

REGISTERED COMPANY NUMBER: 06809593 (England and Wales)  
REGISTERED CHARITY NUMBER: 1128541

Report of the Trustees and  
Financial Statements for the Year Ended 31 March 2022  
for  
NewStarts

NewStarts

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for the year ended 31 March 2022

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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 Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance by the Charity Commission in delivering the activities undertaken by the Charity.

## OBJECTIVES AND ACTIVITIES

### Purpose and charitable objects

- To alleviate poverty through providing practical help to families and vulnerable people and access to free and discounted household items
- To assist in the resettlement of homeless and other vulnerable people who are in need, hardship or distress through offering support and advice and opportunities for learning and work experience.
- To relieve poverty and protect and preserve the environment for the public benefit by promoting and enabling the reuse of unwanted household goods.

The aims of the charity are to reduce and prevent both poverty and homelessness and to reduce the effect of landfill on the environment, encouraging local people to participate in the work, whether that is through donations of furniture and/or funds and through volunteering in one of the many roles available. Our aims fully reflect the purposes that the charity was set up to further.

### Vision

NewStarts' vision is to see individuals achieving their full potential, where homelessness, poverty, debt and environmental damage become things of the past, and where community challenges are solved by the local community.

### Significant activities

In 2021/22 we spent £452,604 on charitable activities in the following ways:

- Emergency Intervention - providing emergency food and free furniture	92%
- Support costs	4%
- Fundraising costs	4%

### Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aims, objectives and activities remain focused on our stated purposes. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

**Newstarts (Registered number: 06809593)**  
**Report of the Trustees (including Directors' Report)**  
**for the year ended 31 March 2022**

The focus of our work

Our main objectives for the year continued to be the reduction and prevention of homelessness and poverty and protection of the environment, however the Covid-19 pandemic changed the emphasis of our work in 20/21 and elements of this change have continued in 21/22 and continue to remain as part of the focus of our work.

- Providing a range of services through our furniture and IT re-use social enterprises
- Providing emergency help through signposting and emergency food provision
- Working in partnership with other agencies to ensure that individuals and families are able to access the services that best match their needs.
- Providing free and affordable furniture to those most in need
- Providing debt and money advice in partnership with Community Money Advice
- Providing a community hub in New Frankley
- Undertaking research into furniture poverty and the effect on life chances.

How our activities deliver public benefit

Our main activities and who we try to help are described below. All our charitable activities focus on the reduction and prevention of homelessness, poverty and the environmental impact of landfill and are undertaken to further our charitable purposes for the public benefit. Our activities are delivered from our headquarters in Bromsgrove, our satellite site in New Frankley, south-west Birmingham, or from a partner site.

Who used and benefited from our services

Our objects and some of our funding limit the services we provide to the residents in Worcestershire, Birmingham, Warwickshire and other areas. The continuing effects of the COVID-19 pandemic meant that whilst our provision of free furniture started to increase, the number of food parcels remained significantly above pre-pandemic levels and we continued to provide 7-day food parcels. All of our referral services are provided free of charge to the recipients.

Equal access to our services is an important issue for us. We believe equal access is vital and that successful outcomes must be shared by all communities that use our services. We currently monitor those accessing our services by gender, disability and ethnicity. Over the next year we will be using the information we gather to develop marketing and fundraising strategies.

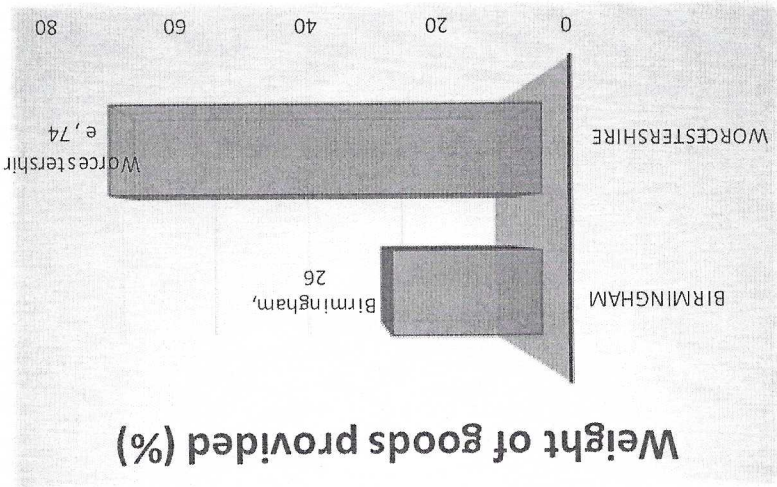
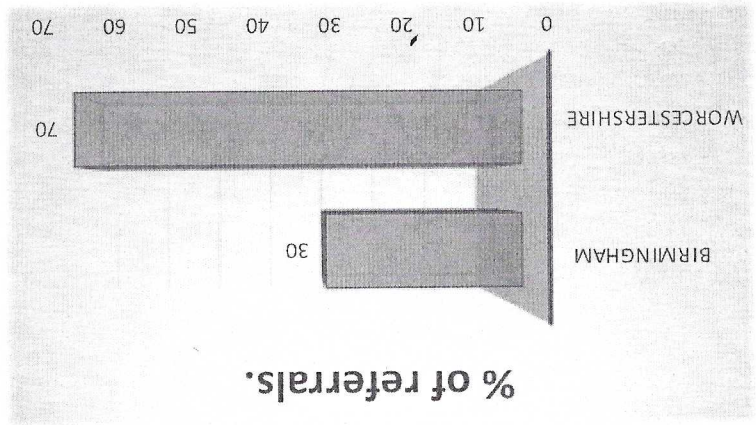
The impact of our work goes beyond both those directly helped and the physical provision of furniture and/or food. We have undertaken research this year on the impact of furniture poverty on life chances, which revealed that not only physical needs are met, but for many mental health is improved by the provision of furniture, enabling individuals and families to plan for the future.



The furniture bank provides a range of pre-loved household items at no cost, to individuals and families that have no other way of furnishing their homes, either as a new tenant or indeed if they are an existing tenant.

In 2021/22 we provided 206 households with household items, an increase of 35 (20%) on the previous year. Although still below pre-pandemic levels, this is mainly due to the ongoing challenges in collecting and delivering furniture in the first half of the year.

The bar charts below show the breakdown of referrals, with Fig 1 showing the distribution of furniture provision in *numbers* across north Worcestershire and Birmingham, and Fig 2 showing the distribution by provision in *weight* of goods provided across north Worcestershire and Birmingham. The referrals provided to north Worcestershire residents tend to be much larger than those provided to Birmingham residents and will often comprise sufficient furniture to furnish a three-bedroomed house.



## Food parcels

During 2021/22 year the food bank provided 2,383 food parcels the equivalent of 125,660 meals. This is a decrease of 1,418 (38%) on the previous year, however still significantly above our pre-pandemic levels of 400. We have continued to provide fresh items, other than fresh meat and our parcels have continued to be for seven days. We remain grateful to all the funders, businesses and individuals who have made this possible.



**Case Study**  
Mary had been given a flat, but had no furniture with which to furnish it. She was worried that the flat would be taken off of her because of this and she really didn't like the fact that people could see in because she had no curtains or blinds. She was delighted when we were able to provide not only furniture but curtains, enabling her to feel safe and secure.

## Social Enterprise

NewStarts operates three successful social enterprises. Two of these sell pre-loved furniture at affordable prices, one operates from our headquarters in Bromsgrove, Worcestershire and the other from our satellite site in New Frankley, Birmingham. In this last year the income from these two social enterprises, including collection donations and house clearances, amounted to 36% of our overall income.

Our third social enterprise involves the refurbishing and selling of computers. These are collected from a variety of sources and our team are then able to refurbish them so that they can be sold on at affordable prices. Many are needed for low-income families to gain entry to employment opportunities. This work produced an additional 6% of our income in 21/22.

All of our enterprises were able to re-open fully in April 2021. Sales from furniture at Bromsgrove have remained steady, however re-invigorating the sales at the New Frankley site has been difficult, due to the fact that it was closed for 11 months previously. In addition, the retail offer from this space was changed considerably, concentrating much more on furniture and less on bric-a-brac and clothing.

Our aim continues to be to achieve 70% of our income from the social enterprises and to that end we are currently developing a number of new strategies including a digital strategy and fundraising strategy.

## Volunteering

We are pleased that a number of our pre-pandemic volunteers have been able to return to working with us and we have welcomed a number of new volunteers. Over the past year we have engaged with almost 70 volunteers. Again, this is below our pre-pandemic levels, but in the last three months of the year we have seen a substantial increase in the number of applicants for volunteering opportunities. We are also pleased to be processing a renewal of our Investors in Volunteers accreditation.

## Environmental Impact

We are pleased to say that in 2021/22 we diverted 121 tonnes of household items from, a saving of 40.6 tonnes of CO<sub>2</sub> emissions. We are currently working on the calculations to understand our own carbon footprint and will be working towards ensuring that we are at least carbon neutral over the next few years.



## Community

As has been mentioned previously in this report, the performance of the organization has remained affected by the Covid-19 pandemic. Although from April 2021 much of our work returned to some normality, there were still considerable challenges, including, having sufficient volunteers to undertake the work, wariness of customers to visit and purchase from our sites and the reduction in grants available. The financial impact of the pandemic remains significant, with reduced income from our social enterprises, but a continuing increase of income from grants. The pandemic also left us with a legacy of being much more involved in the community and this has led to three significant new pieces of work:

- No4 – The New Frankley Community Hub.  
The shop next to our site in New Frankley became available and we decided as an organization to take on the lease in order to provide an affordable community space for local groups. The space is provided free for the first 100 hours to new and/or small groups, with a minimal charge of £5 an hour thereafter. The initial year of rent and some of the improvements needed to make the space useable were funded by The New Frankley in Birmingham Parish Council. The space is increasingly used and has begun to form a focal point for the community.
- Money and Debt Advice – it became apparent in the pandemic that there were many families and individuals that struggled with a reduction or loss of earnings and that for many debt was a real issue. In response to that and to support those who were receiving food parcels, we began providing money and debt advice in conjunction with Community Money Advice. We currently have three volunteers working out from No4 in New Frankley and are about to site a session based in The Pod in Chalford, Bromsgrove. There have been significant challenges in engaging with individuals, however we have still been able to assist eight individuals over the past six months with their debts.



- Community Builders – as part of their approach to tackling health inequalities, Worcestershire County Council have instigated Asset Based Community Development work across the county. This is being put in place through the employment of Community Builders. In Bromsgrove, NewStarts has been selected as the host organization and we have employed two community builders using grant money from Bromsgrove District Council. The work began in December 2021 and to date the Community Builders have been getting to know the communities in which they are based and supporting local initiatives.

## Risks and Uncertainties

- The key risks and uncertainties that NewStarts faces are:
- To have sufficient income to maintain services provided to the community.
  - Responding to the increasing need for the services.

The Board of Trustees maintain an organisational risk register which identifies the risks and provides mitigation to reduce the likelihood and impact of the risks identified.

The Board of Trustees is developing a robust financial strategy supported by a digital strategy to ensure that sufficient income is available to maintain services. In addition, expenditure is monitored on a monthly basis to ensure that best value for money is achieved.

The increases in food costs, utility costs and vehicle fuel costs all have an impact not only on our current clients, but also on the wider community. Those who have never before faced financial hardship may now find themselves in a difficult financial position.

## Future Plans

The Board of Trustees changed significantly at the end of 2021, with four retiring from their positions. The remaining trustees were joined in March 2022 by a fifth trustee and together they will be developing a new Strategic Plan to take forward the work of the charity.

The Board of Trustees continue to work closely with the Executive team and volunteers to identify how services can be improved and which new services and opportunities NewStarts may be able to develop. At the moment we are investigating the purchase of new electrical items for resale as well as possibly joining a gift card scheme

## FINANCIAL REVIEW

### OVERVIEW

#### Income

**Operating activities:** our main operating income (i.e. before grants and donations) increased by 46% on last year to reach £217,970 (2021: £148,568). This income is vital in helping to off-set our ever increasing running costs as we continue to expand our activities in countering poverty.

**Donations and Legacies:** this vital income source decreased by almost 50% in 21/22 to £256,823. This was not a substantial decrease and the amount received was significantly above the budgeted figure.

#### Expenditure

Our costs decreased by £41,110 to £463,024. The decrease in expenditure was entirely due to a decrease in spend on food for the emergency food parcels, including fresh items.

#### Year End Outcome

The net effect of income over expenditure resulted in our incurring a net surplus of £11,769 for the year (2021: surplus £120,728). It should be noted that the surplus includes a non-cash depreciation charge of £8,951. If these results are adjusted to show our true operating performance (i.e. excluding non-cash items) then 2022 would reveal an operating surplus of £20,720, and 2021 a surplus of £134,892. The substantial difference between the two years is due to a decrease in grant income and a significant increase in income from other sources, post COVID.

#### Cash Flow

In cash flow terms our balance at 31 March 2022 was £202,838 (2021: £207,694) which reflects a slight decrease in funds from last year by £4,856. The decrease is due to the slightly lower grant funding and the continuing high level of spend on food for emergency food parcels.



Principal funding sources

NewStarts' business model is a social enterprise charitable company that receives funding from various sources. The main funding categories shown in Fig 3 totalling £474,793 are:

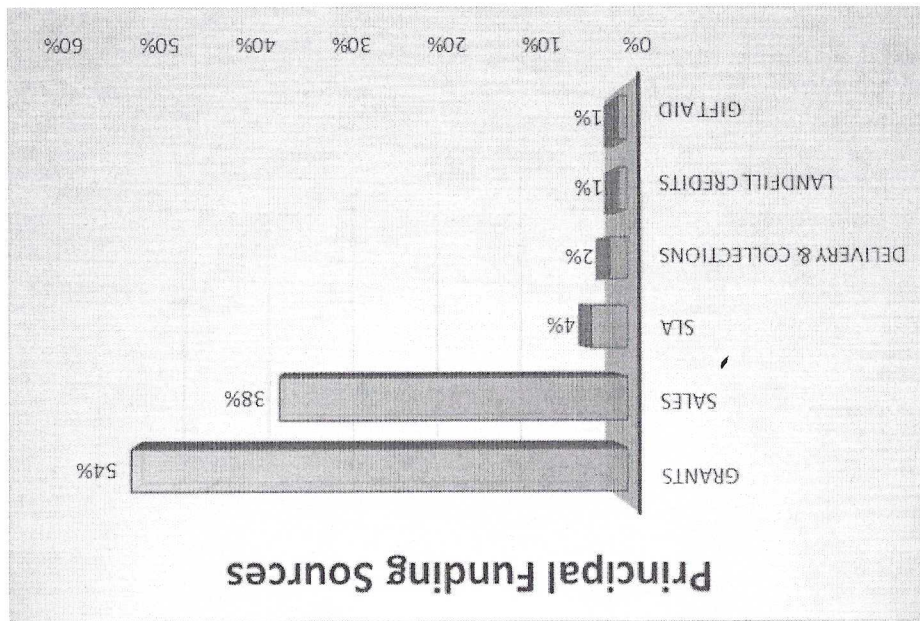


Fig 3

Principal expenditure

The main categories of expenditure, shown in Fig 4 totalling £453,331 are:

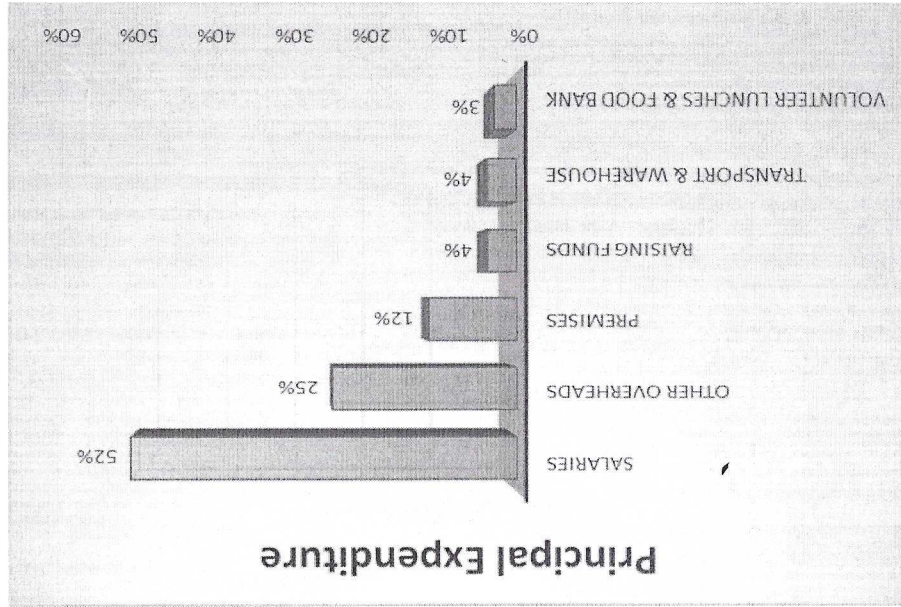


Fig 4

## Donations and Legacies

These amounted to £256,823 (2021: £476,294) from the following sources:

- Bromsgrove District Council
- Redditch Borough Council
- Birmingham City Council
- Nationwide
- Garfield Weston Foundation
- New Frankley Parish Council
- Worcestershire Community Fund
- Heart of England Community Fund
- Albert Hunt; Arnold Clarke; Baron Davenport; Big Issue Invest; CAF; Didymus; Evenson Charitable Trust; George Henry Collins; Lord Austin Trust; Roger & Douglas Turner; Rowlands; Severn Trent Water; The February Fund;
- Other donations from private individuals, churches, fundraising events and other organisations.

## Restricted income and expenditure

Included in the above note "Donations and Legacies" are certain grants and funding that come to NewStarts with restrictions as to their use, amounting to £222,860 (2021: £430,581). NewStarts does not have discretion over how restricted funds are used other than for the nominated purpose.

A total of £235,754 (2021: £335,101) was spent as restricted expenditure against the total restricted funds of £222,840, restricted funds being carried forward are £140,123 to next year. Major restricted expenditures in the year were (1) purchase of food for our emergency food service (2) salaries

## Investment policy

Most of the charity's cash resources are spent on a short-term basis. This means that NewStarts is not able to place cash on interest earning deposits without unacceptable notice periods or unavoidably low interest rates. The charity continues to review its investment policies so as to ensure that as far as possible it maximises its cash position.

## Reserves policy

The Trustees have maintained their policy whereby the unrestricted funds held by the charity should aim to cover up to 3 months operating expenditure. As our unrestricted reserves at March 2021 were £65,880 (2021: £41,227), which is still short of this target, we are at present likely to remain below our required reserve levels. Accordingly the longer term strategy is to continue to build reserves whenever this is possible. Restricted reserves were £140,123 (2021: £153,007). Further details are provided in Note 18.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governance and management

NewStarts is an independent charity, registered on 8 March 2009, having been incorporated as a limited company by guarantee on 4 February 2009. It commenced trading in this format on 1 April 2009 (Charity registration number 1128541). The charity is controlled by its governing document, Memorandum and Articles of Association

### Recruitment, appointment and induction of new trustees

The Board of Trustees may at any time appoint persons willing to act as Trustee, and Trustees are normally drawn from experienced charitable or business backgrounds. The induction of new Trustees is conducted on a one-to-one basis. Any training needs are identified and input is scheduled as soon as appropriate.

### Decision making

The trustees delegate day to day management of the charity to M Kenyon (the chief executive) and relevant staff who are accountable to the Trustees.

### Responsibilities of trustees

Trustees are expected to take a close interest in the operations and outcomes of the charity, and to meet regularly to review the business of the charity. The main responsibilities of the board of Trustees are:

1. To ensure the charity is carrying out its purposes for the public benefit
2. To comply with the charity's governing document and the law
3. To act in charity's best interests
4. To manage the charity's resources responsibly
5. To act with reasonable care and skill
6. To ensure accountability within the charity, as well as when responsibility is delegated to staff or volunteers
7. To comply with the Statutory Accounting and Reporting requirements

**NewStarts (Registered number: 06809593)**  
**Report of the Trustees (Including Directors' Report)**  
**for the year ended 31 March 2022**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered Company number</b>	06809593 (England and Wales)
<b>Registered Charity number</b>	1128541

**Registered office**  
 1 Sherwood Road  
 Aston Fields  
 Bromsgrove  
 Worcestershire  
 B60 3DR

**Trustees**  
 Phillip Bamber (Chair) – resigned 16.09.21  
 Matt Bonham – joined 19.11.21  
 Therese Down – joined 19.11.21  
 Edward Stott – retired 31.12.21  
 John Grundy – resigned 31.12.21

Stuart Hood – joined 19.11.21  
 Sarah Reece-Mills – joined 19.11.21  
 Linda Cooke – retired 31.12.21  
 Nicola Martin – retired 31.12.21  
 Ian Jones – joined 07.03.21

**Key Personnel**  
 Marion Kenyon – Chief Executive Officer

Andrew Pain – HR & Development Manager

**Independent Examiner**  
 Beyond Profit Ltd  
 Bolton Arena  
 Arena Approach  
 Horwich  
 Bolton  
 BL6 6LB

**Solicitors**  
 Thomas Horton LLP  
 Strand House  
 70 The Strand  
 Bromsgrove  
 Worcestershire  
 B61 8DQ

**Accountants**  
 Be Buoyant Ltd  
 Reinsbrook  
 Sambourne Park  
 Sambourne  
 B96 6PE

**Bankers**  
 Barclays Bank  
 118 High Street  
 Bromsgrove  
 Worcestershire  
 B61 8ET

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



**NewStarts (Registered number: 06809593)**  
**Report of the Trustees (Including Directors' Report)**  
**for the year ended 31 March 2022**

**Statement of trustees' responsibilities**

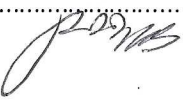
The trustees, who are also the directors of NewStarts for the purpose of company law, are responsible for preparing the Annual Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).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

Approved by order of the board of trustees on 18<sup>th</sup> July 2022 and signed on its behalf by:

  
**Stuart Hood**  
 Trustee



**Independent examiner's report to the trustees of NewStarts for the year ended 31 March 2022**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022 which are set out on pages 14 to 32.

**Responsibilities and basis of report**

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

Having satisfied myself that the accounts of the company 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 your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

Since the company'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 Chartered Institute of Management Accountants.

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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.



Emma Willder, FCMA, CGMA, CG (Affiliated)

Beyond Profit Ltd, G104 Bolton Arena, Arena Approach, Horwich, Bolton, BL6 6LB

Date: 22 July 2022

**NewStarts**  
**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the year ended 31 March 2022**

		Unrestricted 2022 £	Restricted 2022 £	TOTAL 2022 £	Unrestricted 2021 £	Restricted 2021 £	TOTAL 2021 £
<b>INCOME FROM:</b>							
2	Donations and legacies	33,963	222,860	256,823	45,713	430,581	476,294
3	Charitable activities	217,970	-	217,970	148,568	-	148,568
	<b>TOTAL INCOME</b>	<b>251,933</b>	<b>222,860</b>	<b>474,793</b>	<b>194,281</b>	<b>430,581</b>	<b>624,862</b>
<b>EXPENDITURE ON:</b>							
4	Raising funds	2,604	17,076	19,680	1,869	17,604	19,473
5	Charitable activities	224,666	218,678	443,344	167,164	317,497	484,661
	Other			-	-	-	-
	<b>TOTAL EXPENDITURE</b>	<b>227,270</b>	<b>235,754</b>	<b>463,024</b>	<b>169,033</b>	<b>335,101</b>	<b>504,134</b>
	<b>NET INCOME/(EXPENDITURE)</b>	<b>24,663</b>	<b>(12,894)</b>	<b>11,769</b>	<b>25,248</b>	<b>95,480</b>	<b>120,728</b>
	Transfer between funds	(10)	10	-	(771)	771	-
	<b>NET MOVEMENT IN FUNDS</b>	<b>24,653</b>	<b>(12,884)</b>	<b>11,769</b>	<b>24,477</b>	<b>96,251</b>	<b>120,728</b>
	Fund balances brought forward	41,227	153,007	194,234	16,750	56,756	73,506
	<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>65,880</b>	<b>140,123</b>	<b>206,003</b>	<b>41,227</b>	<b>153,007</b>	<b>194,234</b>

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

All income and expenditure derive from continuing activities.

NewStarts (Registered number: 06809593)

# Balance Sheet

## As at 31 March 2022

Notes	2022	2021
	£	£
<b>FIXED ASSETS</b>		
Tangible assets	350,700	359,651
<b>CURRENT ASSETS</b>		
Debtors	15,083	17,591
Cash at bank and in hand	202,838	207,694
	<u>217,921</u>	<u>225,285</u>
<b>CREDITORS : amounts falling due within one year</b>	(30,259)	(45,015)
<b>NET CURRENT ASSETS</b>	<u>187,662</u>	<u>180,270</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>538,362</u>	<u>539,921</u>
<b>CREDITORS : amounts falling due after one year</b>	(332,359)	(345,687)
	<u>206,003</u>	<u>194,234</u>
<b>FUNDS</b>		
Unrestricted	65,880	41,227
Restricted	140,123	153,007
<b>TOTAL FUNDS</b>	<u>206,003</u>	<u>194,234</u>

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to independent examination under the Charities Act 2011.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with SORP FR5102.

The financial statements were approved and authorised for issue by the Board on 18/7/22 and signed on its behalf by:

Stuart Hood  
Trustee

Sarah Reece-Mills  
Trustee

**NewStarts**  
**Statement of Cashflows**  
**for the year ended 31 March 2022**

	Notes	2022	2021
		£	£
<b>CASH INFLOW FROM OPERATING ACTIVITIES</b>	16	<b>27,045</b>	<b>167,218</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment to acquire tangible fixed assets		-	(1,079)
<b>CASH OUTFLOWS FROM FINANCING ACTIVITIES</b>			
Bank loan repayment		(12,205)	(5,709)
Bank interest paid		(19,696)	(18,379)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<b>(31,901)</b>	<b>(25,167)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(4,856)</b>	<b>142,051</b>
<b>CASH AND CASH EQUIVALENTS AT THE START OF PERIOD</b>		<b>207,694</b>	<b>65,643</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>202,838</b>	<b>207,694</b>
<b>CASH AND CASH EQUIVALENTS CONSISTS OF:</b>			
Cash at bank and in hand		<b>202,838</b>	<b>207,694</b>

## 1. ACCOUNTING POLICIES

**Basis of Preparing Financial Statements**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 (SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice that is SORP FRS102.

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

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

**Funds**

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

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

**Income recognition**

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

(a) Voluntary income by way of donations and grants is included in full in the Statement of Financial Activities when it is receivable.  
(b) Items donated and sold through the charity's shop are included as incoming resources within activities for generating funds when they are sold.

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



## 1. ACCOUNTING POLICIES (continued)

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of the resources.

**Governance Costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

**Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the SORP FRS102 or FRS 102.

**Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	2% on cost
Improvement to property	20% on cost
Plant & Machinery	33% on cost
Motor Vehicles	33% on cost
Computer Equipment	33% on cost

The minimum thresholds for capitalisation are:

Land, Buildings and Improvements - £5,000  
Plant and Machinery, Motor Vehicles and Computer Equipment - £1,000

**1. ACCOUNTING POLICIES (continued)****Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Pension costs and other post retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Tax**

The charity is exempt from corporation tax on its charitable activities. It is also relieved from VAT registration on its sale of goods, as all such sales are based on goods freely donated.

**Debtors and Creditors**

Debtors are measured at the undiscounted amount of cash receivable.  
Creditors are measured at the undiscounted amount of cash payable.

**Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical evidence and 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.

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**NewStarts**  
Notes to the financial statements  
for the year ended 31 March 2022

**2. DONATIONS AND LEGACIES**

	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
2022	2022	2022	2021	2021	2021	2021
£	£	£	£	£	£	£
Donations	18,304	1,020	19,324	25,329	12,158	37,487
Grants	15,659	221,840	237,499	20,384	418,423	438,807
	33,963	222,860	256,823	45,713	430,581	476,294
Analysis of Government grants included above:						
HMRC CJRS	474	-	474	15,884	-	15,884
Awards for All Lottery	-	-	-	-	10,000	10,000
Birmingham City Council	-	-	-	-	10,000	10,000
Bromsgrove District Council	-	84,464	84,464	-	48,436	48,436
DEFFRA	-	-	-	-	41,000	41,000
Worcestershire County Council	-	-	-	-	5,000	5,000
	474	84,464	84,938	15,884	114,436	130,320

**3. CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
2022	2022	2022	2021	2021	2021	2021
£	£	£	£	£	£	£
Display room income	154,117	-	154,117	77,493	-	77,493
Landfill re-use credits	6,081	-	6,081	3,678	-	3,678
IT income	26,354	-	26,354	43,510	-	43,510
Collection & delivery donations	9,579	-	9,579	6,037	-	6,037
Service level agreements	20,000	-	20,000	17,500	-	17,500
Gift aid tax	1,839	-	1,839	350	-	350
	217,970	-	217,970	148,568	-	148,568

#### 4. RAISING FUNDS

Unrestricted	2022	£	Restricted	2022	£	TOTAL
Basis of						
Allocation						
Staff Costs	Time based	2,395	15,705	18,100	1,746	16,443
Overheads	Usage	209	1,371	1,580	123	1,161
Support costs		2,604	17,076	19,680	1,869	17,604
						19,473
						1,284
						18,189
						£
						2021
						TOTAL
						Restricted
						2021
						£
						Unrestricted
						2021
						£
						TOTAL
						2022
						£
						Restricted
						2022
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						2022
						£
						TOTAL
						2021
						£
						Unrestricted
						2021
						£
						TOTAL
						2022
						£

## 5. CHARITABLE ACTIVITIES

		Basis of Allocation			
Total	2022	£			
Total	2021	£			
Staff costs	9	Time based	219,137	197,440	
Premises		Usage	26,836	17,974	
Office costs		Usage	11,211	10,327	
Repairs and maintenance		Direct	11,832	12,441	
Provision of welfare		Direct	98,430	172,841	
Motor and travel		Direct	21,638	17,596	
Professional & insurance		Usage	14,059	10,967	
Advertising		Direct	2,529	1,997	
Waste disposal		Direct	6,313	8,269	
Other costs		Direct	2,118	1,726	
Bank interest		Usage	19,696	18,379	
Depreciation	6	Direct	8,951	14,164	
Governance costs	7	Direct	594	540	
TOTAL EXPENDITURE			442,750	484,121	484,661

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging

	2022	2021
£	£	£
Depreciation - owned assets	8,951	14,164

7. FEES FOR EXAMINATION OF THE ACCOUNTS

Independent examination for the year was £594 (2021: £540).

8. TRUSTEES' REMUNERATION AND EXPENSES

The trustees neither received nor waived any remuneration during the year (2021: £Nil).

The trustees did not have any personal expenses reimbursed during the year (2021: £Nil)

The trustees have indemnity cover.



Newstarts  
Notes to the financial statements  
for the year ended 31 March 2022

9. STAFF COSTS AND KEY MANAGEMENT PERSONNEL

	2022	2021
Wages and salaries	220,424	199,449
Social security costs	10,592	10,748
Pension costs	6,221	5,432
	<b>237,237</b>	<b>215,629</b>
	£	£
	2022	2021
	Number	Number
The average number of employees during the year was as follows:		
Chief Executive	1	1
Staff managers	5	5
Operational and administrative staff	8	5
	<b>14</b>	<b>11</b>

No employee received total employee benefits (excluding employer pension costs) of more than £60,000.

The charity operates a defined contribution plan for the benefit of its employees.

During the year the total paid to key management was £59,702 (2021: £56,074)

**NewStarts**  
Notes to the financial statements  
for the year ended 31 March 2022

**10. TANGIBLE FIXED ASSETS**

Cost :	At 1 April 2021	Additions	Disposals	At 31 March 2022	Depreciation :	At 1 April 2021	Charge for the year	Disposals	At 31 March 2022	NBV at 31 March 2022	NBV at 31 March 2021
Freehold Property	387,127	-	-	387,127		31,310	5,476	-	36,786	350,341	355,817
Improvements to Property	13,620	-	-	13,620		13,620	-	-	13,620	-	-
Plant & Machinery	15,203	-	-	15,203		11,369	3,475	-	14,844	359	3,834
Motor Vehicles	38,925	-	-	38,925		38,925	-	-	38,925	-	-
Computer Equipment	4,203	-	-	4,203		4,203	-	-	4,203	-	-
Total	459,078	-	-	459,078		99,427	8,951	-	108,378	350,700	359,651

Net book value at 31 March 2022 represents fixed assets used for charitable purposes.

**11. DEBTORS**

	2022	2021
Trade debtors	3,283	2,250
Other debtors	1,754	2,876
Rent deposit	1,875	1,875
Reserve gift aid	500	550
Prepayments	7,671	10,040
	<b>15,083</b>	<b>17,591</b>

NewStarts

Notes to the financial statements  
for the year ended 31 March 2022

12. CREDITORS : Amounts falling due within one year

	2022	2021
£		
11,805	10,682	
2,878	6,323	
-	8,196	
1,016	777	
14,560	19,037	
30,259	45,015	
Bank loans and overdrafts (see note 14)		
Trade creditors		
Social security and other taxes		
Other creditors		
Accruals		
13. CREDITORS : Amounts falling due after more than one year		
£		
332,359	345,687	
Bank loans (see note 14)		

14. BANK LOANS

An analysis of the maturity of the loans is given below:

	2022	2021
£		
11,805	10,682	
Amounts falling due within one year on demand:		
Bank loans		
Amounts falling due between one and two years:		
Bank loans		
Amounts falling due between two and five years:		
Bank loans		
Amounts falling due in more than five years:		
Bank loans		
124,033	27,311	
195,874	203,651	

The following secured debts are included within creditors

The Charity Bank Limited hold a charge over the company which covers the freedhold property. Big Issue Invest hold a charge over the company which covers the freedhold property.

Net income/(expenditure) for the year  
Bank interest payable  
Depreciation and impairment of tangible fixed assets  
Decrease)/(increase) in debtors  
(Decrease)/(increase in creditors

2022	£	11,769	19,696	8,951	2,508	(15,879)	27,045
2021	£	120,728	18,379	14,164	(6,837)	20,784	167,218



**NewStarts**  
**Notes to the financial statements**  
**for the year ended 31 March 2022**

**17. MOVEMENT IN FUNDS**

	Balance at 1 April 2021	Incoming Resources	Expended Resources	Transfers	Balance at 31 March 2022
Unrestricted Funds	41,227	251,933	(227,270)	(10)	65,880
Restricted Funds	153,007	222,860	(235,754)	10	140,123
Total Funds	194,234	474,793	(463,024)	-	206,003
	£	£	£	£	£
Unrestricted Funds	16,750	194,281	(169,033)	(771)	41,227
Restricted Funds	56,756	430,581	(335,101)	771	153,007
Total Funds	73,506	624,862	(504,134)	-	194,234
	£	£	£	£	£
Balance at 1 April 2020	£	Incoming Resources	Expended Resources	Transfers	Balance at 1 April 2021

## NewStarts

## 18.

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

[illegible]

**NewStarts**  
**Notes to the financial statements**  
**for the year ended 31 March 2022**

18. RESTRICTED FUNDS (cont'd)	Balance at	Incoming	Resources	Transfers	Balance at	Incoming	Resources	Transfers	Balance at
	1 April 2021	Resources	Expended	1 April 2021	Resources	Expended	31 March 2022		
	£	£	£	£	£	£	£	£	£
Grimley Charity	1,000	-	(1,003)	3	-	1,000	(1,000)	-	-
Grimmitt Trust	-	2,500	(492)	-	2,008	-	(2,008)	-	-
Groundwork UK	-	500	(500)	-	-	1,000	-	-	1,000
Heart of England	-	22,500	(8,531)	-	13,969	5,000	(18,969)	-	-
Heart of England DTID	-	12,000	(12,000)	-	-	-	-	-	-
Henry Smith Charity	1,656	25,000	(28,059)	1,403	-	-	-	-	-
IFAN	-	100	(100)	-	-	-	-	-	-
Lasletts	3,000	-	(66)	-	2,934	-	-	-	2,934
Lord Austin Trust	284	-	(269)	(15)	-	1,000	-	-	1,000
MIS Computers	-	1,000	(1,000)	-	-	-	-	-	-
Nationwide Building Society	-	-	-	-	-	40,000	(17,915)	-	22,085
Peoples' Postcode Lottery	20,000	-	(17,777)	-	2,223	-	(2,223)	-	-
Roger & Douglas Turner	3,000	-	(1,868)	-	1,132	3,000	(4,132)	-	-
Rowlands	-	-	-	-	-	5,000	-	-	5,000
Serco Foundation	-	1,000	(1,000)	-	-	-	-	-	-
Severn Trent Water	-	7,000	(5,971)	-	1,029	-	(1,029)	-	-
The February Fund	-	5,000	-	-	5,000	-	(5,000)	-	-
The Montal Charitable Trust	-	5,000	-	-	5,000	-	(5,000)	-	-
WCC Foodbank	-	5,000	(1,999)	-	3,001	-	(3,001)	-	-
William Cadbury Trust	625	-	(557)	(68)	-	-	-	-	-
Worcestershire Community Fund	-	14,508	(14,012)	-	496	10,000	(10,496)	-	-
WRAP	-	8,758	(8,758)	-	-	-	-	-	-
Other restricted funds	2,774	3,635	(5,857)	(552)	-	-	-	-	-
Restricted Fund Balances	56,756	430,581	(335,101)	771	153,007	222,860	(235,754)	10	140,123

# NewStarts

Notes to the financial statements  
for the year ended 31 March 2022

## 18. RESTRICTED FUNDS (cont'd)

Fundraising in excess of £20,000 (2021-22)		Description of Funding	
Bromsgrove District Council (BDC)		Funding towards the Community Builders Project which will enable a community builder to be recruited to support the local community £50,000.	
Garfield Weston Foundation		Foodbank and essential items £34,464	
Nationwide Building Society		Funding towards salary costs	
		Funding towards salary costs	
The following funds also directly related to the operating costs of the Food Bank:			
Awards for All		B&M Food	
BDC		BARN Lottery	
Heart of England		Birmingham City Council	
Worcestershire Community Fund		Charity Aid Foundation	
		The Montal Charitable Trust	
		WCC Foodbank	

The following funds also directly related to the operating costs of the Volunteer Program:

Albert Hunt Trust      Alfred Haines      Didymus

George Henry Collins Charity      GJW Turner      Grimley Charity

Joseph & Henry James Sawyer Charities      Roger & Douglas Turner      The February Fund

Core Costs grants were provided by:

Arnold Clark      Big Issue      Evesons      Grimmit Trust      Severn Trent Water

Groundwork UK      IFAN      Lasletts

William Cadbury Trust

The following funds supported the costs of the New Frankley expansion:

Garfield Weston Foundation      Frankley Parish Council      Lord Austin Trust      Rowlands

Peoples' Postcode Lottery



## 18. RESTRICTED FUNDS (cont'd)

**RESTRICTED FUNDS BALANCE SHEET**  
at 31 March 2022

		2022	2021
		£	£
<b>FIXED ASSETS</b>			
Tangible assets		-	-
<b>CURRENT ASSETS</b>			
Debtors		2,500	2,000
Cash at bank and in hand		138,702	156,455
		<u>141,202</u>	<u>158,455</u>
<b>CREDITORS : amounts falling due within one year</b>		(1,079)	(5,448)
<b>NET CURRENT ASSETS</b>		<u>140,123</u>	<u>153,007</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>140,123</u>	<u>153,007</u>
<b>CREDITORS : amounts falling due after one year</b>		-	-
<b>FUNDS</b>			
Restricted		<u>140,123</u>	<u>153,007</u>
<b>TOTAL RESTRICTED FUNDS</b>		<u>140,123</u>	<u>153,007</u>

## 19. PENSIONS AND OTHER POST-RETIREMENT BENEFITS

**Defined contribution pension plans**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £6,221 (2021: £5,432)

The pension liability and expense are allocated to unrestricted or restricted based upon the role of the employee that the contribution is for.

The outstanding pension contributions at the year end amounted to £1,016 (2021: £777).

**20. RELATED PARTIES**

There were no related party transactions for the trustees in the year ended 31 March 2022.

The Chief Executive Officer is married to a supplier who provides PAT testing for the charitable company. The amount paid to the supplier during the year was £3,138 (2021: £2,859)

The outstanding to the supplier at the year end amounted to £137 (2021: £171).

**21. ULTIMATE CONTROLLING PARTY**

The charity is controlled by the trustees.