunities, reducing isolation and supporting people to overcome challenges.

In 2023 we moved from London Street to a new home right in the heart of the town. We have made full use of the newly built Greyfriars Centre to operate our drop in and hubs which has proved very popular with our service beneficiaries.

We consolidated some of our activities and developed new initiatives, ensuring a focus on priority areas in Reading. Some of the highlights have been: a brand new over 18's hub; developing exciting opportunities through our Starting Point Studio (you can see some of the films co-produced by young people on our website) training volunteers living in care homes to provide befriending to others in their residential settings. Our Rahab team handing out presents at Christmas.

As we move into 2024 we remain dedicated to providing long term relational support enabling people to make small changes that lead to a big difference. None of our activities would be possible without our amazing team of staff and volunteers. Also, the statutory and voluntary partnerships, local businesses, trusts and foundations, and community groups with whom we work so closely. It is by working together that we can see the most impact. Thank you to everyone who has ensured our ongoing success in 2023.

Katherine Shepherd

Our way of working

Our vision:
We are passionate that every individual has the opportunity to thrive.

Our mission is to:

- Reduce health and social inequalities.
- Build stronger and more connected communities.
- Give a voice to the unheard.

Our approach is to:

- Work in partnership to identify and address unmet needs in our communities.
- Facilitate local communities to support local people.
- Ensure that every individual is listened to, valued and empowered to make positive change.

Our ethos:
As a charity with a Christian ethos the projects we generate are inspired by our faith, and designed to serve all sections of our diverse communities.

How we do it:
Our values are embedded in all that we undertake. Our team are dedicated to providing our services with integrity, compassion, innovation, professionalism, and inclusivity.

Our projects

Our projects are driven by local people through the networks and partnerships we have built over the last 20 years.

In 2023 we supported 409 people with our 271 volunteers working alongside 38 partners. We also trained over 200 people.

The Mustard Tree delivers high impact projects to some of Reading's most underrepresented people. Our teams of volunteers provide befriending, mentoring, and outreach. Creating opportunities, reducing isolation, and supporting people to overcome barriers and to thrive.

ENGAGE BEFRIENDING

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

RAHAB

Identifying and supporting sex workers to break free from the cycles of abuse, poverty and addiction.

STARTING POINT

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

engage

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

THE YEAR IN NUMBERS:

112 SERVICE USERS

58 VOLUNTEERS

3,432 HOURS OF VOLUNTEERING

14 SOCIAL ACTIVITIES HELD

120 MONTHLY NEWSLETTER RECIPIENTS

10 PARTNERS

- In 2023, we expanded our work with care homes, creating opportunities to recruit people living in the care/residential settings to be trained as befrienders and visit those living close by.
- Located in Reading, a diverse town, we trained new volunteers who have multi-language skills who can befriend those who face isolation due to language barriers.
- Our monthly drop-in coffee morning has grown, providing more people opportunity to meet and find friends.
- Our monthly newsletter continues to share information about the different services and activities in Reading designed to encourage people to take part in community activities.

N's story – "I took the chance and went for it"

We included details of a new friendship group in one of our newsletters; it was near to where N lived.

She told us that she took a deep breath, booked the Readibus to get her then and went. She enjoyed it so much that she is now attends regularly and encouraged her neighbour to come too.

"She's a lifeline. I would have cracked up by now without her, with everything that is going on. I would have sunk back into depression. I dont feel so lonely."

Engage client

W's story

We recently matched one lady as she was unable to get out due to her health deteriorating, and was feeling lonely.

She said her volunteer is *"very kind and visits regularly. It's very nice to have somebody to talk to as I'm a people person."*

"I think befriending is an excellent scheme and I would rate it highly"

Engage volunteer

RAHAB

Rahab is a chaplaincy outreach caring for on-street sex workers in Reading.

THE YEAR IN NUMBERS

147 OUTREACH SESSIONS

17 VOLUNTEERS

507 HOURS OF VOLUNTEERING

49 SERVICE USERS

708 CONTACT MOMENTS

3,504 CONDOMS

- We had over 120 more conversations that the previous year.
- Our daytime outreach supported women attend court, provided access to housing support and essential household goods and enabled women to access healthcare.
- We provided sexual exploitation/ awareness training.
- We made condoms readily available for the women to prevent HIV and STI transmission
- We gave out Christmas parcels to all the women we met over the festive period.

- D and S were hospitalised due to taking contaminated drugs. Different members of the Rahab team visited them, supplying them with toiletries and checking to see how they were. When they were discharged from hospital, the team continue to provide support in checking on their health and providing food parcels.

- J came out of prison and broke the rules of her licence meaning that she was recalled back. She was hoping it would lead to rehabilitation opportunities, but she was not in prison long enough to take part. We are praying that a rehab place will be made available to her soon.

- B has been homeless for a while and has not wanted to engage with organisations as she didn't trust them. The team encouraged her to think about moving on from the streets and supported her to access help. She is now in her new home.

"You're brilliant, because you are on our side"

Rahab service user.

"You're always there when I need you"

Rahab service user.

STARTINGPOINT

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

STARTING POINT IN NUMBERS

250+ YOUNG PEOPLE SUPPORTED

67 YOUNG PEOPLE MENTORED

121 SCHOOL PUPILS SUPPORTED

114 VOLUNTEERS

61 YOUNG PEOPLE SUPPORTED THROUGH A+E NAVIGATORS

8 YOUNG PERSON LED CREATIVE PROJECTS

- By providing a consistent role model, 71% of our young people engaged in mentoring saw an increase in their confidence.
- Navigators continued to provide young people in crisis a listening ear and a moment of connection. In 2023 we have increased our A&E shifts to 3, started visiting young people on the wards, and took on a part time Community Navigator to provide ongoing support in the community.
- Our School Navigator programme came to an end in the summer term of 2023. We have continued to support those young people referred on to us through 1:1 mentoring, and have been able to provide a safe social space through the Hub.
- Our Hub drop-in sessions provide the opportunity for young people to build new friendships and helping improve social skills. In September 2023 we launched the Hub for young people aged 18-25.
- Starting Point creative opportunities gave young people at local secondary schools the opportunity to work in a creative team. In 2023 we were involved in 8 creative projects with local partners such as Reading Borough Council and Thames Valley Police.

Lewis self-referred after completing counselling sessions locally. It was his goal towards the end of counselling to feel confident enough to refer himself for mentoring. When he referred himself, Lewis was struggling with motivation and getting back into a routine as depression and anxiety caused him to stop working and going to the gym. Lewis's goals were to have a good morning routine and get back in the gym while searching for employment.*

Lewis was matched to a local volunteer mentor at Starting Point who shared his interest in business and entrepreneurship, and together they applied for multiple skills and confidence-building courses, which Lewis then completed himself.

In February, Lewis successfully applied for a job as a gardener and has been working full-time since. Reflecting on his mentoring journey so far, Lewis expressed he felt more confident with work-ready skills, feels he has a healthier lifestyle, improved emotional wellbeing, more friends and connections, and greater confidence and aspirations.

"I met two people last night at A&E when I was feeling in a dark place and for the first time, I felt a tiny bit hopeful that I could have someone to talk to and who might understand a bit of what I'm going through"

Young person in A&E

Hallie was beginning her A Levels when she was met in A&E by a volunteer on shift; she was in a moment of crisis, following self-harm. She was feeling overwhelmed due to several life changes and feeling isolated. Hallie was keen to be matched with a volunteer mentor so she would have someone to talk to and support her in navigating these issues.

Hallie grew in confidence, working with her mentor on managing her anxieties on a daily basis. She strengthened her friendships, making new friends and repairing old ones. Hallie started working part time alongside her education. She began driving lessons, passed her test and was able to get a car which increased her independence.

She has reported increased confidence, reduced anxiety and she no longer self-harms. She said she knows she has a good support system around her, and a balance of what she wants in her life. She has just completed her A-levels and is now at University.

Our funders

We would like to thank the trusts, churches, individuals and organisations who have supported our work over the last 12 months. Without your partnership and generosity we would not have been able to provide our services to our local communities.

Abbey Baptist Church
Archer Trust
Berkshire Community Foundation (Pargiter Trust)
Brighter Futures for Children
Church Welfare Association
Deloitte
Edward Gostling Foundation
Gerald Palmer Eling Trust
Greyfriars Church
John Sykes foundation
Kiriath Trust
Lifespring Church
Maurice And Hilda Laing
Norcot Mission Church
Pat Newman Memorial Trust
Reading Borough Council
Reading Family Church
St James's Place Charitable Foundation
St Laurence Relief in Need Trust
St Mary's Purley
Symondson Foundation
Thames Valley Violence Prevention Partnership
The Blagrave Trust
The National Lottery Community Fund
The Olly Stephens Fund
The Oracle
The Rank Foundation
Trinity Church (Earley)
Tudor Trust

THE MUSTARD TREE FOUNDATION (READING)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2023

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Trustees
Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms A Awuku
Mr D Gibbons
Ms I Clifford (Appointed 16 February 2023)

CEO Ms Katherine Shepherd

Charity number 1104631
Company number 04986086

Principal address
4 Sackville Street, Reading, Berkshire RG1 1NT

Registered office
4 Sackville Street, Reading, Berkshire RG1 1NT

Independent examiner
Colin Dadswell FCA ACCA DChA
Caladine Limited, Chantry House, 22 Upperton Road, Eastbourne, East Sussex BN21 1BF

Bankers
HSBC Bank PLC, 26 Broad Street, Reading RG1 2BU

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Charity registration number 1104631
Company registration number 04986086
(England and Wales)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

For the year ended 31 December 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects for which the Charity is established are:

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith.
- To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by:

    a) The promotion of improved health and wellbeing and the relief of poverty and distress.
    b) To provide or assist in the provision of facilities and services that empowers individuals to develop personally, and to build stronger and more cohesive communities.

We continue to work strategically to identify social needs that are not being met by existing provision, and under-represented beneficiaries who face barriers to support. We work with local communities and partner with other charities and organisations to develop effective solutions, Creating and supporting projects which address unmet needs, as well as maintaining our strategic presence on various boards to effect positive change for overlooked communities or individuals. By doing so we seek to:

- Reduce health and social inequalities.
- Build stronger more cohesive communities.
- Give a voice to the unheard.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The first section of the report has set out the achievements and impact of the charity over the year. Our projects are driven by local people and enhanced by our networks and partnerships.

We have a number of active commissioning partnerships involving multiple charities and statutory agencies and a working model that enables us to engage with 'the hardest to reach'. Our strong reputation demonstrates that we deliver high impact services, collaborate effectively, and use our resources well.

Fundraising performance

Fundraising activities during the year

We are very grateful for the donations from our financial supporters (see pg 24 for details of our funders). Our services are funded by statutory bodies and charitable trusts, fundraising events and donations from organisations, churches and individuals. The charity does not work with any commercial partners for fundraising.

Volunteers

Many of our activities are carried out by our team of volunteers who live within the communities we serve and are often experts by lived experience. We want to take this opportunity to recognise the impact that our befrienders, mentors, navigators, admin and prayer supporters and outreach workers have and to say thank you to them for all they do.

Financial review

The charity received income amounting to £489,828 (2022: £544,776) and incurred expenditure of £434,330 (2022: £503,313) leading to a surplus in the year of £55,498 (2022: surplus of £41,463). Unrestricted reserves at the balance sheet date amounted to £187,822 (2022: £132,324), of which £85,860 (2022: £59,466) had been designated by the Trustees for specific projects. There were no restricted funds held at the balance sheet date.

We have reviewed and consolidated activities. We drew our mentoring in Swindon and Milton Keynes to a close, working with our local partners to ensure ongoing support for young people in those areas. We have moved offices from London Street to Sackville Street which will provide a significant saving in rent and utilities and access to excellent facilities to operate activities from. We also streamlined the management of our projects and where employees have left, we have taken the decision not to replace them with an identical recruited position. Our different project teams are working closer and sharing resources more than before. We have strong budgetary controls in place.

Reserves policy

The Trustees have considered the level of reserves (that is those funds that are freely available) that the charity ought to have. The Trustees have set a reserves policy of at least 3 months of budgeted expenditure to bridge any funding gaps between spending on administrative and operational activities and resources received. At the end of 2023 this amount was approximately £110k. They have also considered any additional obligations such as contracts. The trustees have reviewed the current reserves held across designated and unrestricted funds and are satisfied with our current level of £187k. The trustees will continue to monitor the level of reserves to support the charity's activities.

Structure, governance and management

The charity is constituted as a company limited by guarantee, registered under the Companies Acts, and its governing document is a Memorandum and Articles of Association under company legislation, dated 5 December 2003.

By operation of law all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and Charity legislation. The Trustees are all individuals.
The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Penson (Chair)	
Dr J Hawkins OBE	
Mr K Potter	
Ms D Malone	(Resigned 23 November 23)
Ms A Awuku	
Mr D Gibbons	
Rev. Leonard Onugha	(Resigned 2 June 2023)
Ms I Clifford	(Appointed 16 February 2023)

Recruitment and appointment of trustees

The Mustard Tree Foundation seeks to attract new trustees with relevant skills and experience to ensure a balanced and effective trustee board. We have recruitment and induction procedures in place so that each trustee is clear of the work of the charity, and the expectation of a trustee so that we are well governed and operating with best practice.
Induction and training of trustees

Trustees are encouraged to attend appropriate external training events that facilitate the undertaking of their role. They are also able to request training through the Chair, and arrangements will be made where appropriate and cost effective for the needs of the charity.

Statement of trustees' responsibilities
The trustees, who are also the directors of The Mustard Tree Foundation (Reading) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

Mr M Penson (Chair)
Trustee
Dated: 4 July 2024

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MUSTARD TREE FOUNDATION (READING)

I report to the trustees on my examination of the financial statements of The Mustard Tree Foundation (Reading) (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

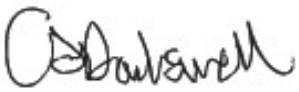
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Colin Dadswell FCA ACCA DChA
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF
Dated: 4 July 2024

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	178,807	306,354	485,161	136,821	398,042	534,863
Charitable activities	4	850	-	850	9,252	-	9,252
Investments	5	3,817	-	3,817	661	-	661
Total income		183,474	306,354	489,828	146,734	398,042	544,776
Expenditure on:							
Raising funds	6	23,845	-	23,845	22,319	-	22,319
Charitable activities	7	104,131	306,354	410,485	82,952	398,042	480,994
Total expenditure		127,976	306,354	434,330	105,271	398,042	503,313
Net income and movement in funds		55,498	-	55,498	41,463	-	41,463
Reconciliation of funds:							
Fund balances at 1 January 2023		132,324	-	132,324	90,861	-	90,861
Fund balances at 31 December 2023		187,822	-	187,822	132,324	-	132,324

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

STATEMENT OF FINANCIAL POSITION

as at 31 december 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Property, plant and equipment	12		4,313		6,155
Current assets					
Trade and other receivables	13	9,684		5,750	
Cash at bank and in hand		232,924		316,738	
		242,608		322,488	
Current liabilities	14	(59,099)		(196,319)	
Net current assets			183,509		126,169
Total assets less current liabilities			187,822		132,324
Net assets excluding pension liability			187,822		132,324
Net assets			187,822		132,324
The funds of the charity					
Unrestricted funds			187,822		132,324
			187,822		132,324

STATEMENT OF FINANCIAL POSITION continued

As at 31 December 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements were approved by the trustees on 4 July 2024

Mr M Penson (Chair)
Trustee
Company Registration No. 04986086

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Company information
The Mustard Tree Foundation (Reading) is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Sackville Street, Reading, Berkshire, RG1 1NT.

1.1 Accounting convention
The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

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

1.3 Charitable funds
Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. This includes amounts disclosed as 'designated funds' representing monies allocated to projects run by the charity. These projects are partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for those projects.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income
Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.
Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies (Continued)

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

1.5 Expenditure
A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increase in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1.6 Property, plant and equipment
Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Items of PPE with a cost over £500 are capitalized and depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures and fittings	25% straight line
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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

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

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

1 Accounting policies (Continued)

Basic financial assets
Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets
Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (Continued)

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities
Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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

1.12 Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	146,107	-	146,107	101,269	-	101,269
Grants – Statutory & Trusts	32,700	306,354	339,054	35,552	398,042	433,594
	178,807	306,354	485,161	136,821	398,042	534,863
Donations and gifts						
Donations Individuals	25,469	-	25,469	25,438	-	25,438
Donations Churches	20,181	-	20,181	31,451	-	31,451
Donations Trusts	98,394	-	98,394	42,339	-	42,339
Gift aid recovered	2,063	-	2,063	2,041	-	2,041
	146,107	-	146,107	101,269	-	101,269

4 Income from Charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Charitable activities		
Sale of goods	850	8,174
Salary reimbursement	–	1,078
	850	9,252

5 Income from Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	3,817	661

6 Expenditure on Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Staff costs	23,845	22,319

7 Expenditure on Charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Staff costs	306,838	358,213
Depreciation and impairment	2,513	2,062
Other staff related costs (incl. travel/subsistence/voluntary & training)	6,160	10,589
Rent and rates	36,251	39,763
Office refurbishment	2,841	5,438
Office equipment	-	2,641
Professional fees including accountancy and IT support	18,099	16,738
Other	6,041	6,514
Postage and stationery	3,173	2,570
Telecommunications	4,108	5,015
Insurance	4,365	5,620
Subscriptions	6,679	4,456
Cleaning	5,034	4,167
Sub-contractors	1,884	13,700
Advertising and PR costs	4,189	3,671
Overclaimed input VAT	-	(3,116)
	408,175	478,041
Share of governance costs (see note 8)		
Governance	2,310	2,953
	410,485	480,994
Analysis by fund		
Unrestricted funds	104,131	82,952
Restricted funds	306,354	398,042
	410,485	480,994

8 Support costs allocated to activities

	2023 £	2022 £
Governance costs	2,310	2,953
Analysed between:		
Charitable activities	2,310	2,953

	2022 £	2022 £
Governance costs comprise:		
Accountancy and independent examination	2,310	2,953
	2,310	2,953

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.
Aggregate donations from Trustees for the year were £132 (2022; £145).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	16	18

Employment costs	2023 £	2022 £
Wages and salaries	305,979	350,990
Social security costs	18,874	23,624
Other pension costs	5,830	5,918
	330,683	380,532

The majority of staff were part time. The average full-time equivalent was 12 (2022: 12).

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

11 Taxation

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

12 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 January 2023	2,834	7,147	9,981
Additions	-	672	672
At 31 December 2023	2,834	7,819	10,653
Depreciation and impairment			
At 1 January 2023	599	3,228	3,827
Depreciation charged in the year	559	1,954	2,513
At 31 December 2023	1,158	5,182	6,340
Carrying amount			
At 31 December 2023	1,676	2,637	4,313
At 31 December 2022	2,235	3,920	6,155

13 Trade and other receivables

	2023	2022
Amounts falling due within one year:	**£**	£
Trade receivables	3,111	–
Other receivables	823	–
Prepayments and accrued income	5,750	5,750
	9,684	5,750

14 Current liabilities

	Notes	2023 £	2022 £
Other taxation and social security		4,747	6,320
Deferred income	15	50,391	177,349
Trade payables		1,151	361
Accruals and deferred income		2,810	12,289
		59,099	196,319

15 Deferred income

	2023 £	2022 £
Other deferred income	50,391	177,349

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	50,391	177,349
Movements in the year:		
Deferred income at 1 January 2023	177,349	92,893
Released from previous periods	(177,349)	(92,893)
Resources deferred in the year	50,391	177,349
Deferred income at 31 December 2023	50,391	177,349

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the Charity.

Deferred income analysed by project is as follows:

Rahab	£5,000
Starting point	£34,891
Engage	£10,500

16 Retirement benefit schemes

	2023	2022
Defined contribution schemes	**£**	£
Charge to profit or loss in respect of defined contribution schemes	5,830	5,918

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

17 Restricted funds

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

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
Starting Point Reading	–	265,921	(265,921)	–
Rahab Project	–	433	(433)	–
Engage Befriending	–	40,000	(40,000)	–
	–	306,354	(306,354)	–

Previous year:

	At 1 January 2022 £	Incoming resources £	Resources expended £	At 31 December 2022 £
Starting Point Reading	–	328,219	(328,219)	–
Rahab Project	–	6,000	(6,000)	–
Engage Befriending	–	63,823	(63,823)	–
	–	398,042	(398,042)	–

Projects undertaken by the Charity were partly funded through restricted grants. Restricted funding received as shown above was all expended during the year. The Trustees additionally allocated some general funds towards the projects to cover additional expenses as can be seen in note 18.

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing mentoring and opportunities for young people aged 11–25.

18 Unrestricted funds

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

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
Starting Point Reading	52,644	107,679	(37,420)	(43,400)	79,503
Rahab Project	5,486	18,325	(17,454)	-	6,357
Engage Befriending	1,336	28,117	(44,720)	15,267	-
General funds	72,858	29,353	(28,382)	28,133	101,962
	132,324	183,474	(127,976)	-	187,822

Previous year:	At 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2022 £
Starting Point Reading	6,953	61,675	(15,983)	-	52,645
Rahab Project	5,545	19,550	(19,609)	-	5,486
Engage Befriending	7,629	17,198	(23,492)	-	1,335
General funds	70,734	48,311	(46,187)	-	72,858
	90,861	146,734	(105,271)	-	132,324

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing mentoring and opportunities for young people aged 11–25.

18 Unrestricted funds continued

The projects experience temporary fluctuations in their financial position during the year, due to variations in income and expenditure. To allow the projects to operate effectively, the Trustees support the projects by allowing them to spend more than the funds available temporarily, which the Trustees describe as an "overdraft facility", supported by the reserves held in the unrestricted revenue fund.

19 Operating lease commitments

Lessee

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

	2023 £	2022 £
Within one year	16,000	23,422
Between two and five years	60,625	–
	76,625	23,422

20 Related party transactions

There were no disclosable related party transactions during the year (2022 – none).

THE MUSTARD TREE FOUNDATION (READING)

England & Wales - Charity number 1104631

Accounts

The Mustard Tree

ANNUAL REPORT AND ACCOUNTS 2022

Message from the CEO

At the heart of all we do at The Mustard Tree is our passion that everyone should have the opportunity to thrive. The crisis in the cost of living coupled with the continuing impact of the pandemic resulted in more people needing our support and our activity in 2022 reflects this.

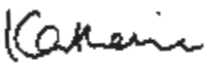
We have reviewed our activity to ensure we are providing the opportunities and support that our service users want and need. For example, at the end of the year, the Engage team focused our long-term support on those who are living alone and are isolated, but we are also providing short term support and signposting. Like many in the charity and community sector we experienced a reduction in formal volunteering, so the team developed a drop-in morning, regular newsletter and peer befriending to provide more touch-points for our service beneficiaries.

Over the next year we will be consolidating some of our activities and have made some operational decisions to ensure we are focusing our services on priority areas where we can make the most significant impact. For example, we are working with our partners in Milton Keynes and Swindon to explore what options there are to move to an ongoing local ownership of the mentoring there. We believe in the power of locally led projects. This decision will enable us to focus on our activities in Reading and the surrounding area and we are excited to have been a catalyst for support for young people living in these communities.

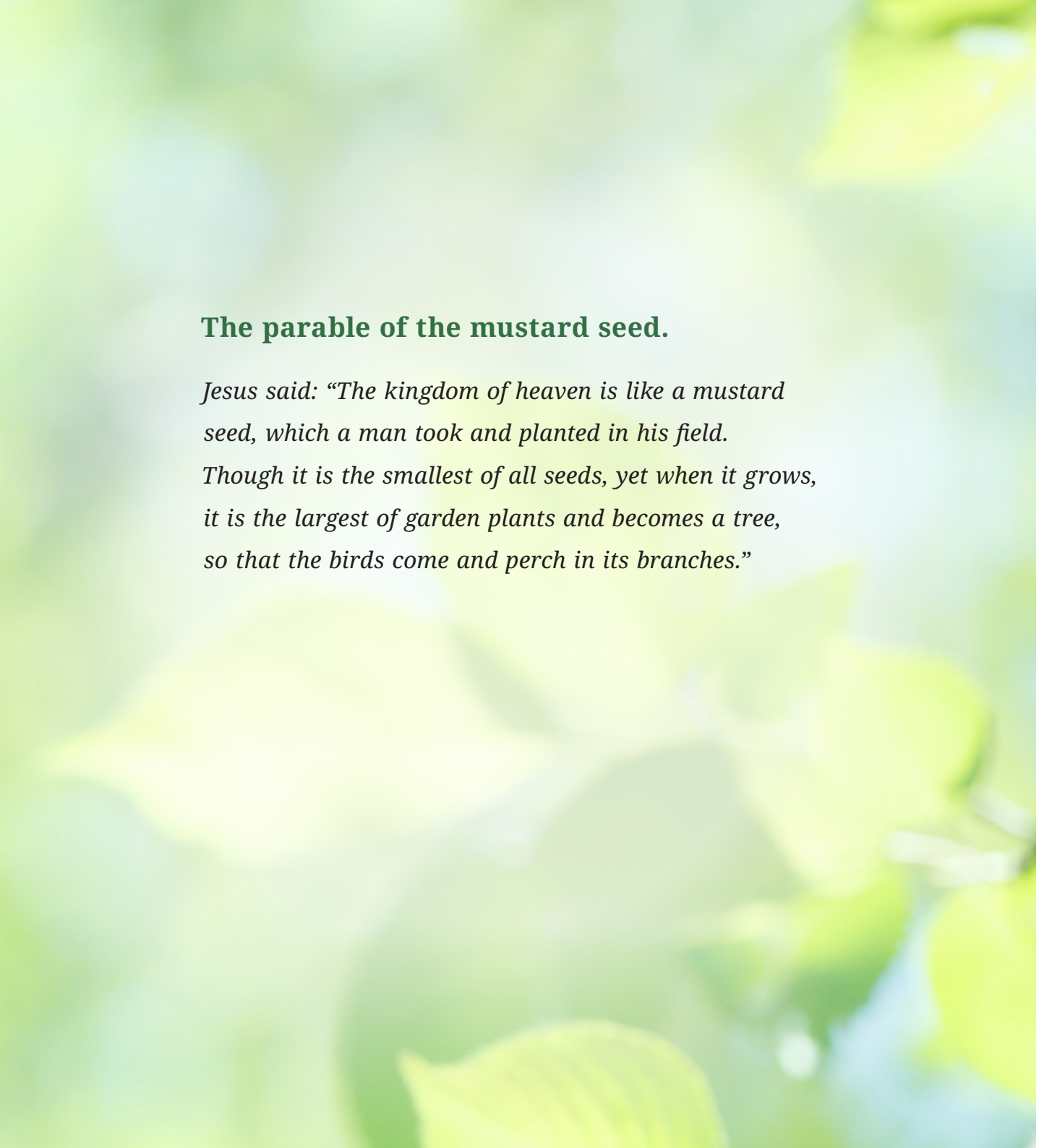
We strengthened our core team by recruiting a Finance Director, who has led us in making changes to our systems which has significantly streamlined our processes. With limited resources and a challenging economic environment, we need to ensure that we continue to make the biggest impact we can. So we have also developed our networks with new delivery partnerships to ensure that we are offering the holistic support that will best enable people to thrive.

None of our activities would be possible without our amazing team of staff and volunteers who, drawing on their experience and compassion for others, step out and support others in making positive changes. We also remain grateful to the statutory and voluntary partners, local businesses, and community groups who we work closely with. It is by working together that we make the biggest impact.

Thank you to everyone who joined us to ensure our success in 2022. Your contribution has made a significant difference to our service beneficiaries lives and to our local communities. We greatly value all of your support.



Katherine Shepherd



The parable of the mustard seed.

Jesus said: "The kingdom of heaven is like a mustard seed, which a man took and planted in his field. Though it is the smallest of all seeds, yet when it grows, it is the largest of garden plants and becomes a tree, so that the birds come and perch in its branches."

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Our way of working

Our vision:
We are passionate that every individual has the opportunity to thrive.

Our mission is to:

- Reduce health and social inequalities.
- Build stronger and more connected communities.
- Give a voice to the unheard.

Our approach is to:

- Work in partnership to identify and address unmet needs in our communities.
- Facilitate local communities to support local people.
- Ensure that every individual is listened to, valued and empowered to make positive change.

Our ethos:
As a charity with a Christian ethos the projects we generate are inspired by our faith. Therefore, they are designed to serve all sections of our diverse communities.

How we do it:
Our values are embedded in all that we undertake. Our team are dedicated to providing our services with integrity, compassion, innovation, professionalism, and inclusivity.

We place people at the heart of our services by listening, not judging, and by believing in their potential.

Our projects

2022 in numbers

Our priorities continue to:

- Reduce loneliness and social isolation.
- Engage people who are disadvantaged or harder to reach.
- Improve mental health and wellbeing.
- Support positive change for individuals and families.
- Connect people with existing wider support and opportunities within their communities.

These priorities are at the heart of the focus of our three projects which aim to help our service users thrive no matter what age, barriers they face in life or their past experiences. We are passionate that every individual has the opportunity to thrive.

In 2022, we supported 512 people with our 265 volunteers working with 40 partners. We hosted 113 events and trained 249 people.

In the year, we received £544,776 in income, most of it from our partnerships and funders. With their generosity and trust in us to deliver, our projects were able to meet the needs of those we support.

Our projects and programmes offer long term, consistent support to people aged from 11 years to 101 years.

ENGAGE

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

RAHAB

Identifying and supporting sex workers to break free from the cycles of abuse, poverty and addiction.

STARTING POINT

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

The Mustard Tree
– developing partnerships, co-producing programmes

With 20 years of experience, working with a wide range of individuals and organisations across the town, The Mustard Tree team are called upon to use this knowledge to identify unmet needs and to be a voice for those who are unheard.

While this work may not result in a Mustard Tree project, we often advise on a way forward or may suggest a route to co-produce a programme by bringing the experience of our service users and continuing to build on our partnerships. It is this relational approach that is at the centre of our success and achievements in 2022; simply, we know that we have a greater impact working in partnership than alone and this is evidenced in all of our current projects.

We ensure the voice of our service beneficiaries is heard in the networks, steering groups and senior leadership boards we are active on. We are active on a number of strategy groups and committees across multiple statutory organisations including through Reading Borough Council and the BOB VCSE Health Alliance, recently contributing to the Berkshire West Health and Wellbeing Strategy. Our CEO is a member of the leadership team for Transform Reading, a member of VIN (Voluntary Intelligence Network) and the Voluntary Community Sector (VCS) leaders network for Reading.

We provide training for individuals and organisations to support their work in the community, including safeguarding training for local organisations.

Through this work, we are bringing those together who have the key experience, strengths, skills and resources to make the maximum impact within our communities.

Engage

Reducing isolation and loneliness by developing positive relationships and networks in our communities.

THE YEAR IN NUMBERS:

111
SERVICE USERS

80
VOLUNTEERS

3,848
HOURS OF VOLUNTEERING

120
MONTHLY NEWSLETTER RECIPIENTS

2022 was a year of consolidation and we undertook a strategic review to ensure we understood what was needed to maximise opportunities for our service beneficiaries.

The pandemic is still having a significant impact on both service users and those who are willing to volunteer. We struggled to recruit new volunteers and are aware of more people who need befriending, so we created additional touch-points to relieve loneliness by introducing a regular coffee morning drop-in, producing monthly newsletters for both our Engage Befriending and Engage Wellbeing service beneficiaries, developing peer befriending, and we were delighted to host two social events in the year – our 10th anniversary party and the Christmas Cake tea-party.

Our Engage Befriending programme celebrated 10 years of supporting people to thrive. The project was created by the churches in Reading working with Reading Borough Council identifying an unmet need for older people who were isolated and alone. We would like to thank everyone who has supported Engage Befriending over the past 10 years for their involvement and encouragement.

Making friendships:

At one of our monthly coffee mornings, two women were commenting that they found weekends the hardest time and wished that more clubs would meet then. Within about 30 minutes, they had arranged to meet up for lunch on the following Saturday and are now firm friends. One of them has decided that she no longer needs a visit from her volunteer befriender as she has made new friends and will continue to come to the coffee morning.

Just down the road from each other:

One of the Engage team went to visit a gentleman who had recently lost his wife and wanted a befriender. During their chat it became apparent that he would be a great befriender himself and he became a volunteer. The team member was able to match him to a man just 500 yards away on the same road who is house-bound and they have been meeting up ever since and both value their time together.

Working in partnership:

One of the Starting Point team, referred a mother of one of their young people to us. She has health and wellbeing challenges of her own and we were able to link up so that when the young person was meeting with their mentor, our Engage Wellbeing team leader met the mum for a coffee and chat. They talked about everything from the challenges of being a single mum, family history, the struggles and challenges that the young person faced to the news and a little bit of healthy gossip too! The Mum told us that the support given enabled her to release and vent her frustrations about her situation in a safe place knowing that she would be heard without judgement and would be supported.

RAHAB

Rahab

The Rahab team of volunteers provide a Chaplaincy outreach three or four nights a week. The purpose of this outreach is to make contact with and build relationships with on-street sex-workers so they know they can ask us for support. The team does not judge, we listen, support and offer the help we can either directly or through our network of partners.

THE YEAR IN NUMBERS

150
OUTREACH SESSIONS

582
CONTACTS

45
SERVICE USERS

16
VOLUNTEERS

517
VOLUNTEER HOURS

2520
CONDOMS GIVEN OUT

1398
CHOCOLATE BARS SHARED

The number of Chaplaincy outreach opportunities increased by 15% on last year to 150 which, in turn, meant that we made more contacts with the women (a contact is defined as having a chat).

In May and June, we experienced a significant increase in the number of women sex-working. We encountered women who we had not seen for a few years, and made contacts with a number of women who were new to us. We believe this was due to the significant increase in the cost of living as the women were sharing with us their concerns about it.

Building partnerships

The Outreach team from the Florey clinic (Royal Berkshire Hospital's Sexual Healthcare Clinic) join us once a month to provide the women with testing kits and advice. This partnership is going well and we are eager to develop it throughout the year.

Our work outside of the Chaplaincy evenings includes referrals to other organisations such as The Cow Shed and CCA for clothing and household items, to Communicare for financial and benefits advice on their situation CGL (addiction support) and Launchpad (Housing).

A chaotic life:

The women often live chaotic lives and can be in danger. Earlier in the year, Rahab formed part of a group of specialist organisations who came together to support one of the women to leave Reading as her life was at risk.

Poor mental and physical health:

Poor mental and physical health linked to drug and alcohol addiction is another challenge faced by the women, sadly, one of whom died this year aged just 37. We encourage the women to seek help and arrange to take them to appointments.

Struggling to find a way out:

One of the women was asked why she began sex-working and she simply answered 'When I became addicted to heroin.' The needs of the women are complex and linked to past trauma, substance abuse and exploitation.

Restoring hope:

We aim to give hope and belief to the women - one woman told a volunteer that we always do what we say that we will do and no matter how small a task it is for us, it means so much more to them.

We give thanks for the amazing team of volunteers who are out in all weathers to help come alongside the women.

STARTINGPOINT

Starting Point

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

STARTING POINT IN NUMBERS

356	162	25	6
YOUNG PEOPLE	VOLUNTEERS	PARTNERSHIPS	YOUNG PERSON LED CREATIVE PROJECTS

Starting Point continues to reach young people who are often hardest to reach and considered difficult to engage, offering them a starting point for a brighter and more hopeful future.

We are passionate about enabling young people who face disadvantage to make lasting change in their lives. We believe this is possible by building long term relationships, journeying alongside young people, creating meaningful opportunities and equipping the local community.

In 2022 we continued to mentor local young people, through local volunteers, supported by the local community. We believe this approach ensures that young people build meaningful and consistent relationships which creates a platform for long term change.

Last year presented many challenges for young people including the effects of the cost-of-living crisis, an increase in mental health struggles, and a lack of support services and opportunities available. Listening to young people and adapting our support to meet their needs and aspirations has been essential both in 1:1 support and in creating additional opportunities. We have intentionally sought to develop our approach in co-production, creating safe spaces and empowering young people in decision making. Throughout the year we have worked closely with partners such as local authorities, the police, schools, and the NHS as we seek to ensure that young people have the relational and long-term support in place to see positive outcomes in their lives and the wider community.

Starting Point Mentoring

Mentoring young people aged 11–25 who face disadvantage.

We have supported 105 young people through 89 volunteer mentors, with a tailor-made journey to equip each of them to see lasting positive change.

A&E Navigators

Providing a relational journey from a young person's moment of crisis towards thriving within the local community.

Our 21 volunteer Navigators supported 60 young people throughout the year in A&E; providing them with a listening ear and moment of connection, and access to support in the wider community.

School Navigators

Providing a relational journey from a young person's place of education towards thriving within the local community.

In the Autumn term of 2022 our two Schools and Community Mentors reached 22 young people across 4 schools who were disengaging with their education.

Action Media

A Young Person led media initiative providing meaningful work experience in the creative industry.

In 2022 Action Media provided 69 young people with the opportunity to work on real world creative media projects in conjunction with experienced media professionals and mentors.

The Hub

The Hub, our under 18s drop-in social group, started in July 2022.

100% of the young people who attended in 2022 said it helps them feel more confident in interacting with other young people.

Case study

When Mia (17) first came to Starting Point she did not enjoy college, which caused her to be socially isolated as she struggled to attend regularly. Mia had anxiety around talking to new people, as well as with the uncertainty of what each day at college would bring. Mia set mentoring goals to increase her attendance at college, build on her relationships, and improve her confidence when talking with new people and within herself.*

At the beginning of her mentoring journey, Mia was considerably shy and found it difficult to have confidence when speaking to her mentor. To grow their mentoring relationship and built trust, Mia and her mentor focused on meeting regularly and local to Mia's house. Over time, Mia grew in confidence and found it easy to share things with her mentor - one time asking her mentor to talk with her to her Mum about her mental health. This led to her completing a counselling referral, something she hadn't been keen on in the past.

Approaching the summer before the new academic year, Mia and her mentor researched courses she could study as Mia was optimistic at the potential of choosing what she studies, which was not the case the year prior, as she was unsure of her interests and asked mum to choose a course for her. Mia chose which course she would like to study, and looked at the course in depth in her mentoring sessions to prepare herself for what was expected in the upcoming year.

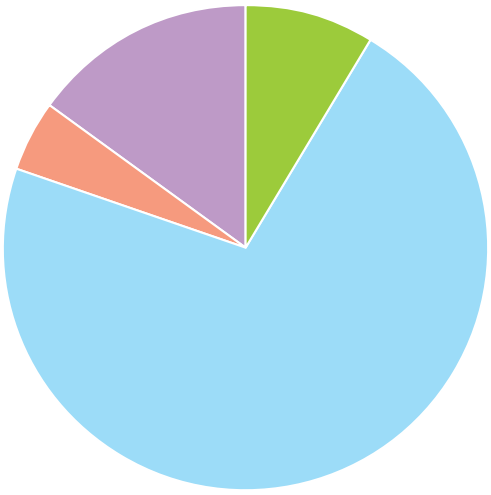
Mia has now attended college every day this academic year, and has made friends on the course that she is meeting up with socially outside of college. Mia now enjoys what she studies, and is glad that she chose mentoring as she never thought that she would enjoy education, or have the confidence to make new friends, both of which she has achieved.

*Name changed to protect the young person's identity

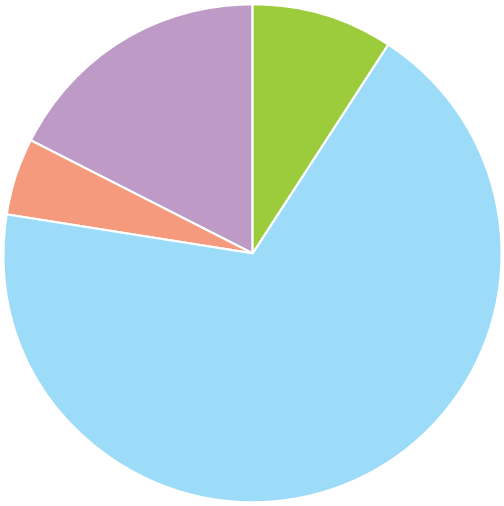
Our Finances

In 2022 we had a total income of £544,776 and a total expenditure of £503,313. The income exceeded our expenditure by £41,463. We had sought to build our reserves to support the increase in our operations and we achieved our target. The Trustees will continue to monitor the level of reserves to support the charities activities.

Project	Income	Expenditure
MTF Central	£48,311	£46,187
Starting Point	£389,894	£344,202
Rahab	£25,550	£25,609
Engage	£81,021	£87,315
Total	**£544,776**	**£503,313**



INCOME



EXPENDITURE

Our funders

We would like to thank the trusts, churches, individuals and organisations who have supported our work over the last 12 months. Without your partnership and generosity we would not have been able to provide the support to those who are marginalised or overlooked within the communities we serve.

Activate Learning
Anglo American
Arnold Clark Community Fund
Artsmark
BBC Children in Need
Benefact Trust
Berkshire Community Foundation
Blagrave Trust
Brighter Futures for Children
Campbell Park Parish Council
Candlefish
Caversham Good Neighbours
Central & North West London NHS
Deloitte LLP
Englefield Charitable Trust
ESFA
Garfield Weston Foundation
Gateway Church Swindon
Greyfriars Church
Groundwork London
Hammerson plc
Kiriath Trust
LifeSpring Church
Longleigh Foundation
Lord Barnby's Foundation
McCarthy Stone Foundation
MK Community Foundation
National Business Response Network
National Lottery
New Life Church MK
NHS Berkshire West CCG
NHS Royal Berkshire Foundation Trust
Osborne Clarke
Pattern Church
Quartet Community Foundation
Reading Borough Council
Reading Family Aid
Reading Family Church
Reading FC Community Trust
Reading Place of Culture
Reading St Laurence Church Charities
Reading Voluntary Action
Real Time
Reccobiz
Rotary Club of Reading
Sage Foundation
Sage UK
Souter Charitable Trust
St James's Place Charitable Foundation
St Marys, Purley
Swindon Borough Council
Thames Valley Police
Thames Valley Violence Reduction Unit
The Museum of English Rural Life
The Oracle
The Prince's Responsible Business Network
Trinity Earley
Tudor Trust
Wiltshire Community Foundation
Wiltshire OPCC
Youth Futures Foundation

THE MUSTARD TREE FOUNDATION (READING)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2022

Trustees' report	20–21
Independent examiner's report	22
Statement of financial activities	23
Statement of financial position	24–25
Notes to the financial statements	26–39

Trustees
Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms D Malone
Ms A Awuku
Mr D Gibbons
Ms I Clifford (Appointed 16 February 2023)

CEO Ms Katherine Shepherd

Charity number 1104631
Company number 04986086

Principal address
90 London Street, Reading, Berkshire RG1 4SJ

Registered office
90 London Street, Reading, Berkshire RG1 4SJ

Independent examiner
Colin Dadswell FCA ACCA DChA
Caladine Limited, Chantry House, 22 Upperton Road, Eastbourne, East Sussex BN21 1BF

Bankers
HSBC Bank PLC, 26 Broad Street, Reading RG1 2BU

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Charity registration number 1104631
Company registration number 04986086
(England and Wales)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

For the year ended 31 December 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects for which the Charity is established are:

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith.
- To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by:

    a) The promotion of improved health and wellbeing and the relief of poverty and distress.
    b) To provide or assist in the provision of facilities and services that empowers individuals to develop personally, and to build stronger and more cohesive communities.

We continue to work strategically to identify social needs that are not being met by existing provision, and under-represented beneficiaries who face barriers to support. We work with local communities and partner with other charities and organisations to develop effective solutions, Creating and supporting projects which address unmet needs, as well as maintaining our strategic presence on various boards to effect positive change for overlooked communities or individuals. By doing so we seek to:

- Reduce health and social inequalities.
- Build stronger more cohesive communities.
- Give a voice to the unheard.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Fundraising activities during the year

We are very grateful for the donations from our financial supporters. Our services are funded by statutory bodies and charitable trusts, fundraising events and donations from organisations, churches and individuals. The charity does not work with any commercial partners for fundraising.

Volunteers

Many of our services are provided by dedicated volunteer mentors, befrienders and outreach workers. We would like to take this opportunity to offer our thanks to this fantastic team who are making a huge impact.

Financial review

The charity received income amounting to £544,776 and incurred expenditure of £503,313 leading to a surplus in the year of £41,463 (2021: deficit of £6,748). Unrestricted reserves at the balance sheet date amounted to £132,324, of which £59,466 had been designated by the Trustees for specific projects. There were no restricted funds held at the balance sheet date.

The Trustees have considered the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on administrative and operational activities and resources received e.g. through donations, grants and services that provide income.

The Trustees have set a reserves policy of 3 months of budgeted expenditure. At the end of 2022 this amount was approximately £130k, which compared to current reserves held across designated and unrestricted funds of £132k. There is no longer a shortfall in the required level of reserves (2021: Shortfall of £22K) as the 3 month target has been achieved. The trustees will continue to monitor the level of reserves to support the charity's activities.

Structure, governance and management

The charity is constituted as a company limited by guarantee, registered under the Companies Acts, and its governing document is a Memorandum and Articles of Association under company legislation, dated 5 December 2003.

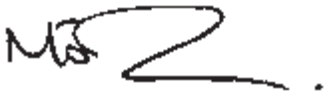
By operation of law all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and Charity legislation. The Trustees are all individuals.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Penson (Chair)
Dr J Hawkins OBE
Mr K Potter
Ms D Malone
Rev L Onugha (Deceased 2 June 2023)
Ms A Awuku
Mr D Gibbons
Ms I Clifford (Appointed 16 February 2023)

The Mustard Tree Foundation seeks to attract new trustees with relevant skills and experience to ensure a balanced and effective trustee board. We have recruitment and induction procedures in place so that each trustee is clear of the work of the charity, and the expectation of a trustee so that we are well governed and operating with best practise. Trustees are encouraged to attend appropriate external training events that facilitate the undertaking of their role. They are also able to request training through the Chair, and arrangements will be made where appropriate and cost effective for the needs of the charity.

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



Mr M Penson (Chair)
Trustee
Dated: 27 July 2023

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MUSTARD TREE FOUNDATION (READING)

I report to the trustees on my examination of the financial statements of The Mustard Tree Foundation (Reading) (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

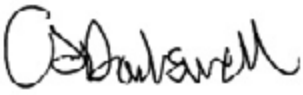
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Colin Dadswell FCA ACCA DChA
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF
Dated: 28 July 2023

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	136,821	398,042	534,863	111,973	378,576	490,549
Charitable activities	4	9,252	-	9,252	4,596	-	4,596
Investments	5	661	-	661	23	-	23
Total income		146,734	398,042	544,776	116,592	378,576	495,168
Expenditure on:							
Raising funds	6	22,319	-	22,319	14,289	-	14,289
Charitable activities	7	82,952	398,042	480,994	109,051	378,576	487,627
Total expenditure		105,271	398,042	503,313	123,340	378,576	501,916
Net income (expenditure) for the year/ Net movement in funds		41,463	-	41,463	(6,748)	-	(6,748)
Fund balances at 1 January 2022		90,861	-	90,861	97,609	-	97,609
Fund balances at 31 December 2022		132,324	-	132,324	90,861	-	90,861

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

All income and expenditure derive from continuing activities.

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

STATEMENT OF FINANCIAL POSITION

as at 31 december 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Property, plant and equipment	12		6,155		5,292
Current assets					
Trade and other receivables	13	5,750		30,484	
Cash at bank and in hand		316,738		190,425	
		322,488		220,909	
Current liabilities	14	(196,319)		(135,340)	
Net current assets			126,169		85,569
Total assets less current liabilities			132,324		90,861
Income funds					
Unrestricted funds					
Designated funds:					
Starting Point Reading		52,645		6,953	
Rahab Project		5,486		5,545	
Engage Befriending		1,335		7,629	
	17	59,466		20,127	
General unrestricted funds		72,858		70,734	
			132,324		90,861
			132,324		90,861

STATEMENT OF FINANCIAL POSITION continued

As at 31 December 2022

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

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the Trustees on 27 July 2023

Mr M Penson (Chair)
Trustee
Company Registration No. 04986086

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Company information
The Mustard Tree Foundation (Reading) is a private company limited by guarantee incorporated in England and Wales. The registered office is 90 London Street, Reading, Berkshire, RG1 4SJ.

1.1 Accounting convention
The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

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

1.3 Charitable funds
Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. This includes amounts disclosed as 'designated funds' representing monies allocated to projects run by the charity. These projects are partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for those projects.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income
Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.
Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies (Continued)

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

1.5 Expenditure
A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increase in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1.6 Property, plant and equipment
Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Items of PPE with a cost over £500 are capitalized and ddepreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures and fittings	25% straight line
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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

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

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

1 Accounting policies (Continued)

Basic financial assets
Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets
Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (Continued)

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities
Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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

1.12 Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Donations and gifts	101,269	-	101,269	111,753
Grants – Statutory & Trusts	35,552	398,042	433,594	378,796
	136,821	398,042	534,863	490,549
Donations and gifts				
Donations Individuals	25,438	-	25,438	23,425
Donations Churches	31,451	-	31,451	22,782
Donations Trusts	42,339	-	42,339	63,528
Gift aid recovered	2,041	-	2,041	2,018
	101,269	-	101,269	111,753

For the year end 31 December 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	111,753	–	111,753
Grants – Statutory & Trusts	220	378,576	378,796
	111,973	378,576	490,549
Donations and gifts			
Donations Individuals	23,425	–	23,425
Donations Churches	22,782	–	22,782
Donations Trusts	63,528	–	63,528
Gift aid recovered	2,018	–	2,018
	111,753	–	111,753

4 Charitable activities

	2022 £	2021 £
Sales within charitable activities	8,174	1,485
Salary reimbursement	1,078	3,111
	9,252	4,596

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	661	23

6 Raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fundraising and publicity		
Staff costs	22,319	14,289

7 Charitable activities

	2022 £	2021 £
Staff costs	358,213	337,369
Depreciation and impairment	2,062	1,764
Other staff related costs (incl. travel/subsistence/voluntary & training)	10,589	11,788
Rent and rates	39,763	28,171
Office refurbishment	5,438	65
Office equipment	2,641	8,659
Professional fees including accountancy and IT support	16,738	26,748
Other	6,514	6,387
Postage and stationery	2,570	1,588
Telecommunications	5,015	5,275
Insurance	5,620	5,610
Subscriptions	4,456	6,848
Cleaning	4,167	3,777
Sub-contractors	13,700	–
Advertising and PR costs	3,671	3,283
Overclaimed VAT	(3,116)	35,435
	478,041	482,767
Share of governance costs (see note 8)	2,953	4,860
	480,994	487,627
Analysis by fund		
Unrestricted funds	82,952	109,051
Restricted funds	398,042	378,576
	480,994	487,627

8 Support costs

	Support costs £	Governance costs £	Total 2022 £	Total 2021 £
Legal and professional	–	–	–	1,620
Accountancy and independent examination	–	2,953	2,953	3,240
	–	2,953	2,953	4,860
Analysed between				
Charitable activities	–	2,953	2,953	4,860

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Aggregate donations from Trustees for the year were £145 (2021; £164).

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	18	20

Employment costs	2022 £	2021 £
Wages and salaries	350,990	325,515
Social security costs	23,624	21,126
Other pension costs	5,918	5,017
	380,532	351,658

The majority of staff were part time. The average full-time equivalent was 12 (2021: 11.8).

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

11 Taxation

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

12 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 January 2022	1,295	5,761	7,056
Additions	1,539	1,386	2,925
At 31 December 2022	2,834	7,147	9,981
Depreciation and impairment			
At 1 January 2022	324	1,440	1,764
Depreciation charged in the year	275	1,787	2,062
At 31 December 2022	599	3,227	3,826
Carrying amount			
At 31 December 2022	2,235	3,920	6,155
At 31 December 2021	971	4,321	5,292

13 Trade and other receivables

	2022	2021
Amounts falling due within one year:	£	£
Trade receivables	–	5,500
Other receivables	–	12,334
Prepayments and accrued income	5,750	12,650
	5,750	30,484

14 Current liabilities

	Notes	2022 £	2021 £
Other taxation and social security		6,320	8,134
Deferred income	15	177,349	92,893
Trade payables		361	2,029
Accruals		12,289	32,284
		196,319	135,340

15 Deferred income

	2022 £	2020 £
Other deferred income	177,349	92,893

Deferred income is included in the financial statements as follows:

	2022 £	2020 £
Deferred income is included within:		
Current liabilities	177,349	92,893
Movements in the year:		
Deferred income at 1 January 2022	92,893	43,125
Released from previous periods	(92,893)	(139,575)
Resources deferred in the year	177,349	189,343
Deferred income at 31 December 2022	177,349	92,893

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the Charity.

15 Deferred income (Continued)

Deferred income analysed by project is as follows:

Core	£1,000
Starting point	£176,349

16 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £5,918 (2021 – £5,017).

17 Restricted funds

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

		MOVEMENT IN FUNDS		
	Balance at 1 January 2022	**Incoming resources**	**Resources expended**	**Balance at 31 December 2022**
	£	**£**	**£**	**£**
Starting Point Reading	–	328,219	(328,219)	–
Rahab Project	–	6,000	(6,000)	–
Engage Befriending	–	63,823	(63,823)	–
	–	398,042	(398,042)	–

17 Restricted funds (Continued)

Movements for the year ended 31 December 2021

		MOVEMENT IN FUNDS		
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£
Starting Point Reading	–	300,834	(300,834)	–
Rahab Project	–	5,000	(5,000)	–
Engage Befriending	–	72,742	(72,742)	–
	–	378,576	(378,576)	–

Projects undertaken by the Charity were partly funded through restricted grants. Restricted funding received as shown above was all expended during the year. The Trustees additionally allocated some general funds towards the projects to cover additional expenses as can be seen in note 18.

Reading Lifeline
Counselling and support for anyone affected by infertility, or baby loss during pregnancy or soon after birth. Upon the closure of Reading Lifeline during 2020 the Trustees closed this fund and transferred funds from the unrestricted revenue fund to cover the negative balance remaining on the restricted fund.

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing opportunities and journeying alongside young people aged 11-25. Enabling them to attain, sustain and thrive within education, employment, and training.

18 Designated funds

		MOVEMENT IN FUNDS			MOVEMENT IN FUNDS		
	Balance at 1 January 2021 £	**Incoming resources £**	**Resources expended £**	**Balance at 1 January 2022 £**	**Incoming resources £**	**Resources expended £**	**Balance at 31 December 2022 £**
Starting Point Reading	1,024	33,748	(27,819)	6,953	61,675	(15,983)	52,645
Rahab Project	3,717	15,751	(13,923)	5,545	19,550	(19,609)	5,486
Engage Befriending	8,540	8,790	(9,701)	7,629	17,198	(23,492)	1,335
	13,281	58,289	(51,443)	20,127	98,423	(59,084)	59,466

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing opportunities and journeying alongside young people aged 11-25. Enabling them to attain, sustain and thrive within education, employment, and training.
The projects experience temporary fluctuations in their financial position during the year, due to variations in income and expenditure. To allow the projects to operate effectively, the Trustees support the projects by allowing them to spend more than the funds available temporarily, which the Trustees describe as an “overdraft facility”, supported by the reserves held in the unrestricted revenue fund.

19 Operating lease commitments

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

	2022 £	2021 £
Within one year	23,422	27,600
Between two and five years	–	23,422
	23,422	51,022

20 Related party transactions

There were no disclosable related party transactions during the year (2021 – none).

THE MUSTARD TREE FOUNDATION (READING)

England & Wales - Charity number 1104631

Accounts

The Mustard Tree

ANNUAL REPORT AND ACCOUNTS 2021

OUR TRUSTEES

Mick Penson (Chair of Trustees)
Danni Malone
Dr John Hawkins OBE
Kevin Potter
Leonard Onugha
Alison Awuku
David Gibbons
Richard Wilson (resigned, Dec 2021)

Message from the CEO

2021 was a significant year for The Mustard Tree. The effect of the pandemic has been to increase the challenges and inequalities that many people in the communities within which we work face.

However, our model has enabled us to adapt and further enable local people to support their local communities. Creating new opportunities, not only in the Reading area, but through delivering our Starting Point project in both Milton Keynes and Swindon.

We have been preparing for future change so we can continue to meet the needs of our service users, by ensuring that the foundation stones are in place for further consolidation and growth.

This has included strengthening our core services, welcoming new Trustees, and developing our values and strategy as a team. We have also introduced new senior roles to guide our projects, create new programmes, develop our future business plans and nurture our partnerships.

None of this would have been possible without the dedication and responsiveness of our staff and volunteers who are willing to step out and walk alongside people as they seek to make positive change. Or the statutory and voluntary sector partners, local businesses and community groups whom we continue to create close and lasting relationships with.

It is by working together that we continue to make this impact. I would like to thank everyone who joined with us to ensure our success during 2021. Your contribution makes a difference to those who are marginalised or disadvantaged, and we greatly value all of your support.

Katherine Shepherd

What our partners say

Mustard Tree Foundation has been at the forefront of supporting many marginalised people of all ages and backgrounds across the Reading area (and beyond) for many years now. Their focus on reaching those who often do not have a voice ensures that people are always valued and treated with dignity, based on the core Christian values which underpin and motivate the charity's work. This DNA is applied effectively across all elements of their work particularly through their three current projects focusing on social isolation and loneliness, supporting sex workers and mentoring young people. The professional approach of Mustard Tree Foundation also ensures that, where possible, partnerships are developed and duplication of effort is avoided. The lives of many thousand individuals have been impacted over the years and will – I am sure – continue to impact lives for many more years.

Jeremy Sharpe, National Director of Linking Lives

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Our way of working

Our Vision:
We are passionate that every individual has the opportunity to thrive.

Our mission is to:

- Reduce health and social inequalities.
- Build stronger and more connected communities.
- Give a voice to the unheard.

Our approach is to:

- Work in partnership to identify and address unmet needs in our communities.
- Facilitate local communities to support local people.
- Ensure that every individual is listened to, valued and empowered to make positive change.

Our ethos:
As a charity with a Christian ethos the projects we generate are inspired by our faith. Therefore, they are designed to serve all sections of our diverse communities.

How we do it:
Our values are embedded in all that we undertake. Our team are dedicated to providing our services with integrity, compassion, innovation, professionalism, and inclusivity.

We place people at the heart of our services by listening, not judging, and by believing in their potential.

Our projects

Our priorities for 2021 were to:

- Reduce loneliness and social isolation.
- Engage vulnerable and hard to reach people.
- Improve mental health and wellbeing.
- Support positive change for individuals and families.
- Connect people with existing wider support and opportunities within their communities.

In 2021, our three projects Engage, Rahab and Starting Point focused on these priorities and have continued to thrive.

We supported **350** people, with our **257** volunteers offering nearly **14,000** hours of support. This was made possible through the support of our funders, generously donating or providing grants to £495,171 therefore, enabling our projects to meet these needs.

Our projects offer long term, consistent support, to people from age 11 years to 101 years old.

ENGAGE

Reducing isolation and loneliness be developing positive relationships and networks in our communities.

RAHAB

Identifying and supporting sex workers to break free from the cycles of abuse, poverty and addiction.

STARTING POINT

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

Engage

Reducing isolation and loneliness be developing positive relationships and networks in our communities.

ENGAGE IN NUMBERS:

We supported 103 people with our team of 92 volunteers providing 5,356 hours of support.

103
SERVICE USERS

92
VOLUNTEERS

5,356
HOURS OF SUPPORT

Engage Befriending

Engage Befriending develops positive relationships and builds networks within communities. We do this by connecting a local volunteer with an isolated or lonely person and supporting the person to connect with opportunities for further social engagement.

In 2021 as the world emerged from lockdown, we were able to offer most of our service users the opportunity to resume face-to-face visits. However, some were still nervous and wanted to remain with a telephone befriending service, so we decided that we would continue to offer a variety of visits either in person, via telephone or zoom. By the end of the year, we were able to host social events for both our volunteers and service users including a Christmas tea and cake afternoon.

The number of service users has fluctuated throughout the year, we have adapted our service provision to match the unprecedented and much needed support for those caught in the crisis of the pandemic – the impact of which is ongoing and we enjoyed a consistent level of satisfaction ratings from our service users.

We regularly ask our service users for feedback, below are some of the comments we have received:

"We know each other very well. I can't think of anything to improve this service."

"It gives me something to look forward to and gives me something to think about and of rather than myself."

"It keeps me up to date with the outside world as I'm in a prison in the home. N has helped me sort out some photographs."

"I look forward to seeing T. We play chess together, he beat me last time."

The Mustard Tree are often instrumental in bringing partnerships together to support a need in the community. For example, we are commisioned as part of the Reading Borough Council Narrowing the Gap initiative, to facilitate peer support and reduce social isolation. Engage Befriending partner with Age UK (Reading), Age UK (Berkshire), Get Berkshire Active and the Globe mission in delivering and developing partnership services over the past three years.

Our annual reviews with our service users have consistently reflected that over 96% feel less isolated and lonely and have improved wellbeing as a result of our support.

In June we restructured the project team to introduce the role of Project Director. One of the key objectives was to lay the foundation for the programme over the next three years through a new business plan which was recently approved by our Board of Trustees.

A huge thank you to all of our volunteers who through the simple act of friendship have continued to make a tangible difference to the lives of those we support. Through a simple chat and cup of tea, through to playing board games, helping sort photos or finishing a puzzle, the impact on health and wellbeing is significant.

Engage Wellbeing

Our Wellbeing programme was set up as a response to the mental health and wellbeing challenges presented due to Covid in 2020. Increased isolation particularly affected the Clinically Extremely Vulnerable (CEV), single parents and younger adults living alone for whom there was a gap in provision.

Working with the One Reading Hub and using the Mustard Tree resources and experience through the Engage Befriending team we developed the Engage Wellbeing programme for 25 to 54 year olds. Journeying alongside people we identify the individuals needs and develop a plan with them to meet these needs which includes providing regular contact and access to wider support networks.

As life returned to normal, the number of service users decreased as some felt that they were now able to manage without our support. However, as the year progressed it become apparent that there is still a need for this service (both short term and long term) for the foreseeable future as new referrals were made to us.

The Engage Wellbeing programme offers relational, tailored and holistic support for people who are socially isolated and facing health and social inequalities due to their personal circumstances. Many had pre-existing conditions or were facing disadvantage before Covid, and have been disproportionately affected by lockdown.

In 2021 we continued to support individuals who are facing barriers in connecting with their local community. Some are suffering with anxiety and depression due to the impact and ongoing challenges that the pandemic has created. We also supported carers, and individuals who have chronic health conditions. Some need our support for just a short time, and others need someone to journey with them for longer.

Our volunteers listen, encourage and signpost the individual which leads to improved wellbeing, increased resilience and ultimately greater independence as service users grow in confidence to reconnect with their local community. Some of the people we have supported include:

A man whose lifeline was his elderly mother. He is unable to work and suffered from anxiety and depression when his mother passed away just before lockdown. The impact of lockdown and his overwhelming grief created a downward spiral where he had no hope. Now he has a telephone befriender who is in regular contact with him, and he finds it helpful to be able to talk about his worries. He is starting to go out more and his befriender is planning to start meeting face to face at a cafe to help build this confidence, they are also encouraging him to develop new hobbies and interests.

A nurse who came to work in Reading, starting a new job in lockdown and was terribly isolated. She needed a befriender for a short-time to help her build resilience and self-esteem. Now she is undertaking further training and enjoying her job.

A young man who has Asperger's Syndrome is isolated. His befriender is supporting him to engage with a couple of opportunities available to him in Reading which is giving him the confidence and independence to attend alone in the future.

Engage Wellbeing is a programme that will continue to adapt and flex as the needs of the service users and those caring for them emerge.

Again, a huge thank you to our volunteers. They open up the world for those who feel isolated and alone.

RAHAB

Rahab

The Rahab team identify and support sex workers in Reading to break free from the cycles of abuse, poverty and addiction.

2021 saw a significant step change for the Rahab project providing more outreach opportunities than in the last few years.

RAHAB IN NUMBERS

127 night time outreach opportunities,
supporting 34 women with 381 hours of support.

34
PEOPLE

12
VOLUNTEERS

381
HOURS OF SUPPORT

The Rahab project has well-established and positive working relationships with local partners including Thames Valley Police, Probation, local courts, Reading Borough Council and other charities. We are part of Reading's multi agency Sex Worker Action Group (SWAG) where we work together to consider the needs of each woman and offer targeted support.

Having built relationships with the women over a number of years we are often contacted by others to help support engagement with the criminal justice system. We understand that Rahab can play an important role in providing consistent, long-term support for each woman whatever stage they are at, which can also reduce likelihood of both offending and reoffending among our service users.

In 2021 the night-time outreach programme increased to three or four times a week as more people stepped up to volunteer. We hope that by the end of 2022, this will increase to five nights a week adding further opportunities to engage with the sex workers.

There is no such thing as a typical night-time outreach. Our volunteers set up near to where the sex workers are and provide hot and cold drinks, chocolate, condoms, toiletries and sometimes warm clothes.

We support them to keep safe by passing on information and being a reliable and trusted presence on the streets.

At Christmas we were able to give presents to them all. For some, it would have been the only presents they received. We are so very grateful for all the donations we received.

The night-time outreach is so important as, without it, we can't gain the trust of the people we support. This trust enables us to provide further support during the day through referrals to help with benefits, housing, drug/alcohol support and other appointments. This work is being done by the team at The Mustard Tree until we have raised the funds for a day-time Outreach Worker who we hope to recruit in 2022.

One of our volunteers recently said:

'One of the women said that if they ask for something, we will always try and help and deliver on what was promised. They are always so grateful. The little we give makes such a difference to their lives. I am reminded of the mustard seed that God can use the little to make a big impact.'

Here is a little about the women we support (their names have been changed to protect their identity)

Holly has been sex working since her release from prison a number of years ago. She had not used drugs for a long time, but following a vicious attack, she began using heroin again. Rahab have supported Holly for many years and she has appreciated this consistency. Knowing someone is there for her, and can help her to access clothes or appointments.

There is no 'quick fix' as we walk alongside these women. Their lives are often chaotic which means that appointments are missed or they do not want to engage with the services there to help them. Another women's story illustrates this (again her name has been changed to protect her identity):

Jane is an on-street sex worker who has been known to the Rahab Outreach Team for some time. She was recently given a prison sentence which resulted in the loss of her housing. She engaged with health services and the Probation Service while in custody and was released on licence to engage with the Probation in the community upon her release. She was told she would be issued with a Probation appointment on release, and assisted into secure housing in order to minimise the likelihood of her reoffending while on licence and being recalled to prison.

However, the appointment that had been scheduled before release did not take place and she was not provided with housing. Her poor mental health and inability to manage appointments meant she did not present at the probation office. Instead, she began sofa-surfing with old friends who were involved in criminal activities and was drawn straight back into the chaotic lifestyle she had prior to her prison sentence.

So it was that she disengaged completely from statutory support services and failed to comply with the conditions of her licence. She was recalled to prison.

Jane is now out of prison and we see her regularly. We hope to continue to engage with her so she trusts us to help her by accompanying her to her appointments as we support her in breaking the cycles of abuse, poverty and addiction.

Helen had been sex working for several years. In early 2021, she asked for prayer and was prayed for by the team on the night and in the months following. Helen no longer sex works and is living in a hostel working hard to create a new life for herself. Members of the Rahab team see her often to make sure she is OK; she is eager to support others through Rahab in anyway she can while building a new life for herself.

STARTINGPOINT

Starting Point

Providing mentoring and creating opportunities for young people aged 11–25 who face disadvantage.

STARTING POINT IN NUMBERS

213 total Young People

153 Volunteers Mentors

2 new programmes – A&E Navigators and Starting Point Aware

2 new locations – Swindon and Milton Keynes

213 YOUNG PEOPLE

153 VOLUNTEERS

2 NEW PROGRAMMES

2 NEW LOCATIONS

Starting Point Aspire

Mentoring young people aged 15–25 into education, employment, and training

Our mentors journey alongside their mentees helping them overcome many of the barriers that our young people face as they look to access job and educational or training opportunities. It's been a year of rebuilding young people's confidence, self-worth and motivation, impacted by many lockdowns and being isolated from friends and family. With 63% of young people struggling with their mental health alongside a lack of confidence and low motivation, we have focused on equipping our mentors to provide ongoing social-emotional support.

In 2021 Starting Point Aspire mentored a total of 104 young people through 42 volunteer mentors.

39% Accessed Employment
20% Accessed Education or Training
48% Accessed Additional Opportunities (work experience, young person support fund, community groups, volunteering, mock interviews)

Starting Point Advance

Mentoring young people aged 11–19 to thrive in education and their community

For young people, challenges within school and with their wellbeing became ever more apparent throughout 2021. There are many young people of secondary school age who need support, but who often miss thresholds with other services or remain on long waiting lists. This is reflected in our referrals this year, with over 65% coming from children's services (Brighter Futures for Children) and an increasing number of queries from schools and CAMHS. By supporting these young people, we are addressing an unmet need and working towards eliminating the risk of them requiring any higher levels of intervention in the future.

In 2021 Starting Point Advance mentored a total of 35 young people through 32 volunteer mentors.

Of those at risk of exclusion 100% were prevented from being excluded
Of those at risk of becoming NEET 100% transitioned into further education or employment
43% accessed volunteering opportunities or work experience

Starting Point Aware

Mentoring young people aged 11–25, away from a lifestyle of crime, violence, and risk-taking behaviour

We launched in April 2021 with the aim of offering support for some of the young people with the highest need who face significant challenges. This has been a response to the increasing number of referrals for young people involved in violence and crime, alongside the wider increase in violent incidents in the Reading area. We do this through intentionally matching young people to mentors with lived experience or experience of supporting young people involved in crime and violence. It has been a year of setting foundations and partnership building to ensure we are reaching young people who are most in need of ongoing support.

Since April 2021 Starting Point Aware mentored a total of 8 young people through 4 volunteer mentors with lived experience.
57% were involved in risk taking behaviour, including substance misuse
71% were involved in or at risk of crime/violence
30% have experience of the care system

Starting Point Navigators

Supporting young people aged 11–25 who are admitted to A&E, journeying with them to access support within the wider community

The programme launched in June 2021 and has seen considerable growth since then recruiting over 24 volunteer Navigators and supporting 28 young people. Our volunteer Navigators base themselves within the Royal Berkshire Hospital at the weekend and Tuesdays, to support young people involved in violence or risk-taking behaviour (including substance misuse). This creates a relational journey from a moment of crisis to them accessing support and thriving within the wider community.

Since June 2021 Starting Point Navigators have supported a total of 28 young people through 24 volunteer navigators.
90% reported that they struggled with their mental health
58% were admitted due to drug and alcohol misuse
42% accessed additional support within the wider community
100% said they now felt more optimistic about the future

Action Media

A young person led media initiative providing meaningful work experience in the creative industry

Action Media is a partnership between Starting Point and Real Time (an educational charity specialising in participatory video and digital media). This innovative programme provides young people the opportunity to work on real world creative media projects including video productions, website building, graphic design work etc. supported by experienced media professionals and mentors.

In 2021 Action Media supported a total of 32 young people aged between 15 and 25.
Of those at risk of becoming NEET 100% remained in education
Of those who were NEET 40% have already accessed employment
90% said they felt they gained the skills they need for the workplace

Starting Point Swindon and Milton Keynes

This year we launched Starting Point in Milton Keynes and Swindon through successful internship programmes which equipped a local co-ordinator to set up and outwork our Aspire Programme (Providing mentoring and creating opportunities for young people). This was born out of extensive research identifying areas of need and lack of similar provision within an 80 mile radius of Reading.

In 2021 Starting Point Milton Keynes mentored a total of 20 young people. This was possible through 21 volunteer mentors.
100% have low or no qualifications
67% reported mental health struggles
46% have already accessed education, employment, or training

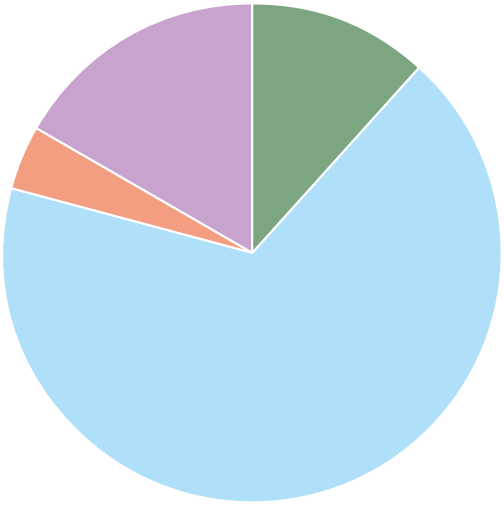
In 2021 Starting Point Swindon mentored a total of 18 young people through 17 volunteer mentors.
43% have already accessed education, employment, or training
30% have a diagnosis of ASD
18% have experience of the care system

Our Finances

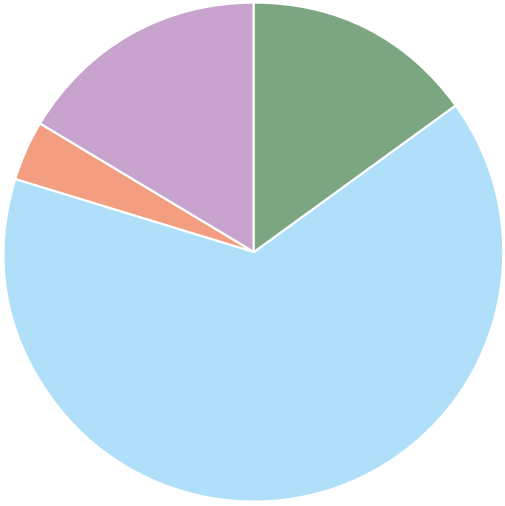
In 2021, we had a total income of £495,168 and a total expenditure of £501,916. The charts below provide a breakdown of this by projects.

Project	Income	Expenditure
MTF Central	£58,303	£71,899
Starting Point	£334,582	£328,652
Rahab	£20,751	£18,922
Engage	£81,532	£82,443
Total	**£495,168**	**£501,916**

In 2021 our expenditure exceeded our income by a small margin. Unrestricted income received into MTF Central has been used across the charity to invest in providing support where it is most needed. The Trustees continue to review the income and expenditure for each project to ensure their long-term sustainability.



INCOME



EXPENDITURE

Our donors

We would like to thank the churches, individuals and organisations who have supported our work over the last 12 months. Without your partnership and generosity we would not have been able to provide the support to those who are marginalised or overlooked within the communities we serve.

Anglo American
BBC Children in Need
Berkshire Community Foundation
Blagrave Trust
Brighter Futures for Children
Campbell Park Parish Council
Department for Work & Pensions
Gateway Church Swindon
Greyfriars Church
Groundwork London
Kiriath Trust
Leach Fourteenth Trust
LifeSpring Church
Longleigh Foundation
Love Your Neighbour
MK Community Foundation
National Grid
Reading Borough Council
Reading Family Church
Reading St Laurence Church Charities
Sage Foundation
Souter Charitable Trust
St James's Palace Charitable Foundation
St Marys, Purley
St Sebastians Church
Thames Valley Police
The Rank Foundation
Trinity Earley
Tudor Trust
Wiltshire Community Foundation

THE MUSTARD TREE FOUNDATION (READING)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2021

Trustees' report	22–23
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Trustees
Mr M Penson (Chair)
Mr J Hawkins OBE
Mr K Potter
Ms D Malone
Rev Leonard Onugha (Appointed 27 April 2021)
Ms Alison Awuku (Appointed 16 August 2021)
Mr David Gibbons (Appointed 21 October 2021)

CEO Ms Katherine Shepherd

Charity number 1104631
Company number 04986086

Principal address
90 London Street, Reading, Berkshire RG1 4SJ

Registered office
90 London Street, Reading, Berkshire RG1 4SJ

Independent examiner
Colin Dadswell FCA ACCA DChA
Caladine Limited, Chantry House, 22 Upperton Road, Eastbourne, East Sussex BN21 1BF

Bankers
HSBC Bank PLC, 26 Broad Street, Reading RG1 2BU

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Charity registration number 1104631
Company registration number 04986086
(England and Wales)

INDEPENDENT EXAMINER'S REPORT

For the year ended 31 December 2021

I report to the trustees on my examination of the financial statements of The Mustard Tree Foundation (Reading) (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

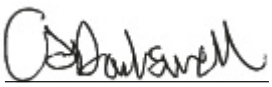
1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Colin Dadswell FCA ACCA DChA
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF
Dated 13 July 2022

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

For the year ended 31 December 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects for which the Charity is established are:

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith.
- To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by:

a) The promotion of improved health and wellbeing and the relief of poverty and distress.
b) To provide or assist in the provision of facilities and services that empowers individuals to develop personally, and to build stronger and more cohesive communities.

We continue to work strategically to identify social needs that are not being met by existing provision, and under-represented beneficiaries who face barriers to support. We work with local communities and partner with other charities and organisations to develop effective solutions, Creating and supporting projects which address unmet needs, as well as maintaining our strategic presence on various boards to effect positive change for overlooked communities or individuals. By doing so we seek to:

- Reduce health and social inequalities.
- Build stronger more cohesive communities.
- Give a voice to the unheard.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Fundraising activities during the year
We are very grateful for the donations from our financial supporters. Our services are funded by statutory bodies and charitable trusts, fundraising events and donations from organisations, churches and individuals. The charity does not work with any commercial partners for fundraising.

Volunteers
Many of our services are provided by dedicated volunteer mentors, befrienders and outreach workers. We would like to take this opportunity to offer our thanks to this fantastic team who are making a huge impact.

Financial review

The charity received income amounting to £495,168 and incurred expenditure of £501,916 leading to a deficit in the year of £6,748 (2020: surplus of £9,514). All reserves at the balance sheet date were unrestricted and amounted to £90,861, of which £20,127 had been designated by the Trustees for specific projects.

The Trustees have considered the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on administrative and operational activities and resources received e.g. through donations, grants and services that provide income.

The Trustees have set a reserves policy of 3 months of budgeted expenditure. At the end of 2021 this amount was approximately £154k, which compared to current reserves held across designated and unrestricted funds of £91k. This is a shortfall of £63k (2020: Shortfall of £35K), which has arisen due to the growth in activity in the 2022 budget. The trustees are looking to increase the level of reserves held through fundraising and allocation of surpluses to support the budgeted growth in the charity's activities.

Structure, governance and management

The charity is constituted as a company limited by guarantee, registered under the Companies Acts, and its governing document is a Memorandum and Articles of Association under company legislation, dated 5 December 2003.

By operation of law all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and Charity legislation. The Trustees are all individuals.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Penson (Chair)	
Mr J Hawkins OBE	
Mr R Wilson	(Resigned 31 December 2021)
Mr K Potter	
Ms D Malone	
Rev Leonard Onugha	(Appointed 27 April 2021)
Ms Alison Awuku	(Appointed 16 August 2021)
Mr David Gibbons	(Appointed 21 October 2021)

The Mustard Tree Foundation seeks to attract new trustees with relevant skills and experience to ensure a balanced and effective trustee board. We have recruitment and induction procedures in place so that each trustee is clear of the work of the charity, and the expectation of a trustee so that we are well governed and operating with best practise. Trustees are encouraged to attend appropriate external training events that facilitate the undertaking of their role. They are also able to request training through the Chair, and arrangements will be made where appropriate and cost effective for the needs of the charity.

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

Mr M Penson (Chair)
Trustee
Dated 13 July 2022

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	111,973	378,576	490,549	152,341	183,618	335,959
Charitable activities	4	4,596	-	4,596	5,052	-	5,052
Investments	5	23	-	23	119	-	119
Total income		116,592	378,576	495,168	157,512	183,618	341,130
Expenditure on:							
Raising funds	7	3,283	-	3,283	3,331	-	3,331
Charitable activities	6	120,057	378,576	498,633	141,022	187,263	328,285
Total expenditure		123,340	378,576	501,916	144,353	187,263	331,616
Gross transfers between funds	16	–	–	–	(7,466)	7,466	–
Net (expenditure)/income for the year/ Net movement in funds		(6,748)	–	(6,748)	5,693	3,821	9,514
Fund balances at 1 January 2021		97,609	–	97,609	91,916	(3,821)	88,095
Fund balances at 31 December 2021		90,861	–	90,861	97,609	–	97,609

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

All income and expenditure derive from continuing activities.

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Property, plant and equipment	11		5,292		–
Current assets					
Trade and other receivables	12	30,484		13,777	
Cash at bank and in hand		190,425		134,611	
		220,909		148,388	
Current liabilities	13	(135,340)		(50,779)	
Net current assets			85,569		97,609
Total assets less current liabilities			90,861		97,609
Income funds					
Unrestricted funds					
Designated funds:					
Starting Point Reading		6,953		1,024	
Rahab Project		5,545		3,717	
Engage Befriending		7,629		8,540	
	17	20,127		13,281	
General unrestricted funds		70,734		84,328	
			90,861		97,609
			90,861		97,609

STATEMENT OF FINANCIAL POSITION continued

As at 31 December 2021

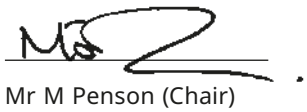
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the Trustees on 13 July 2022



Mr M Penson (Chair)
Trustee
Company Registration No. 04986086

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Charity information

The Mustard Tree Foundation (Reading) is a private company limited by guarantee incorporated in England and Wales. The registered office is 90 London Street, Reading, Berkshire, RG1 4SJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. This includes amounts disclosed as 'designated funds' representing monies allocated to projects run by the charity. These projects are partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for those projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.5 Expenditure
A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increase in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1.6 Property, plant and equipment
Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	25% straight line
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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

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

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

Basic financial assets
Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets
Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities
Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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

1.12 Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2021 £	**Restricted funds 2021 £**	**Total 2021 £**	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	111,753	–	111,753	117,237	1,978	119,215
Grants – Statutory & Trusts	220	378,576	378,796	35,104	181,640	216,744
	111,973	378,576	490,549	152,341	183,618	335,959
Donations and gifts						
Donations Individuals	23,425	–	23,425	36,378	835	37,213
Donations Churches	22,782	–	22,782	26,848	750	27,598
Donations Trusts	63,528	–	63,528	51,331	–	51,331
Gift aid recovered	2,018	–	2,018	2,680	393	3,073
	111,753	–	111,753	117,237	1,978	119,215

4 Charitable activities

	2021 £	2020 £
Sales within charitable activities	1,485	862
Salary reimbursement	3,111	4,190
	4,596	5,052

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	23	119

6 Charitable activities

	2021 £	2020 £
Staff costs	351,658	246,741
Depreciation and impairment	1,764	–
Other staff related costs (incl. travel/subsistence/voluntary & training)	11,788	4,869
Rent and rates	28,171	25,144
Office refurbishment	65	240
Office equipment	8,659	5,353
Professional fees including accountancy and IT support	26,748	21,563
Other	6,387	4,392
Postage and stationery	1,588	995
Telecommunications	5,275	2,227
Insurance	5,610	4,821
Subscriptions	6,848	1,392
Cleaning	3,777	3,958
Service charges and management fees	–	3,022
Overclaimed VAT	35,435	–
	493,773	324,717
Share of governance costs (see note 8)	4,860	3,568
	498,633	328,285
Analysis by fund		
Unrestricted funds	120,057	141,022
Restricted funds	378,576	187,263
	498,633	328,285

7 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fundraising and publicity		
Fundraising and PR expenses	3,283	3,331

8 Support costs

	Support costs £	**Governance costs 2021 £**	**Total 2021 £**	Support costs £	Governance costs £	Total 2020 £
Legal and professional	–	1,620	1,620	–	–	–
Accountancy and independent examination	–	3,240	3,240	–	3,568	3,568
	–	4,860	4,860	–	3,568	3,568
Analysed between						
Charitable activities	–	4,860	4,860	–	3,568	3,568

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Aggregate donations from Trustees for the year were £164 (2020; £nil).

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	20	17

10 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	325,515	230,692
Social security costs	21,126	12,116
Other pension costs	5,017	3,933
	351,658	246,741

The majority of staff were part time. The average full-time equivalent was 11.8 (2020: 8.7).

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

11 Property, plant and equipment

	Fixtures and fittings £	Computers £	Total £
Cost			
Additions	1,295	5,761	7,056
At 31 December 2021	1,295	5,761	7,056
Depreciation and impairment			
Depreciation charged in the year	324	1,440	1,764
At 31 December 2021	324	1,440	1,764
Carrying amount			
At 31 December 2021	971	4,321	5,292

12 Trade and other receivables

Amounts falling due within one year:	2021 £	2020 £
Trade receivables	5,500	293
Other receivables	12,334	1,984
Prepayments and accrued income	12,650	11,500
	30,484	13,777

13 Current liabilities

	Notes	2021 £	2020 £
Other taxation and social security		8,134	4,238
Deferred income	14	92,893	43,125
Trade payables		2,029	1,256
Accruals		32,284	2,160
		135,340	50,779

14 Deferred income

	2021 £	2020 £
Other deferred income	92,893	43,125

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Deferred income is included within:		
Current liabilities	92,893	43,125
Movements in the year:		
Deferred income at 1 January 2021	43,125	60,275
Released from previous periods	(139,575)	(140,875)
Resources deferred in the year	189,343	123,725
Deferred income at 31 December 2021	92,893	43,125

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the Charity.

Deferred income analysed by project is as follows:

Engage befriending £22,000
Starting point £70,893

15 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £5,017 (2020 – £3,933).

16 Restricted funds

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

		MOVEMENT IN FUNDS				MOVEMENT IN FUNDS		
	Balance at 1 January 2020 £	**Incoming resources £**	**Resources expended £**	**Transfers**	**Balance at 1 January 2021 £**	**Incoming resources £**	**Resources expended £**	**Balance at 31 December 2021 £**
Reading Lifeline	(3,821)	1,978	(5,623)	7,466	–	–	–	–
Starting Point Reading	–	136,125	(136,125)	–	–	300,834	(300,834)	–
Rahab Project	–	5,250	(5,250)	–	–	5,000	(5,000)	–
Engage Befriending	–	40,265	(40,265)	–	–	72,742	(72,742)	–
	(3,821)	183,618	(187,263)	7,466	–	378,576	(378,576)	–

16 Restricted funds continued

Projects undertaken by the Charity were partly funded through restricted grants. Restricted funding received as shown above was all expended during the year. The Trustees additionally allocated some general funds towards the projects to cover additional expenses as can be seen in note 17.

Reading Lifeline
Counselling and support for anyone affected by infertility, or baby loss during pregnancy or soon after birth. Upon the closure of Reading Lifeline during 2020 the Trustees closed this fund and transferred funds from the unrestricted revenue fund to cover the negative balance remaining on the restricted fund.

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing opportunities and journeying alongside young people aged 11–25. Enabling them to attain, sustain and thrive within education, employment, and training.

17 Designated funds

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

		MOVEMENT IN FUNDS				MOVEMENT IN FUNDS		
	Balance at 1 January 2020 £	**Incoming resources £**	**Resources expended £**	**Transfers**	**Balance at 1 January 2021 £**	**Incoming resources £**	**Resources expended £**	**Balance at 31 December 2021 £**
Starting Point Reading	10,963	33,703	(43,642)	–	1,024	33,748	(27,819)	6,953
Rahab Project	(8,970)	22,154	(28,648)	19,181	3,717	15,751	(13,923)	5,545
Engage Befriending	3,800	32,367	(27,627)	–	8,540	8,790	(9,701)	7,629
	5,793	88,224	(99,917)	19,181	13,281	58,289	(51,443)	20,127

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing opportunities and journeying alongside young people aged 11-25. Enabling them to attain, sustain and thrive within education, employment, and training.

17 Designated funds continued

The projects experience temporary fluctuations in their financial position during the year, due to variations in income and expenditure. To allow the projects to operate effectively, the Trustees support the projects by allowing them to spend more than the funds available temporarily, which the Trustees describe as an “overdraft facility”, supported by the reserves held in the unrestricted revenue fund.

18 Operating lease commitments

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

	2021 £	2020 £
Within one year	27,600	27,600
Between two and five years	27,600	55,200
	55,200	82,800

19 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

THE MUSTARD TREE FOUNDATION (READING)

England & Wales - Charity number 1104631

Accounts

The Mustard Tree

Working in Partnership, Enabling Community

The Trustees' Annual Report for the year ending 31st December 2020

The Trustees are pleased to present their Report and Accounts for the year ending 31st December 2020, which also comprises the Directors' Report required by the Companies Act 2006.

Message from the CEO

In 2020 a year of change, uncertainty and challenge, it is our strong partnerships that have been key to ensuring that we have been able to meet the needs of those who are marginalised or facing disadvantage. I am encouraged and inspired by the way that so many in our communities have shown resilience and offered hope amidst the challenges that the Covid-19 pandemic has presented. We have worked with some amazing statutory and voluntary sector partners and seen people overcome the most difficult of situations.

As this report shows, the dedication and responsiveness of the team has enabled us to support more people than ever before, with over 250 volunteers joining us to deliver this vital support. As we move into 2021 our passion is to continue to empower and support those that struggle with their health or wellbeing. Ensuring they feel connected to their local community and that their voices are heard.

It is by working together that we see the biggest impact. Therefore, I would like to take this opportunity to thank everyone who joined with us to ensure our success during 2020, your contribution makes a difference and we value all of your support.

Katherine

Our Way of Working

The Mustard Tree partners with local communities, charities and statutory organisations to identify unmet needs among the most at risk and marginalised in our society. Working through these partnerships we innovate and develop projects that enable our teams and volunteers to walk alongside people when they need help, encouragement and a friend.

The Mustard Tree provides governance and management structures, as well as strategic start-up and development guidance for growing projects. We also offer a range of practical services in the areas of infrastructure, HR, finance and fundraising. This allows our programmes to focus on delivering high impact projects to some of society's most underrepresented people.

As a charity with a Christian ethos the projects we generate are inspired by our faith. As a result, they are designed to serve all sections of our diverse community without discrimination.

What We Do:

Through our projects we work to do the following...

- Reduce health and social inequalities.
- Build stronger and more cohesive communities.
- Give a voice to the unheard.

How We Do It:

We are person centred in our approach to supporting our service users. This means our staff and volunteers always seek to be...

- Someone who will listen.
- Someone who won't judge.
- Someone who believes in the potential of every individual.

Our Priorities for 2020:

Our projects serve a wide spectrum of the community, but they are linked by a shared set of priorities in 2020 these were:

- Tackling loneliness and social isolation.
- Engaging vulnerable and hard to reach people.
- Improving mental health and wellbeing.
- Supporting positive change for individuals and families.
- Connecting people with existing wider support and opportunities in their community.

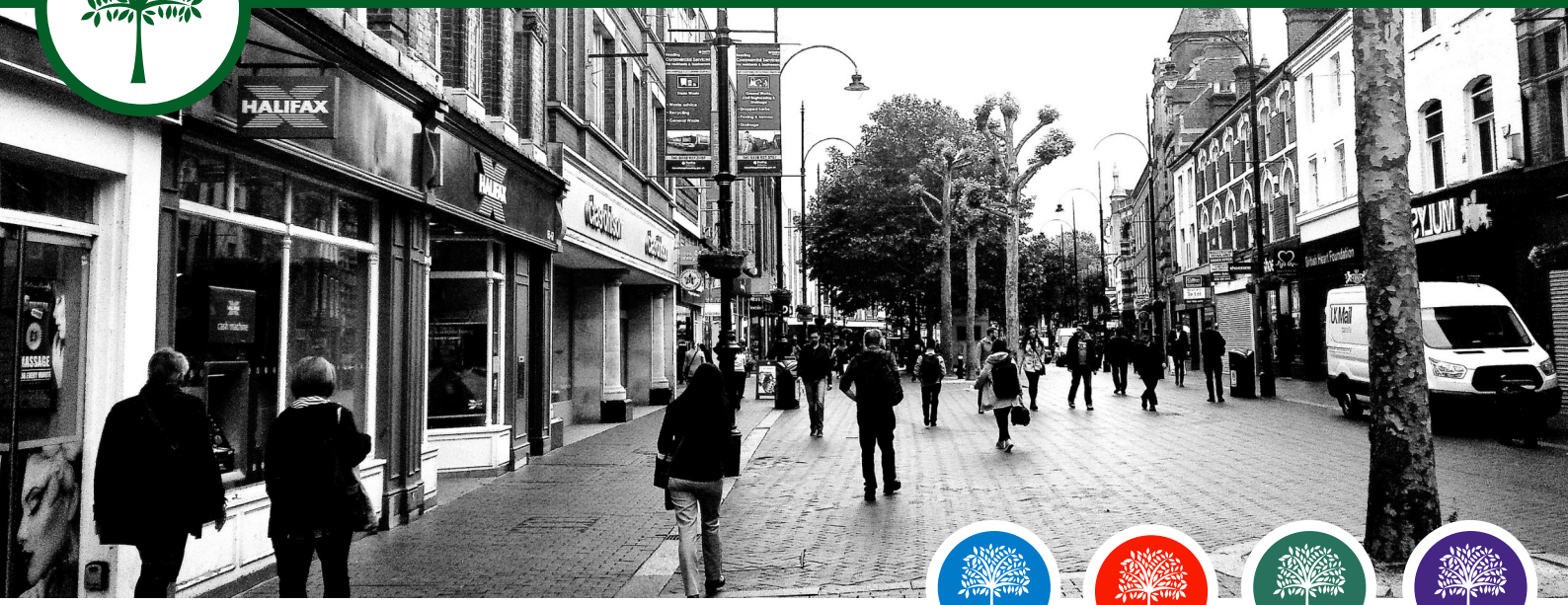
The Mustard Tree

Our Projects

In 2020, we ran four different projects in our local community.

Together these projects...

supported over 465 people,
thanks to our 250 incredible volunteers



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Our Trustees

Michael Penson (Chair)
Richard Wilson
Dr John Hawkins OBE
Patricia Stanley
Kevin Potter
Danielle Malone

Our CEO

Katherine Shepherd

Engage

Reducing isolation and loneliness by developing positive relationships and networks in our communities

In 2020 Engage Befriending rose to meet the challenges posed by the global pandemic. This year, during two periods of national lockdown and ongoing Covid-19 restrictions, Engage Befriending joined with other local voluntary organisations to support Reading Borough Council's "One Reading Community Hub". As well as providing essential support the hub also coordinated a joined up crisis response to the Covid-19 pandemic.

By being responsive and flexible to shift from in-person to telephone befriending, and by expanding the age range of the service to encompass under 55's who were in isolation alone, Engage became a vital part of this response. Our volunteer Befrienders ensured that those worst affected by lockdown received support in the form of regular phone calls.

"We are so different, and you would think we wouldn't have anything in common but we get on so well"

A service user speaking about their relationship with their Befriender.

In 2020 Engage received 276 referrals for telephone befriending support. This represents a 107% increase on referrals received in 2019.

In response to the first national lockdown in March 2020. It immediately became clear that demand for the service would rise, as many normally active older people found themselves cut off and isolated from their usual support networks.

In 2020 Engage:

- Supported 303 new people.
- Matched 91 new service users with a befriender.
- Continued to support 70 existing service users.

We welcomed a further 47 volunteers to the team giving, at one point in the year, over 150 dedicated volunteers (an increase of 53%) supporting people at their most vulnerable.

Geoff is in his 90's and was unable to leave his home during lock-down. He misses the activities he used to do and says that when our volunteer called he had not had a conversation with another adult in weeks. He has become very low and depressed being alone all the time. Regular calls from his telephone befriender have helped give him something else to think about and break up the long days.

To meet this increased demand, Engage set about recruiting and training new volunteer befrienders, particularly those now on furlough from their jobs and those working from home. This strategy was very successful with more than 100 people enquiring about becoming new volunteers.

A few weeks into lockdown, the Engage team worked with Reading Borough Council to expand the service to offer befriending support to lonely and isolated individuals under the age of 55. The focus was single adult households, and individuals with pre-existing poor mental health. Out of this request, a new Engage programme was born. Engage Wellbeing offered befriending support, via phone or internet, to those at risk of mild to moderate anxiety or depression because of social isolation.

In the summer of 2020, as Covid-19 restrictions were eased, some befrienders resumed face-to-face visits using appropriate safety and social distancing measures. Others continued to offer support via the telephone. As the tier system took effect in the autumn, once again, Engage was quickly able to pivot back to offering support remotely. In the run up to Christmas the Engage team were able to deliver care packages to their service users.

In 2021 we are looking forward to resuming face-to-face befriending visits, supporting people to reconnect with their local community, restarting and expanding our network of partners and seeing the further growth and development of the Engage Wellbeing programme.

Starting Point

Providing mentoring and creating opportunities for young people who face disadvantage.

Starting Point has continued to enable transformation in the lives of young people who face disadvantage. 2020 was a challenging year, but a year that has provided the opportunity to enhance the quality of our mentoring.

In 2020 Starting Point provided mentoring for over **110 young people** with the support of over 101 volunteer mentors.

Covid-19 - Impact and Response

Covid-19 has had a significant impact on the young people we support. Two national lock downs and regional restrictions had a negative effect on their mental health, confidence, and motivation. As a result, we offered ongoing support for mentors that enabled them to mentor virtually and offer support in social-emotional development.

Despite the ability to adapt as a project, it quickly became clear that the need for face-to-face meetings were crucial -particularly for those who are 'hard to reach', have multiple barriers, and are socially isolated.

Therefore, in line with government guidelines, we put in place risk assessments and safety reviews to ensure meetings could take place in person. As soon as face to face meetings began again, we saw a significant increase in positive engagement from young people.

> *Before getting a Mentor I had very low confidence, but since getting a mentor I feel believed in, I've gained confidence and take better care of myself.*
>
> **Isabelle**, Aspire.

I didn't want to go to lessons but after talking to you I changed my mind.

Muhammed, Advance.

OUR PROGRAMMES

Aspire:

Mentoring young people aged 15 to 25 into education, employment, and training.

Last year we renamed our established 'Traffic Light Mentoring' programme. However, we will still follow the 'Traffic Light journey' which is designed to support young people to not only attain, but sustain and thrive within education, employment, and training.

Aspire Outcomes:

In 2020 the total number of young people mentored through Aspire Mentoring is 89.
Of those:

- 20 have accessed employment.
- 13 have accessed education and training.
- 16 who came to us at risk of becoming NEET have been supported to sustain their education or employment.
- 12 have accessed work experience.
- 5 have accessed mock interviews.
- 7 accessed a social group.
- 10 accessed our support fund (interview clothes etc.).

Overview of the young people we mentor through Aspire:
31% are from the BAME community.
33% are on benefits.
8% have a criminal record.
36% have learning difficulties/disabilities.
44% have mental health struggles.
49% have low/no qualifications.
22% have ASD.

In 2020 through Aspire mentoring **33 young people** accessed employment or education and training

Advance:

Mentoring young people aged 11–19 who are at risk of exclusion from school and/or becoming NEET (Not in Education, Employment or Training) upon leaving education.

We have built on our successful pilot, 'Transition Mentoring', which partnered with four schools and colleges and following feedback from young people and schools, we launched Advance Mentoring to extend this support to a younger age group. In 2020 we have engaged with an additional two schools and are receiving numerous referrals from children's social services.

Advance Outcomes:

Since launching this programme in June 2020, we have mentored 29 young people, in partnership with four local schools as well as referrals from children's social services. Of those:

- 7 accessing further education or employment.
- 2 at risk of exclusion/withdrawing from school have remained in existing education.
- 2 have improved attendance at school and lessons.

Overview of the Young People we mentor through Advance:
55% are at risk of becoming NEET.
31% are at risk of exclusion.
31% are not attending school.
17% are not engaging in school.

Action Media:

A young person led production company providing meaningful work placements in a creative industry.
We were commissioned to deliver meaningful work experience to those who are NEET or are at risk of becoming NEET. This is done in partnership with a local participatory video organisation – Real Time. The purpose of this programme is to grow and develop work ready skills, build confidence and teamwork, develop communication, and combat social isolation. This involves activities such as video production, logo design and branding, creative writing, art, social media, graphic design, and website building.

Although activity has been restricted due to national and local restrictions, 20 young people aged 15–25 have attended this year. Of those:

- 8 were NEET upon starting, 4 have since accessed education, employment or training.
- 11 are currently in education or alternative provision and have been identified as at risk of being NEET.
- 4 are working towards an Arts Award as part of their work experience (gaining UCAS points).

OUR MENTORS

In 2020 we have:
79 new mentors currently mentoring or ready to be matched across all our programmes.
We had 101 mentors in total.

Looking Ahead

Reading:

Aspire will be launching a new initiative titled 'An insight into…' allowing young people the opportunity to experience variety of skills and industries through different workshops. We already have local artists, photographers, IT specialists and museums signed up to take part. We also expect to see another surge in referrals with current climate of loss of jobs.

Advance will continue mentoring within schools, as well as within the wider community. We are also entering a contract with children's social services to provide mentoring for 30 young people (11-18) at a time.

Action Media is looking to be established as a regular programme continuing to offer a unique and valuable opportunity for young people who face disadvantage. Action Media will run different media projects that focus on giving a voice to the unheard, providing a chance for YP to tell their story.

Aware is a new programme we seek to launch this year, mentoring young people at risk or/involved in ASB, crime and violence. This mentoring will be more activity based and include placing volunteers in A&E to engage young people who are involved in violence and/or risk-taking behaviour.

Replication:

Over the past two years we have carried out extensive research in surrounding towns and cities to identify areas of need. We have started to build partnerships in those local areas to see where there is an appetite for 1-2-1 mentoring. As a result, we are setting up Starting Point Swindon and Starting Point Milton Keynes with an aim to launch at the end of January.

STARTINGPOINT
Unlocking. Enabling. Releasing.

Identifying, supporting and empowering anyone affected by sexual exploitation

2020 brought many positive encouragements as well as some significant challenges. Both the women we support and the project were particularly impacted by Covid-19.

In the first lockdown after an initial period of working to ensure that clients were all provided with suitable accommodation, Rahab had to pause its services. At this stage it was simply not possible to offer either the evening outreaches, or the daytime support and so the Rahab Project Manager had to be furloughed.

As lockdown restrictions eased, the evening chaplaincy outreach service was able to restart and continued during the second half of 2020 with new safety and social distancing measures in place. Our volunteer team has grown, enabling us to go out three times a week. We were also able to offer sexual exploitation awareness training.

Reflecting on 2020, one of our Rahab team wrote the following…

"2020 has been a busy year full of change! Looking at the outcomes we measure I can see that since the pandemic started, we have supported 39 different women, given out 95 packs of condoms and 267 bars of chocolate! We have also been a listening ear, people who care and give hope – I'm not quite sure how you measure that!"

Rahab supported 39 people through its 48 evening chaplaincy outreaches in 2020. We had over 170 different contacts with women while out on the streets in West Reading.

We continue to work with local partners to link the clients into daytime support for specific issues such as housing, substance misuse, food/clothing. We have seen increased engagement from service users since restarting the evening outreaches.

In December, thanks to support from Lifespring Church and CIRDIC (Churches in Reading Drop-in Centre), our volunteers were able to deliver Christmas gifts to the woman engaging with our outreach.

Looking ahead to 2021, we continue to hope to relaunch our daytime support services for women who want to engage with the more structured and specialist services on offer in Reading.

One of our team said…

"This week I put a referral through for a woman and her partner. They were evicted suddenly from their home and lost most of their belongings. We were able to get them clothing, shoes, and a warm coat. The couple are being supported to be rehoused and the woman said. 'I really appreciate the help, and I'm so happy that there is someone out there who I can talk to about my upside-down life.'"

Reading Lifeline

Counselling and support for people affected by infertility or baby loss during pregnancy, or soon after birth

In November 2019, after an extensive review process, the decision was made to close the Lifeline project. At that time, we ceased to take new referrals, but made a commitment to continuing a full course of counselling with those couples and individuals already engaged with the service.

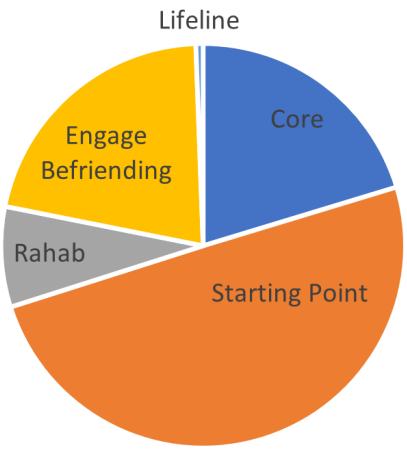
During January and February of 2020 Lifeline supported 12 people to successfully complete their counselling sessions. The service closed at the end of February.

It has been a privilege to provide a safe space for anyone experiencing infertility or baby loss to talk and be listened to. We have been encouraged by the many stories over the years of the positive impact that Lifeline has had for individuals, couples and families at a very difficult time.

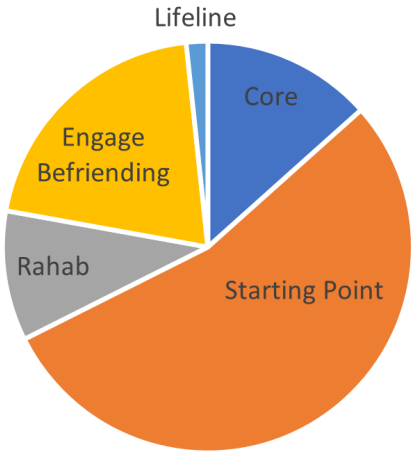
Our Finances

In 2020 we had a total income of £341,130 and a total expenditure of £331,616. The charts below provide a breakdown of this by project.

Income
£341,130



Expenditure
£331,616



In 2020 our income exceeded our expenditure by a small margin which is designated within the projects for service provision in 2021. Unrestricted income received to core has been used across the charity to invest in providing support where it is most needed. The trustees continue to review the sources of income for each project to ensure their long-term sustainability.

We would like to thank the churches, individuals and organisations who have supported our work over the last 12 months. Without your partnership and generosity we would not be able to provide the support we offer to marginalised or overlooked communities and individuals across Reading and the surrounding area.

In 2020, we received grants and donations from a number of organisations, including:

All Churches Trust Ltd
Berkshire Community Foundation
Bishop Radford Trust
Brighter Futures for Children
CAF Bank
Candlefish
Co-op
Greyfriars Church
Joseph Rank Trust
Kiriath Trust
LifeSpring Church
Longleigh Foundation
National Grid
National Lottery
Reading Borough Council
Reading Family Church
Reading St Laurence Church Charities
The Church Welfare Association
The FSP Foundation (Field Seymour Parkes)
The Sobell Foundation
Transform Reading (was RCN)

THE MUSTARD TREE FOUNDATION (READING)

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THE MUSTARD TREE FOUNDATION (READING)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Penson (Chair) Mr J Hawkins OBE Mr R Wilson Mr K Potter Ms D Malone
CEO	Ms Katherine Shepherd
Charity number	1104631
Company number	04986086
Principal address	90 London Street Reading Berkshire RG1 4SJ
Registered office	90 London Street Reading Berkshire RG1 4SJ
Independent examiner	Colin Dadswell FCA ACCA DChA Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	HSBC Bank PLC 26 Broad Street Reading RG1 2BU CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

THE MUSTARD TREE FOUNDATION (READING)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities
The objects for which the Charity is established are:

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- To be a voice for, and to practically support, those, in local communities, who are disadvantaged by reason of age, bereavement, disability, education, exploitation, ill-health, isolation, poverty, unemployment, or other disadvantage. We do this by demonstrating integrity and expressing compassion to all, irrespective of circumstances, in accordance with the values of our Christian faith.
- To promote charitable purposes for the benefit of the community without distinction of age, disability, gender, sexual orientation, race or of political or religious or other opinions, and in particular by:

    a) The promotion of improved health and wellbeing and the relief of poverty and distress.
    b) To provide or assist in the provision of facilities and services that empowers individuals to develop personally, and to build stronger and more cohesive communities.

We continue to work strategically to identify social needs that are not being met by existing provision, and under-represented beneficiaries who face barriers to support. We work with local communities and partner with other charities and organisations to develop effective solutions, creating and supporting projects which address unmet needs. In addition to maintaining our strategic presence on various boards to effect positive change for overlooked communities or individuals. By doing so we seek to:

- Reduce health and social inequalities.
- Build stronger more cohesive communities.
- Give a voice to the unheard.

During 2020, the charity operated 3 projects:

- Engage Befriending: Reducing isolation and loneliness by developing positive relationships and networks in our communities.
- Rahab: Identifying, supporting and empowering anyone affected by sexual exploitation.
- Reading Lifeline: Counselling and support for those affected by infertility or baby loss during pregnancy or soon after birth.
- Starting Point Reading: Providing mentoring and creating opportunities for young people who face disadvantage.

We monitor and regularly evaluate performance, including seeking feedback from our beneficiaries. By reviewing our activities we can ensure that we are best placed to meet the needs of our service users and to grow in our effectiveness in reaching local communities.

Over 2020 our operations have grown in size and scope. We have supported more people and developed additional programmes through our Starting Point and Engage projects to meet identified needs. There have been other changes too, as at the beginning of the year we closed our Lifeline service. We also adapted our service delivery during lockdown providing support over the phone and online.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Fundraising activities during the year
We are very grateful for the donations from our financial supporters. Our services are funded by grants from statutory bodies and charitable trusts, fundraising events and donations from organisations, churches and individuals. The charity does not work with any commercial partners for fundraising.

Volunteers
We have seen a significant growth in the number of volunteers who are giving their time and skills to meet the needs of the marginalised and overlooked in our communities. Many of our services are provided by dedicated volunteer mentors, counsellors, befrienders and outreach workers. We would like to take this opportunity to offer our thanks to this fantastic team who are making a huge impact.

Financial review
The Trustees have considered the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on administrative and operational activities and receiving resources through donations, grants and services that provide income.

The Trustees have created a finance committee which the trustees have asked to determine the level of the reserves appropriate for the needs of the charity. They have set a reserves policy of 3 months of budgeted expenditure across designated and un-restricted funds. At the end of 2019 this amount was approximately £133k, which compared to current reserves held across designated and unrestricted funds of £98k. This is a shortfall of £35k, which has arisen due to the growth in activity in the 2021 budget. The trustees are looking to increase the level of reserves held through fundraising and allocation of surpluses to support the growth in the charity's activities and have seen growth in our reserves since the year end.

Structure, governance and management
The charity is constituted as a company limited by guarantee, registered under the Companies Acts, and its governing document is a Memorandum and Articles of Association under company legislation, dated 5 December 2003.

By operation of law all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and Charity legislation. The Trustees are all individuals.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Penson (Chair)
Mr J Hawkins OBE
Ms P Stanley (Resigned 16 September 2020)
Mr R Wilson
Mr K Potter
Ms D Malone

The Mustard Tree Foundation seeks to attract new trustees with relevant skills and experience to ensure a balanced and effective trustee board. We have recruitment and induction procedures in place so that each trustee is clear of the work of the charity, and the expectation of a trustee so that we are well governed and operating with best practise. Trustees are encouraged to attend appropriate external training events that facilitate the undertaking of their role. They are also able to request training through the Chair, and arrangements will be made where appropriate and cost effective for the needs of the charity.

Statement of trustees' responsibilities

The trustees, who are also the directors of The Mustard Tree Foundation (Reading) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently;

- Observe the methods and principles in the Charities SORP;

- Make judgements and estimates that are reasonable and prudent;

- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

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Mr M Penson (Chair)
Trustee
Dated: 14/7/21

THE MUSTARD TREE FOUNDATION (READING)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MUSTARD TREE FOUNDATION (READING)

I report to the trustees on my examination of the financial statements of The Mustard Tree Foundation (Reading) (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Colin Dadswell FCA ACCA DChA

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 22/07/2021

THE MUSTARD TREE FOUNDATION (READING)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	**3**	152,341	183,618	335,959	246,736	37,614	284,350
Charitable activities	**4**	5,052	-	5,052	10,736	-	10,736
Investments	**5**	119	-	119	212	-	212
Total income		157,512	183,618	341,130	257,684	37,614	295,298
Expenditure on:							
Raising funds	**7**	3,331	-	3,331	1,232	-	1,232
Charitable activities	**6**	141,022	187,263	328,285	244,289	44,105	288,394
Total resources expended		144,353	187,263	331,616	245,521	44,105	289,626
Net incoming/ (outgoing) resources before transfers		13,159	(3,645)	9,514	12,163	(6,491)	5,672
Gross transfers between funds	**17**	(7,466)	7,466	-	-	-	-
Net income for the year/ Net movement in funds		5,693	3,821	9,514	12,163	(6,491)	5,672
Fund balances at 1 January 2020		91,916	(3,821)	88,095	79,753	2,670	82,423
Fund balances at 31 December 2020		97,609	-	97,609	91,916	(3,821)	88,095

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

All income and expenditure derive from continuing activities.

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

THE MUSTARD TREE FOUNDATION (READING)

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Trade and other receivables	11	13,777		19,630	
Cash at bank and in hand		134,611		141,763	
		148,388		161,393	
Current liabilities	12	(50,779)		(73,298)	
Net current assets			97,609		88,095
Income funds					
Restricted funds	17		-		(3,821)
Unrestricted funds					
Designated funds:					
Starting Point Reading		1,024		10,963	
Rahab Project		3,717		(8,970)	
Engage Befriending		8,540		3,800	
	18	13,281		5,793	
General unrestricted funds		84,328		86,123	
			97,609		91,916
			97,609		88,095

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

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the Trustees on 14/7/21

.....

Mr M Penson (Chair)
Trustee

Company Registration No. 04986086

1 Accounting policies

Company information

The Mustard Tree Foundation (Reading) is a private company limited by guarantee incorporated in England and Wales. The registered office is 90 London Street, Reading, Berkshire, RG1 4SJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. This includes amounts disclosed as 'designated funds' representing monies allocated to projects run by the charity. These projects are partly funded by specified donations and partly by monies set aside out of unrestricted funds by the trustees for those projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies (Continued)

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

1.5 Expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increase in liabilities and is decreased by the utilisation of any provision within the period and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

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

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

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets

Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies (Continued)

1.9 Retirement benefits

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

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2020	**2020**	**2020**	2019	2019	2019
	£	**£**	**£**	£	£	£
Donations and gifts	117,237	1,978	119,215	68,185	-	68,185
Grants - Statutory & Trusts	35,104	181,640	216,744	178,551	37,614	216,165
	152,341	183,618	335,959	246,736	37,614	284,350
Donations and gifts						
Donations Individuals	36,378	835	37,213	28,519	-	28,519
Donations Churches	26,848	750	27,598	22,980	-	22,980
Donations Trusts	51,331	-	51,331	12,026	-	12,026
Gift aid recovered	2,680	393	3,073	4,660	-	4,660
	117,237	1,978	119,215	68,185	-	68,185

4 Charitable activities

	2020	2019
	£	£
Sales within charitable activities	862	176
Salary reimbursement	4,190	8,591
Charitable rental income	-	435
Other income	-	1,534
	5,052	10,736

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	119	212

6 Charitable activities

	2020	2019
	£	£
Staff costs	246,741	223,331
Other Staff related costs (incl. travel/subsistence/voluntary & training)	4,869	5,737
Rent and rates	25,144	7,303
Office refurbishment	240	14,377
Office equipment	5,353	8,819
Professional fees including accountancy and IT support	21,563	7,553
Other	4,392	11,240
Postage and stationery	995	917
Telecommunications	2,227	2,055
Insurance	4,821	3,479
Subscriptions	1,392	-
Cleaning	3,958	1,355
Service charges and management fees	3,022	-
	324,717	286,166
Share of governance costs (see note 8)	3,568	2,228
	328,285	288,394
Analysis by fund		
Unrestricted funds	141,022	244,289
Restricted funds	187,263	44,105
	328,285	288,394

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising and publicity		
Fundraising and PR expenses	3,331	1,232

8 Support costs

	Support costs	**Governance costs**	**Total 2020**	Support costs	Governance costs	Total 2019
	£	**£**	**£**	£	£	£
Accountancy and independent examination	-	3,568	3,568	-	2,228	2,228
	-	3,568	3,568	-	2,228	2,228
Analysed between						
Charitable activities	-	3,568	3,568	-	2,228	2,228

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2020 Number	**2019 Number**
	17	18

Employment costs

	£	**£**
Wages and salaries	230,692	208,861
Social security costs	12,116	11,212
Other pension costs	3,933	3,258
	246,741	223,331

The majority of staff were part time. The average full-time equivalent was 8.7 (2019: 8).

11 Trade and other receivables

	2020	2019
Amounts falling due within one year:	**£**	£
Trade receivables	293	4,300
Other receivables	1,984	3,830
Prepayments and accrued income	11,500	11,500
	13,777	19,630

12 Current liabilities

	Notes	2020	2019
		£	£
Other taxation and social security		4,238	3,891
Deferred income	**13**	43,125	60,275
Trade payables		1,256	8,882
Accruals and deferred income		2,160	250
		50,779	73,298

13 Deferred income

	2020	2019
	£	**£**
Other deferred income	43,125	60,275

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the Charity.

Deferred income analysed by project is as follows:

Engage befriending	£27,025
Starting point	£ 8,600
Core activities	£ 7,500

14 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £3,933 (2019 - £3,258).

15 Analysis of net assets between funds

	Unrestricted funds 2020	**Restricted funds 2020**	**Total 2020**	Unrestricted funds 2019	Restricted funds 2019	Total 2019
	£	**£**	**£**	£	£	£
Fund balances are represented by:						
Current assets/ (liabilities)	97,609	-	97,609	91,916	(3,821)	88,095
	97,609	-	97,609	91,916	(3,821)	88,095

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

17 Restricted funds

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

	Movement in funds				Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£	£	£	£
Reading Lifeline	2,670	37,614	(44,105)	(3,821)	1,978	(5,623)	7,466	-
Starting Point Reading	-	-	-	-	136,125	(136,125)	-	-
Rahab Project	-	-	-	-	5,250	(5,250)	-	-
Engage Befriending	-	-	-	-	40,265	(40,265)	-	-
	2,670	37,614	(44,105)	(3,821)	183,618	(187,263)	7,466	-

Projects undertaken by the Charity were partly funded through restricted grants. Restricted funding received as shown above was all expended during the year. The Trustees additionally allocated some general funds towards the projects to cover additional expenses as can be seen in note 18.

Reading Lifeline
Counselling and support for anyone affected by infertility, or baby loss during pregnancy or soon after birth. Upon the closure of Reading Lifeline during 2020 the Trustees closed this fund and transferred funds from the unrestricted revenue fund to cover the negative balance remaining on the restricted fund.

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working.

Starting Point
Providing opportunities and journeying alongside young people aged 11-25. Enabling them to attain, sustain and thrive within education, employment, and training.

18 Designated funds

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

		Movement in funds				Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Starting Point Reading	5,975	96,972	(91,984)	-	10,963	33,703	(43,642)	-	1,024
Rahab Project	1,732	28,111	(43,313)	4,500	(8,970)	22,154	(28,648)	19,181	3,717
Engage Befriending	2,399	49,809	(48,408)	-	3,800	32,367	(27,627)	-	8,540
	10,106	174,892	(183,705)	4,500	5,793	88,224	(99,917)	19,181	13,281

Engage Befriending
Connecting isolated, older people with their local community through visits from a volunteer befriender.

Rahab Project
Offering support and advocacy to those involved in sex working. The Trustees allocated £19,181 of funding received as an unrestricted grant to the Rahab Project.

Starting Point
Providing opportunities and journeying alongside young people aged 11-25. Enabling them to attain, sustain and thrive within education, employment, and training.

The projects experience temporary fluctuations in their financial position during the year, due to variations in income and expenditure. To allow the projects to operate effectively, the Trustees support the projects by allowing them to spend more than the funds available temporarily, which the Trustees describe as an "overdraft facility", supported by the reserves held in the unrestricted revenue fund.