

Charity registration number 1116773

Company registration number 05822301 (England and Wales)

HALOW PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

HALOW PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Day S Hill M McArthur R Meins T Oliver N E F Butcher A Edward	(Appointed 10 January 2025)
Secretary	Mr R Meins	
Non-statutory Director	Nr N Wheeler	Director of halow project services
Charity number	1116773	
Company number	05822301	
Registered office	Carroll House 11 Quarry Street Guildford Surrey United Kingdom GU1 3UY	
Auditor	Azets Audit Services Ashcombe Court Woolsack Way Godalming England GU7 1LQ	

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HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report and financial statements for the year ended 31 March 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

Overall purpose

"(a) To provide education, training, care and accommodation and other support services to persons with permanent learning disabilities and others who have charitable need for such services with the object of developing their mental, physical and spiritual capacities so that they may realise their full potential as individuals and members of society and that their condition for life may be improved; and (b) to undertake any other charitable activity."

Memorandum and Articles of Association incorporated on 19 May 2006 as amended 5 October 2006

The principal activity of the charity is to provide benefit to young people with a learning disability in Surrey and the surrounds.

Main activities

Halow Project (**halow**) is a registered charity dedicated to creating opportunities and supporting young people aged 16+ with a learning disability so that they are able to live independent, meaningful, fulfilled lives and become more involved in their local community.

halow provides specialist, person-centred support and activities and our aim is for every person with learning disabilities to have the same life choices and chances as any other person.

The young people we work with want the opportunity to:

- Build relationships
- Become part of the community
- Find meaningful employment
- Have a home of their own

Our four core areas of activity are as follows:

- **Building Futures:** is **halow's** full-time, community-based learning programme for young adults aged 18–25 with a learning disability in Surrey. Distinct from traditional educational settings, the programme is designed around community immersion rather than a fixed curriculum. It focuses on person-centred planning to achieve tailored outcomes for each participant. The programme aims to empower young people to shape their own futures by fostering independence, supporting continued learning, and offering meaningful social and work-based experiences.
- **A Reason to Get Up:** A programme which seeks to develop the skills learnt by service users in Building Futures by developing their interests for further independence and employability. It supports them in learning new life skills that can help them find a satisfying vocation. Currently the 4 sessions provided are Cook and Grow, Crafty Creations, Fit Club and IT Crowd. The programme also provides a range of social activities which enable people to enjoy an active social life, make new friends and become part of their community.
- **Independent Support Programme:** An intensive 10-week programme with 1 to 1 support which enables each young person to set their own goals and prepares them to live independently.
- **Supported Living:** **halow** provide staffing for 5 supported living houses across Surrey to support our young people to live independently.

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TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

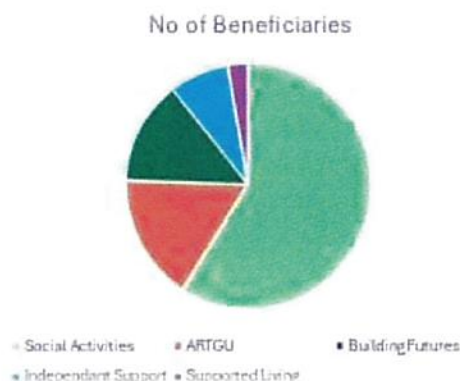
Many of our young people are referred to **halow** by the local authority and are funded for some of the programmes they access. Our remaining costs are covered through a mixture of individuals' fees and fundraising.

Statement of Compliance with Charity Commission guidance

The Trustees have paid due regard to guidance issued by the Charity Commission's guidance on public benefit and what activities they should undertake.

Achievements and Performance

From April 2024 to March 2025, **halow** supported 344 (previously 326) individuals across our services, representing a 5.5% increase in people supported on previous year. Many young people use several of our services with the breakdown per service as follows:



- Social Activities - 203 people benefitted from our range of activities
- A Reason to Get Up (ARTGU) – 57 people attended our regular ARTGU sessions
- Building Futures – 48 people were supported on our educational programme
- Independent Support Programme (Buddy Service) – 27 people were supported to grow in independence
- Supported Living – 9 people supported intensively to live independently

In total, **halow** delivered 7,698 hours of social and learning activities and flexibly provided 26,462 hours of care within Supported Living and 4882 hours to 27 individuals in the community through the Independent Support Programme.

One of our services, our Supported Living service, is regulated by the Care Quality Commission (CQC) where we scored "good" across all assessment areas in our last inspection (2022).

Our reach has grown significantly over the past year, particularly within our educational and lifestyle programmes – Building Futures, A Reason to Get Up, and Social Activities – which collectively saw an 8.4% increase in the number of individuals supported. This is a testament to the impact and relevance of our work within the community. However, with around 21,000 people in Surrey living with a learning disability and fewer than 4,000 currently known to Surrey County Council, the need for inclusive, community-based support continues to far exceed available provision.

Organisations like **halow** are critical in bridging this gap, offering a range of services from social activities that reduce loneliness and build confidence, to more intensive support such as supported living. Despite our continued growth, we are facing mounting challenges. Ongoing financial constraints at Surrey County Council have resulted in continued underfunding, while the economic instability of 2024/2025 has led to a significant decline in fundraising income.

As we look ahead and refine our strategy, we remain acutely aware of the need to balance our response to local demand with the reality of our limited resources. Our focus remains on delivering high-impact, person-centred support to people with a learning disability – but doing so sustainably, and with resilience, in the face of increasing pressures.

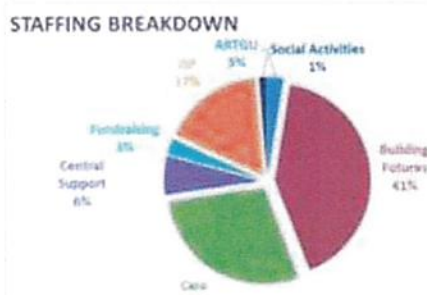
HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Over the past year, the Halow Project has seen a vibrant and diverse range of fundraising activities that have significantly contributed to our mission. Our challenge events, including marathons, cycling events and treks, inspired supporters to push their limits while raising vital funds. We strengthened our partnerships with corporate supporters, who not only provided financial backing but also engaged their teams in volunteering and matched giving initiatives. Key events such as our annual karting and golf days were standout successes, bringing together our community for fun and fundraising, while also raising awareness of our work. Additionally, we secured generous support from trusts and foundations, whose contributions have been instrumental in sustaining and expanding our services. Together, these efforts have helped us continue empowering young people with learning disabilities to lead independent and fulfilling lives.

Staff & Volunteers

In addition to the 77 **halow** staff (equal to 41 FTE) who work to support young people, we are indebted to the 37 **halow** volunteers who support the organisation in its work on a regular basis. Our volunteers take part in the daytime activity and learning programmes enabling more young people to take part. They are supported with training and complete DBS checks.



In addition to our regular volunteers, we benefit from the support of 31 additional volunteer contacts from local businesses who assist the organisation in various ways, including ad hoc fundraising. Corporate and community volunteers play a vital and growing role in supporting our initiatives, bringing with them a rich and diverse range of skills, experiences, and perspectives. Their contributions extend well beyond financial support, encompassing the delivery of targeted skills training, mentoring, project-based support, and hands-on involvement in social and community-based activities. This broad spectrum of input not only enhances the quality and reach of our services but also creates meaningful opportunities for collaboration and shared learning. Recognising and valuing the diversity of volunteer involvement is key to the strength of our programmes, helping us build more inclusive, innovative, and connected approaches that benefit both the young people we support and the wider community.

With the charity experiencing a growing demand for our services, and to meet this need, we urgently require more volunteers. With additional hands, we can expand our reach, offer more support, and continue to provide vital resources to those who depend on us. The success of our programs relies heavily on the dedication of volunteers, and with more support, we can make an even greater impact.

The Trustees (Company Directors) are pleased to report progress in those areas identified within our 2024-25 plans, namely:

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Challenges to the Charity 2024/2025

The financial year 2024/2025 has proven to be one of the most difficult periods for the charity sector in recent memory. We have faced a convergence of financial pressures that have threatened both our operations and our ability to support vulnerable communities. Despite previous efforts to secure more sustainable funding, a combination of economic and administrative challenges has led to a sharp decline in available resources.

The ongoing cost of living crisis has significantly impacted our fundraising capabilities. Rising inflation and energy prices have not only increased our operational costs but also reduced public capacity to attend or support fundraising events. Many events scheduled for 2024/2025 were cancelled due to low ticket sales or insufficient sponsorship, directly affecting income streams. The lack of face-to-face fundraising opportunities has further exacerbated these issues.

In October 2024, Surrey County Council approved increased funding rates for a supported living. However, significant delays in the disbursement of these funds have caused operational strain for us which were relying on this support. The uncertainty around funding timelines has made it difficult for us to plan effectively, forcing us to scale back services or delay important projects despite budget approvals already being in place.

According to recent data released by the Charities Aid Foundation (CAF), both personal and corporate donations have seen a marked decline throughout 2024 and into 2025. Economic instability has resulted in households reducing discretionary spending, including charitable giving. Similarly, many businesses have cut back on their Corporate Social Responsibility (CSR) budgets, reducing sponsorship and grant opportunities for nonprofit organisations.

As a result of these compounding challenges, many charities have experienced a tough financial year. The shortfall in income has led to:

- Reduced staffing or redundancies
- Limited outreach and service delivery
- Delays in programme development
- Increased reliance on emergency reserves or short-term borrowing

These financial strains come at a time when demand for the charitable services is increasing

2024/2025 has highlighted the vulnerability of the charity sector to wider economic trends and administrative inefficiencies. Without timely intervention, renewed public support, and more responsive funding mechanisms, many charities may face ongoing difficulties in meeting the growing needs of the communities we serve. Collaboration between government bodies, donors, and third-sector organisations will be crucial in rebuilding financial stability and ensuring the sustainability of critical charitable work in the years ahead.

As we reflect on 2024, this review provides an opportunity to assess how effectively our charity has progressed toward its goals. Over the past year, we have continued to focus on our core mission while adapting to new challenges and opportunities. This report outlines the key objectives set for 2024, evaluates our achievements, and highlights areas where further growth and improvement are needed. Through transparency and accountability, we aim to strengthen our impact and inform our plans for the year ahead.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1. Continue to deliver high quality, innovative, and person-centred services and to exceed expectations of the young people themselves, families, commissioners and the local community.

Our approach has been to actively engaging with young people, putting them front and centre of all we do. After the difficult year we have consulted commissioners regarding funding and pleased to confirm Hampshire County Council and Surrey SEND provision have signed on with new negotiated rates for Building Futures. We recognise the need to continue to develop our relationships with our stakeholders for statutory services.

We have continued to consult with families and the local community to refine our services, ensuring they remain relevant. We continue to invest in staff development, adopt evidence-based practices, and embrace creative solutions that promote positive outcomes and lasting impact.

2. Continue the implementation of our Exceptional Person-Centred Care (EPC) strategy, a root and branch approach to reposition our teams to deliver this.

We have completed the implementation of our Exceptional Person-Centred Care (EPC) strategy, it is embedded the way we deliver care. This strategy marks a significant step forward in raising the standard of care. It reflects our enduring commitment to delivering care that is not only exceptional but truly responsive, respectful, and aligned with what matters most to those we serve.

3. Ensure the smooth transition of staff into the expanded charity and further strengthen the values-based approach to recruitment, training and delivery.

We must acknowledge that the planned expansion of the charity has faced significant setbacks over the past year.

As a result, the transition and onboarding of staff into the expanded structure have not proceeded as planned. Resource constraints have limited our capacity to scale operations, recruit at the necessary pace, and deliver the full breadth of training we had envisioned. We recognise the importance of maintaining momentum and are actively exploring contingency strategies to realign our staffing plans with available resources, without compromising our core values or the quality of care.

We remain focused on stabilising our financial position and will continue to prioritise staff development and values-led practice as key elements of our recovery and long-term strategy

4. To modernise our financial procedures and bring the department more in line with operational need.

In the last year we have moved to using a single platform for HR Management and payroll to streamline the process. By implementing improved financial practices, we have improved accuracy, reduce manual workloads, and enabled more agile decision-making. These changes will ensure that our financial management is not only up to date but also fully supports the dynamic demands of our growing organization, allowing us to allocate resources more effectively and respond swiftly to emerging opportunities and challenges.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Plans for future period

Our annual objectives for 2025-26 are as follows:

1. **Rebuilding Sustainable Income:** In 2025/2026, our key financial objective is to rebuild sustainable income streams to restore and strengthen our reserves, ensuring the long-term stability of our services. This will be achieved through a combination of internal restructuring to improve efficiency and financial oversight, and external efforts focused on securing full and timely payment of approved statutory funding rates. We will continue to engage proactively with commissioning bodies to campaign for fair, transparent, and prompt funding disbursements. Alongside this, we will develop targeted fundraising initiatives and explore new income opportunities to diversify our funding base. These efforts are essential not only for replenishing the reserves used to maintain operations during the financially challenging 2024/2025 period but also for building a more resilient financial model capable of supporting the ongoing growth and impact of our work.
1. **Develop a three year strategic plan:** halow is developing its Strategic Plan, setting out how we will achieve our framework over the next three years. As we celebrate our 20th anniversary, we are building out resilience and creating a sustainable model to ensure we have a collective vision for the next 20 years.
1. **Extend Building Futures:** In early 2025 halow undertook an amalgamation of Building Futures and ARTGU to create different pathways for our young people with relevant themes for activities. We continue to place emphasis on creating a pathway into employment and / or supporting moving into independent living. We will undertake an internal review of the current ARTGU programme to ensure it delivers meaningful outcomes across all sessions.
1. **Enhancing and Sustaining Social Activities:** In 2025/2026, we will prioritise the development and sustainability of our Social Activities programme, which supports over 60% of our beneficiaries and plays a vital role in promoting inclusion, confidence, and wellbeing. Recognising the importance of social connection as part of a fulfilling life, we will undertake a comprehensive review of our Social Activities offer alongside the broader review of ARTGU, to clearly define the scope, purpose, and outcomes of this work. This review will inform future planning and ensure alignment with the evolving needs and preferences of those we support. In parallel, we will actively seek dedicated funding to sustain and expand this programme, focusing on removing financial barriers and enabling more beneficiaries to access meaningful social opportunities. Our goal is to ensure that everyone we support has the chance to lead a socially connected life, regardless of economic circumstances.

It is a credit to our teams that we were able to deliver services for more young people than in previous years, have invested further in the quality of our services, have made real and sustainable change to further secure the charity's priorities and future, and end the year in a healthy financial position.

Everyone at halow wishes to thank all our young people, families, staff, volunteers, commissioners, funders and corporate supporters for your support for our work this year.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Financial review Overview

During the financial year 2024/2025, **halow** faced an exceptionally challenging environment due to a convergence of economic pressures that deeply affected the charity sector as a whole. The ongoing cost of living crisis, rising inflation, and increased operational expenses—coupled with reduced income from fundraising events and charitable donations—significantly impacted the organisation's financial stability. In order to continue delivering essential services and supporting vulnerable communities amidst these difficulties, **halow** was forced to rely heavily on its financial reserves.

These reserves acted as a vital buffer, allowing **halow** to maintain operations despite delays in expected funding—such as the late disbursement of increased supported living rates approved by Surrey County Council—and the cancellation of key fundraising events. With both individual and corporate donations declining, **halow's** ability to generate new income was further constrained, leaving reserves as the only immediate source of financial continuity.

While this depletion of reserves was a necessary measure to survive an extraordinarily difficult year, it also enabled the organisation to adapt, stabilise, and continue supporting its beneficiaries without disruption. As a result of these efforts, **halow** has emerged from this period more resilient and better positioned to rebuild. Looking ahead to 2025/2026, with more predictable funding, potential improvements in the economic climate, and strengthened internal planning, **halow** is now in a stronger position to gradually restore its reserves and move toward a more sustainable financial footing.

The financial accounts for the year to 31 March 2025 show a net loss of £298,336 as shown on the Statement of Financial Activities on page 14.

The Cash Flow Statement on page 17 shows a decrease in cash and cash equivalents of £249,008 during the year.

Income overall decreased by £107,628 over the year.

This has been a result of underfunding from local authority and a significant drop in corporate fundraising

halow has worked to increase its funding from Surrey County Council and has secured a significant increase for Building Futures and Supported Living for 2025/26

Reserves Policy

The Finance Committee annually reviews the Reserves Policy and the level of reserves which are shown in the Financial Statements. At the time of approving this report, the trustees have approved the budget that will allow us to build reserves over the following 12 months

In setting the Reserve Policy, the Board of Trustees has considered the financial position of the charity, the performance in recent years and expectations of future years, and the current and future liquidity cover. This is with the goal of ensuring we have the funds required to carry on our activities safely and consistently through period of uncertainty.

Having regard to **halow's** strategic plans and economic conditions, the Board of Trustees have set a target level of unrestricted reserves, which have not been designated for a specific use, of £300,000, with a minimum of £250,000 required. This reserve figure is based on the charities liabilities outside of local authority statutory funding (supported living / education) which equates to 25% of our income, not covered by contractual agreements. These figures are considered appropriate to ensure financial stability and act as a safeguard against volatile and unpredictable income streams or unforeseen expenditure and liabilities.

Fundraising standards

At **halow**, we are fully committed to upholding the highest standards of ethical and transparent fundraising by subscribing to and adhering to The Code of Fundraising Practice, set by the Fundraising Regulator. This means that all of our fundraising activities are conducted with integrity, honesty, and accountability, ensuring that donors, supporters, and the public can have full confidence in how we raise and use funds. We follow clear guidelines on

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

consent, transparency, and respectful engagement, and we continuously review our practices to remain compliant with current regulations. By embedding the principles of the Code into our fundraising approach, we aim to foster trust, protect the dignity of our supporters, and ensure that all fundraising is carried out responsibly and respectfully.

Ensuring ethical, respectful, and transparent fundraising is a core priority for the charity. Oversight of fundraising activity is provided directly by the Managing Director, who works closely with the Fundraising team and actively participates in fundraising efforts. We do not engage external agencies to fundraise or communicate with donors on our behalf, maintaining full control and accountability over our fundraising practices.

Over the past year, the charity received no complaints relating to its fundraising activity. We define a complaint as any expression of dissatisfaction from a supporter or funder. All complaints are treated seriously—none are disregarded—and are escalated appropriately to colleagues and managers. We are committed to learning from all feedback and use it to continuously improve our fundraising approach.

As an organisation that supports some of the most vulnerable young people in our community, we operate with strict safeguards around fundraising. We adhere to robust guidelines to ensure that no individual is asked to contribute if they may be considered vulnerable, whether due to reduced mental capacity, financial hardship, or ill health. While many of the young people we support are enthusiastic about participating in community events—such as sponsored activities, seasonal fundraising, or awareness-raising initiatives—we never solicit or accept donations from them, either directly or through appeals.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Key financial risks to our charity include factors that could significantly impact its financial stability.

Contract Pricing: Our most significant operational risk at present is the delay in the implementation and disbursement of statutory contract pricing. These delays create considerable uncertainty around funding timelines, which directly impacts our ability to plan and allocate resources effectively. In practical terms, this may result in the need to reduce staffing levels or delay recruitment in order to remain within tightened financial constraints. Such actions, while necessary to preserve financial stability, could limit our capacity to deliver consistent levels of service and support to those who rely on us. We actively monitor this risk through ongoing dialogue with commissioning bodies and have implemented contingency plans to manage staffing and service levels where needed. Our leadership team remains focused on maintaining operational resilience and minimising disruption while continuing to advocate for more timely and transparent funding processes.

Reduced donor funding is a major concern, especially if there is over-reliance on a few large donors or if economic conditions lead to a downturn in individual giving.

Fluctuating economic conditions—such as inflation, changes in tax laws, or economic recessions—can affect both operational costs and donor generosity.

Cash flow issues could arise if there is a mismatch between the timing of incoming funds and outgoing expenses, particularly if there are delays in grant disbursements or large expenditures.

Compliance and regulatory risks are also significant, as failure to meet reporting requirements or maintain nonprofit status could lead to financial penalties or loss of donor confidence.

Fraud or financial mismanagement, although rare, remains a potential threat.

To mitigate these risks, our charity can diversify income streams by expanding beyond individual donations, seeking corporate partnerships, government grants, and social enterprise opportunities. Establishing a strong financial reserve or endowment can provide a buffer during lean periods. Implementing stringent financial oversight, such as regular audits, clear segregation of duties, and transparency in financial reporting, can reduce the likelihood of mismanagement. Regular risk assessments will help in identifying potential vulnerabilities early. Strong budget

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

planning, cash flow forecasting, and regular financial reviews will ensure funds are allocated appropriately and that we remain adaptable to financial shifts. Engaging with donors and maintaining clear communication about our impact can also help retain their support, even in challenging times.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 19 May 2006 and registered as a charity. The company was established under a Memorandum of Association which defined the objects and powers of the charitable company and is governed under its Articles of Association.

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:

M Day

S Hill

M McArthur

R Meins

T Oliver

N E F Butcher

A Edward

(Appointed 10 January 2025)

Recruitment and appointment of new trustees

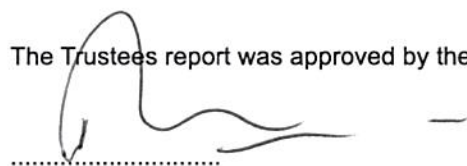
Current Trustees are already familiar with the practical work of the charity. Prior to the appointment as a new Trustee, the candidate is met by individual Trustees and officers of the charity to ensure that he/she is fully aware of the requirements and the statutory duties of a Trustee, and to ensure that the person is suitable to hold such an appointment.

halow has a Board that met once every quarter in 2024-25. It is responsible for the strategic direction and policy of the charity. At present the Board has 7 members from a variety of professional backgrounds relevant to the work of the charity. A number of sub-committees and a scheme of delegation is in place and day to day responsibility rests with the Managing Director and the senior leadership team.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.



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N E F Butcher

Date: 16/12/2025

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STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also the directors of halow Project 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HALOW PROJECT

Opinion

We have audited the financial statements of halow Project (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees report has been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HALOW PROJECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HALOW PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HALOW PROJECT

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services

Debra Saunders Bsc FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

16 December 2025
.....

Ashcombe Court
Woolsack Way
Godalming
England
GU7 1LQ

HALOW PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	2	207,140	9,800	216,940	382,421
Charitable activities					
Building Futures	3	905,696	3,500	909,196	794,313
A Reason To Get Up	3	132,491	57,017	189,508	173,828
Buddy Support Services	3	115,502	-	115,502	89,606
Supported Living	3	761,434	-	761,434	749,061
Fundraising activities	4	258,605	-	258,605	369,584
Total income		2,380,868	70,317	2,451,185	2,558,813
Expenditure on:					
Raising funds	5	250,111	10,832	260,943	200,090
Charitable activities					
Building Futures	6	1,033,139	6,756	1,039,895	851,740
A Reason To Get Up	6	231,677	66,943	298,620	275,386
Information and Awareness Raising	6	-	-	-	86,994
Buddy Support Services	6	188,727	-	188,727	233,043
Supported Living	6	961,171	165	961,336	815,167
SCC Infection Control & Workforce Capacity	6	-	-	-	10,522
Total charitable expenditure		2,414,714	73,864	2,488,578	2,272,852
Total expenditure		2,664,825	84,696	2,749,521	2,472,942
Net (expenditure)/income for the year/ Net movement in funds		(283,957)	(14,379)	(298,336)	85,871
Fund balances at 1 April 2024		325,393	35,288	360,681	274,810
Fund balances at 31 March 2025		41,436	20,909	62,345	360,681

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.

HALOW PROJECT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes			
Income from:				
Donations and legacies	2	375,271	7,150	382,421
Charitable activities				
Building Futures	3	788,139	6,174	794,313
A Reason To Get Up	3	113,228	60,600	173,828
Buddy Support Services	3	86,606	3,000	89,606
Supported Living	3	749,061	-	749,061
Fundraising activities	4	369,584	-	369,584
Total income		2,481,889	76,924	2,558,813
Expenditure on:				
Raising funds	5	198,122	1,968	200,090
Charitable activities				
Building Futures	6	841,916	9,824	851,740
A Reason To Get Up	6	210,463	64,923	275,386
Information and Awareness Raising	6	86,994	-	86,994
Buddy Support Services	6	230,208	2,835	233,043
Supported Living	6	815,167	-	815,167
SCC Infection Control & Workforce Capacity	6	10,522	-	10,522
Total charitable expenditure		2,195,270	77,582	2,272,852
Total expenditure		2,393,392	79,550	2,472,942
Net (expenditure)/income for the year/ Net movement in funds		88,497	(2,626)	85,871
Fund balances at 1 April 2023		236,896	37,914	274,810
Fund balances at 31 March 2024		325,393	35,288	360,681

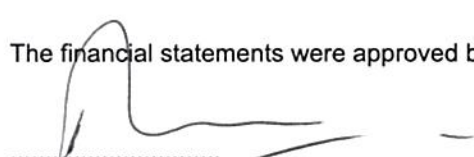
HALOW PROJECT

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	13		18,233		13,982
Current assets					
Debtors	14	258,416		188,084	
Cash at bank and in hand		201,553		450,561	
		<u>459,969</u>		<u>638,645</u>	
Creditors: amounts falling due within one year	15	<u>(415,857)</u>		<u>(291,946)</u>	
Net current assets			44,112		346,699
Total assets less current liabilities			<u>62,345</u>		<u>360,681</u>
Income funds					
Restricted funds			20,909		35,288
Unrestricted funds			41,436		325,393
			<u>62,345</u>		<u>360,681</u>

The financial statements were approved by the Trustees on 16/12/2025


.....
N E F Butcher
Trustee

Company registration number 05822301

HALOW PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(234,618)		101,122
Investing activities					
Purchase of tangible fixed assets		(14,390)		(4,331)	
Net cash used in investing activities			(14,390)		(4,331)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(249,008)		96,791
Cash and cash equivalents at beginning of year			450,561		353,770
Cash and cash equivalents at end of year			201,553		450,561

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

halow project is a private company limited by guarantee incorporated in England and Wales. The registered office is Carroll House, 11 Quarry Street, Guildford, Surrey, GU1 3UY, United Kingdom.

1.1 Accounting convention

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

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

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

1.2 Going concern

The charity has remained in a surplus at the year end. Looking ahead to 2025/26, the charity anticipates more predictable funding, potential improvements in the wider economic environment, and benefits from strengthened internal planning. These factors place halow in a stronger position to gradually rebuild its reserves and progress towards a more sustainable long-term financial position.

Accordingly, at the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has sufficient resources to continue its operations 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.

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

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

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.

Buddy Support Services and Supported Living income is included in the financial statements as it becomes receivable.

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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

1.5 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure is inclusive of VAT.

Costs of generating funds comprise the costs associated with attracting donations and legacies and the cost of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and service for its beneficiaries. It includes both costs that can be allocated directly to such services and those costs of an indirect nature necessary to support them.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Support costs are allocated between charitable activities on the basis of the proportion of staff working on each activity as follows:

- Supported Living - 36% (2024: 19.9%)
- Buddy Support Services - 10% (2024: 19.9%)
- Building Futures - 40% (2024: 39.9%)
- A Reason To Get Up - 9% (2024: 10.5%)
- Information and Awareness Raising - 0% (2024: 3.4%)
- Fundraising - 5% (2024: 6.4%)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. There is a minimum threshold of £250 for capitalising fixed assets.

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 bases:

Fixtures and fittings	25% on cost
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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 fixed 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.

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.9 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

Trade creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 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.

1.12 Retirement benefits

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

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Donations and gifts	205,185	9,800	214,985	374,071	7,150	381,221
Grants receivable	1,955	-	1,955	1,200	-	1,200
	<u>207,140</u>	<u>9,800</u>	<u>216,940</u>	<u>375,271</u>	<u>7,150</u>	<u>382,421</u>

3 Charitable activities

	Building Futures	A Reason To Get Up	Buddy Support Services	Supported Living	Total 2025	Total 2024
	2025 £	2025 £	2025 £	2025 £	£	£
Income from charitable activities	<u>909,196</u>	<u>189,508</u>	<u>115,502</u>	<u>761,434</u>	<u>1,975,640</u>	<u>1,806,808</u>
Analysis by fund						
Unrestricted funds	905,696	132,491	115,502	761,434	1,915,123	1,737,034
Restricted funds	<u>3,500</u>	<u>57,017</u>	<u>-</u>	<u>-</u>	<u>60,517</u>	<u>69,774</u>
	<u>909,196</u>	<u>189,508</u>	<u>115,502</u>	<u>761,434</u>	<u>1,975,640</u>	<u>1,806,808</u>

For the year ended 31 March 2024

	Building Futures	A Reason To Get Up	Buddy Support Services	Supported Living	Total 2024
	£	£	£	£	£
Income from charitable activities	<u>794,313</u>	<u>173,828</u>	<u>89,606</u>	<u>749,061</u>	<u>1,806,808</u>
Analysis by fund					
Unrestricted funds	788,139	113,228	86,606	749,061	1,737,034
Restricted funds	<u>6,174</u>	<u>60,600</u>	<u>3,000</u>	<u>-</u>	<u>69,774</u>
	<u>794,313</u>	<u>173,828</u>	<u>89,606</u>	<u>749,061</u>	<u>1,806,808</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Fundraising activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Volunteer-led fundraising	74,190	297,369
Fundraising events	184,167	71,621
Trading	248	594
	<u>258,605</u>	<u>369,584</u>
Fundraising activities	<u>258,605</u>	<u>369,584</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Raising funds	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Fundraising costs						
Fundraising activities	152,526	10,832	163,358	42,772	1,968	44,740
Fundraising events	11,604	-	11,604	17,642	-	17,642
Staff costs	55,338	-	55,338	99,099	-	99,099
Support costs	26,787	-	26,787	35,053	-	35,053
Fundraising costs	246,255	10,832	257,087	194,566	1,968	196,534
<u>Trading costs</u>						
Trading	-	-	-	1,896	-	1,896
Support costs	3,856	-	3,856	1,660	-	1,660
Trading costs	3,856	-	3,856	3,556	-	3,556
	250,111	10,832	260,943	198,122	1,968	200,090

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Charitable activities

	BuildingA Futures	Reason To Get Up	Buddy Support Services	Supported Living	Total 2025	Total 2024
	2025 £	2025 £	2025 £	2025 £	£	£
Staff costs	643,108	175,438	117,195	710,011	1,645,752	1,442,065
Direct costs	151,633	68,023	10,243	30,686	260,585	291,147
	<u>794,741</u>	<u>243,461</u>	<u>127,438</u>	<u>740,697</u>	<u>1,906,337</u>	<u>1,733,212</u>
Share of support costs (see note 7)	214,308	48,219	53,577	192,877	508,981	515,236
Share of governance costs (see note 7)	30,846	6,940	7,712	27,762	73,260	24,404
	<u>1,039,895</u>	<u>298,620</u>	<u>188,727</u>	<u>961,336</u>	<u>2,488,578</u>	<u>2,272,852</u>
Analysis by fund						
Unrestricted funds	1,033,139	231,677	188,727	961,171	2,414,714	2,195,270
Restricted funds	6,756	66,943	-	165	73,864	77,582
	<u>1,039,895</u>	<u>298,620</u>	<u>188,727</u>	<u>961,336</u>	<u>2,488,578</u>	<u>2,272,852</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Charitable activities		(Continued)						
For the year ended 31 March 2024								
		Building A Futures	Reason To Get Up	Information and Awareness Raising	Buddy Support Services	Supported Living	SCC Infection Control & Workforce Capacity	Total 2024
	£	£	£	£	£	£	£	£
Staff costs	481,513	141,928	34,685	105,784	678,155	-	1,442,065	
Direct costs	140,263	72,941	32,540	12,564	22,317	10,522	291,147	
	621,776	214,869	67,225	118,348	700,472	10,522	1,733,212	
Share of support costs (see note 7)	219,565	57,780	18,875	109,508	109,508	-	515,236	
Share of governance costs (see note 7)	10,399	2,737	894	5,187	5,187	-	24,404	
	851,740	275,386	86,994	233,043	815,167	10,522	2,272,852	
Analysis by fund								
Unrestricted funds	841,916	210,463	86,994	230,208	815,167	10,522	2,195,270	
Restricted funds	9,824	64,923	-	2,835	-	-	77,582	
	851,740	275,386	86,994	233,043	815,167	10,522	2,272,852	

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	363,828	-	363,828	378,717	-	378,717
Depreciation	10,139	-	10,139	10,938	-	10,938
Operating lease charges	40,800	-	40,800	40,463	-	40,463
Premises costs	46,800	-	46,800	45,225	-	45,225
Computer costs	29,486	-	29,486	22,672	-	22,672
Printing, postage and telephone	19,046	-	19,046	17,598	-	17,598
Staff welfare and expenses	27,914	-	27,914	29,644	-	29,644
Sundry expenses	1,090	-	1,090	4,386	-	4,386
Bank charges	499	-	499	576	-	576
Bad debts	(3,834)	-	(3,834)	70	-	70
Audit fees	-	14,473	14,473	-	19,194	19,194
Legal and professional	-	-	-	-	1,310	1,310
HR and other consultancy	-	62,643	62,643	-	5,560	5,560
	<u>535,768</u>	<u>77,116</u>	<u>612,884</u>	<u>550,289</u>	<u>26,064</u>	<u>576,353</u>
Analysed between						
Fundraising	26,787	-	26,787	35,053	-	35,053
Trading	-	3,856	3,856	-	1,660	1,660
Charitable activities	508,981	73,260	582,241	515,236	24,404	539,640
	<u>535,768</u>	<u>77,116</u>	<u>612,884</u>	<u>550,289</u>	<u>26,064</u>	<u>576,353</u>

8 Net movement in funds

	2025	2024
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	10,139	10,937
Operating lease charges	<u>40,800</u>	<u>40,463</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor:	2025 £	2024 £
Audit of the charity's annual accounts	12,000	11,100
Other services to the charity		
Non-audit services	2,100	1,620
Total audit fees	14,100	12,720

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. There were no reimbursements made to any trustees for travelling expenses (2024 - £807).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Administrative	8	7
Fundraising	2	4
Operational	77	71
Management	1	1
	88	83

Employment costs

	2025 £	2024 £
Wages and salaries	1,863,475	1,700,208
Social security costs	154,999	141,334
Other pension costs	46,444	43,654
	2,064,918	1,885,196

The number of employees whose annual remuneration was £60,000 or more were:

	2025 Number	2024 Number
£60,000 - £70,000	1	1

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 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.

13 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2024	79,907
Additions	14,390
	<u>94,297</u>
At 31 March 2025	<u>94,297</u>
Depreciation and impairment	
At 1 April 2024	65,925
Depreciation charged in the year	10,139
	<u>76,064</u>
At 31 March 2025	<u>76,064</u>
Carrying amount	
At 31 March 2025	<u>18,233</u>
At 31 March 2024	<u>13,982</u>

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	133,422	101,022
Other debtors	683	43
Prepayments and accrued income	124,311	87,019
	<u>258,416</u>	<u>188,084</u>

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	37,745	33,999
Deferred income	177,407	111,983
Trade creditors	89,439	45,789
Other creditors	82,603	74,233
Accruals	28,663	25,942
	<u>415,857</u>	<u>291,946</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Deferred income

	2025 £	2024 £
Arising from Deferred income	177,407	111,983

Deferred income is included in the financial statements in relation to services and future events invoiced in advance.

17 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 £46,444 (2024 - £43,654).

18 Movement in 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:

Current year

	Balance at 1 April 2024 £	Movement in funds		Balance at 31 March 2025 £
		Incoming resources £	Resources expended £	
SCC SEND	2,500	-	(224)	2,276
Community Foundation Grant	-	3,500	(3,426)	74
Clothworkers	-	9,800	(9,800)	-
The Wisley Foundation	965	5,500	(2,898)	3,567
Catherine Woolford	203	-	(90)	113
The Julia & Hans Rausing Trust	4,328	40,000	(39,379)	4,949
REDEVCO Foundation	12,659	-	(12,659)	-
UNUM	5,000	-	(2,832)	2,168
Insurance Industry Charitable Foundation	2,785	-	(2,785)	-
Electronic Arts	4,150	-	-	4,150
Hampshire Care Association	1,032	-	(1,032)	-
ICB Funding Panel	165	-	(165)	-
Bramley Golf Club	-	1,068	(1,068)	-
Insurance Industry Charitable Foundation	-	7,880	(5,538)	2,342
Other (<£1k)	1,501	2,569	(2,800)	1,270
Total Restricted Funds	35,288	70,317	(84,696)	20,909

HALOW PROJECT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

18 Movement in Funds

(Continued)

SCC SEND

Funds received to be spent on Building Futures promotion materials.

The Baily Thomas Charitable Trust

Funds received to be spent on costs and equipment for ARTGU Cook & Grow sessions.

Clothworkers

Capital grant received to cover acquisition costs of twelve laptops.

Community Foundation Grant

Funds received to cover costs for ARTGU IT Crowd sessions.

National Lottery Community Fund

Funds received to be spent on running costs of ARTGU Cook & Grow sessions.

Ironmongers Company

Funds received to be spent on BFG Duke of Edinburgh equipment.

Sport England's Queen Platinum Jubilee

Funds to be spent on sports groups for Social Activities - coach fees, hire facilities, equipment hire and transport costs.

The Wisley Foundation

Funds received to cover costs for ARTGU Cook and Grow sessions for 2 halow adults.

Catherine Woolford

Funds to be spent on BFG shed.

No Fear Bridge

Funds to be spent on BFG activities.

The Julia & Hans Rausing Trust

Funds received to be spent on ARTGU Cook and Grow sessions.

REDEVCO Foundation

Funds received to be spent on ARTGU Crafty Creations.

UNUM

Funds received to be spent on ARTGU Life Skills (Independence and Employability) course.

Insurance Industry Charitable Foundation

Funds to be spent on BFG public transport for training purposes and ARTGU IT Crowd project.

Electronic Arts

Funds to contribute to the costs of its programming and to fund at least 1 volunteer event to engage our employees in their mission.

Hampshire Care Association

Funds received to be spent on international recruitment.

ICB Funding Panel

Funds received to be spent on Care Digital Transformation Fund - Implementation of Sekoia.

Groundwork (Tesco Community Fund)

Funds received to be spent on BFG Woking Railway project.

Middlesex Sports Foundation

Funds to be spent on Social Activities Sports Group.

Bramley Golf Club

Funds received to be spent for ARTGU pantomime.

Other

This consists of immaterial restricted income funds.

HALOW PROJECT

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Movement in Funds

(Continued)

Prior year

	Balance at 1 April 2023 £	Movement in funds		Balance at 31 March 2024 £
		Incoming resources £	Resources expended £	
Community Foundation for Surrey	-	-	-	-
SCC SEND	2,500	-	-	2,500
The Bailey Thomas Charitable Trust	15,000	-	(15,000)	-
Community Foundation Grant	5,241	-	(5,241)	-
National Lottery Community Fund	5,652	-	(5,652)	-
Ironmongers Company	2,840	-	(2,840)	-
Sports England's Queen Platinum Jubilee	49	-	(49)	-
The Wisley Foundation	1,333	-	(368)	965
Catherine Woolford	521	-	(318)	203
No Fear Bridge	3,000	-	(3,000)	-
Other (<£1k)	1,778	2,115	(2,392)	1,501
The Julia & Hans Rausing Trust	-	40,000	(35,672)	4,328
REDEVCO Foundation	-	12,659	-	12,659
UNUM	-	5,000	-	5,000
Insurance Industry Charitable Foundation	-	5,000	(2,215)	2,785
Electronic Arts	-	4,150	-	4,150
Hampshire Care Association	-	3,000	(1,968)	1,032
ICB Funding Panel	-	3,000	(2,835)	165
Groundwork (Tesco Community Fund)	-	1,000	(1,000)	-
Middlesex Sports Foundation	-	1,000	(1,000)	-
Total Restricted Funds	37,914	76,924	(79,550)	35,288

19 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total Unrestricted funds 2025 £		Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:						
Tangible assets	18,233	-	18,233	13,982	-	13,982
Current assets/(liabilities)	23,203	20,909	44,112	311,411	35,288	346,699
	41,436	20,909	62,345	325,393	35,288	360,681

HALOW PROJECT

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Operating lease commitments

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

	2025 £	2024 £
Within one year	47,430	40,800
Between two and five years	21,120	52,800
	<u>68,550</u>	<u>93,600</u>

21 Related party transactions

During the year, £54,000 (2024: £nil) was paid to Ignition Human Performance Ltd in respect of consulting services relating to a strategic business review. N Butcher, a trustee, is a director of Ignition Human Performance Ltd. These services were provided at an open market rate and were in the best interest of the Charity. The Charity has followed the Charity Commission guidance on paying a trustee for providing services.

During the year, £754.60 was paid to a family member of R Meins, Trustee, for conference room space.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025 £	2024 £
Aggregate compensation	<u>78,145</u>	<u>74,665</u>

22 Company limited by guarantee

halow project is a company limited by guarantee and accordingly does not have any share capital. Each director has pledged to contribute £1 in the case the charitable company becomes insolvent.

23 Charges held

A charge is held by Property Investment Holdings Limited for the sum of £8,519 (and such other sums as may be deposited by the company from time to time pursuant to the terms of the said deed) the interest from time to time accrued and any sums from time to time deposited in respect of value added tax.

HALOW PROJECT

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

24	Cash generated from operations	2025 £	2024 £
	(Deficit)/surplus for the year	(298,336)	85,871
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	10,139	10,937
	Movements in working capital:		
	(Increase) in debtors	(70,332)	(42,176)
	Increase/(decrease) in creditors	58,487	(22,589)
	Increase in deferred income	65,424	69,079
		<hr/>	<hr/>
	Cash (absorbed by)/generated from operations	(234,618)	101,122
		<hr/>	<hr/>