

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

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
NewStarts

NewStarts

Contents of the Financial Statements for the year ended 31 March 2023

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NewStarts (Registered number: 06809593)
Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

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 2023. 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 2022/23 we spent £499,481 (excludes depreciation) 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.

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Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

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. Although the effects of the COVID-19 pandemic have been reducing, there are still some residual ramifications that have affected our work over this past year. In addition, we have, in the last six months of the year, seen the increasing pressures on families and individuals brought about by the cost-of-living crisis.

- 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

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 and the increasing pressure brought about by the cost-of-living crisis meant that whilst our provision of free furniture returned to pre-Covid levels, 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. Both our own research and that of others identifies the impact of furniture poverty on life chances, revealing 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.

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for the year ended 31 March 2023

Furniture Bank

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 2022/23 we provided 334 households with household items, an increase of 128 (62%) on the previous year. This is much nearer pre-pandemic levels.

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.

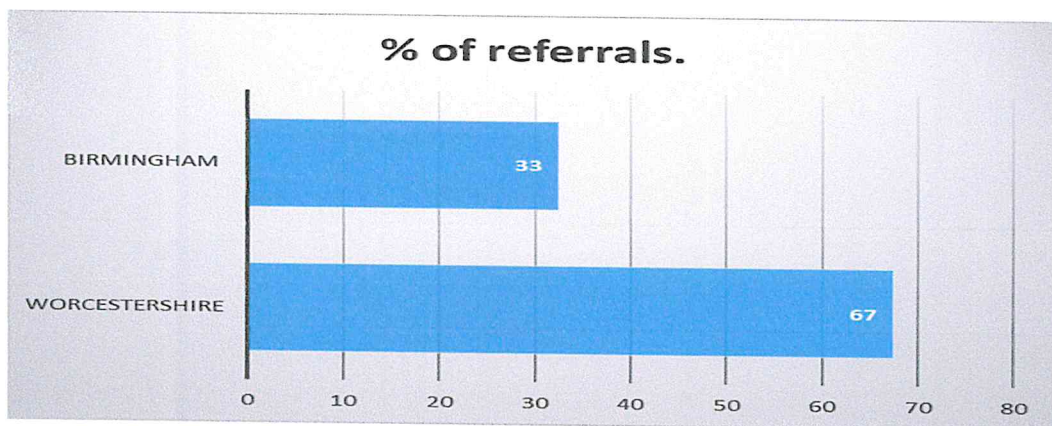


Fig 1

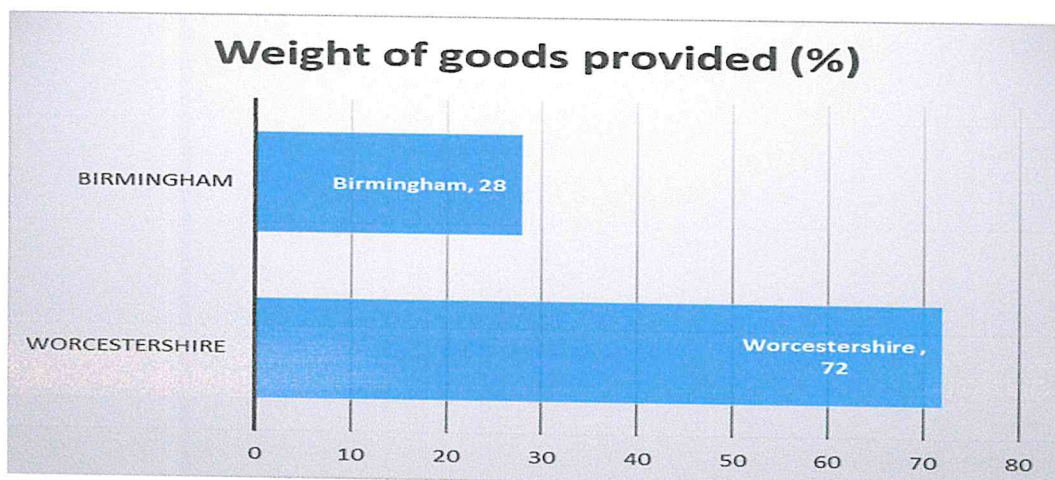


Fig 2

NewStarts (Registered number: 06809593)
Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

Food parcels

During 2022/23 the food bank provided 2,551 food parcels, an increase on the previous year of 7% (168) and the equivalent of 127,449 meals. The increase this year has been caused by the challenges individuals and families face during the cost-of-living crisis. We have continued to provide fresh items, 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.

In late spring of 2023, we are aiming to open up a community supermarket, which will be pay-as-you-feel and will start with rescued fruit and vegetables. This will be operating from our Bromsgrove site.



Uniform Bank

Towards the end of 21/22 we started a uniform bank, stocked from items donated to us during the pandemic. The bank has been widely used over the past year and we are now thinking of ways in which we can encourage more people to use the facility, not just as a poverty relief, but also as an environmental project. We are hoping that over the 23 summer holidays the bank will be opened up once a week as a swap shop.

Social Enterprise

NewStarts operates three 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. The sales at Bromsgrove were some of the best achieved, especially at the Bromsgrove site. We have formed some great new partnerships, including being able to provide almost new mattresses, sofas, chairs and brand-new white goods. We believe these will add to our offer and whilst more expensive than our pre-loved stock, still provide some discount when compared to other retail outlets.

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 3% of our income in 22/23. This year has been a transitional one for this project, with a move away from high levels of refurbishment to more repairs and servicing. Although this keeps the technicians busy, it is, in general, a lower yield in terms of finance. We have been really pleased this year to rekindle our relationship with the Heart of Worcestershire college and have been able to accommodate a level 2 student and two T-Level students in this team.

Additionally, we have this year received some rent from the Community Hub at 4 Arden Road. Although only a small amount, it has shown us that we are able to achieve some income from the site.

Towards the end of the year we joined the Charity Retail Gift Card scheme which we hope will open up further opportunities and encourage people to think of us at birthdays and Christmas when gift cards are traditionally given.

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Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

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 64 volunteers. This is still below our pre-pandemic levels; however we have changed our processes in order to make it easier for staff to book individuals into introduction and induction sessions that are provided every week. This system often sees four or five volunteers joining us. We have just finished the audit for the Investors in Volunteers quality mark and wait with baited breath on the result.

Environmental Impact

We are pleased to say that in 2022/23 we diverted 132 tonnes of household items from, a saving of 44.4 tonnes of CO2 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. We have also just embarked on becoming an Approved Re-use Centre (ARC), which will benefit us and our users.



Community

We continue to provide three newish projects within our communities and we have new projects coming on board.

- **No4 – The New Frankley Community Hub.**
The Community Hub became a space for families and individuals over the winter where they could keep warm. This had led to a group of families starting a craft ply 'n' stay and another group starting a small community garden in the back yard. In addition, we have recently welcomed the local food pantry into the space and a diabetes self-support group called Cuppa Squad.
- **Money and Debt Advice –** our money advisors have helped over 20 people in the last year. Some of these individuals have been carrying debt for many years, whilst others just needed help with managing their money in a more organised fashion. The team, themselves, continue to learn and a new team member joined in January.
- **Community Builders –** our community builders have continued to work in their respective communities, and we were pleased when Worcestershire County Council agreed to an extension to the work. We also decided toward the end of the year to move one of the community builders from Catshill to Sidemoor. A number of groups have been started with the support of the community builders and lives have been really impacted.

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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 maintains 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 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. Our future plans include developing the community supermarket, with the possibility of finding an independent site, sharing our knowledge with others through the attendance at conferences and exhibitions, leading on a Poverty Truth Commission for Bromsgrove and finding new ways in which we can work with our community

NewStarts (Registered number: 06809593)
Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

FINANCIAL REVIEW

OVERVIEW

Income

Operating activities: our main operating income (i.e. before grants and donations) increased by 11% on last year to reach £242,507 (2022: £217,970). 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 increased by 21% in 22/23 to £311,762. This was due mainly to successful applications to National Lottery and Julia and Hans Rausing and the funds raised to purchase a new van.

Expenditure

Our costs increased by £44,173 to £507,197. This increase was caused by significant increases in the cost of fuel for the vans, food for the foodbank and increases in mortgage costs, along with increased volumes of activity.

Year End Outcome

The net effect of income over expenditure resulted in our incurring a net surplus of £47,072 for the year (2022: surplus £11,769).

Cash Flow

In cash flow terms our balance at 31 March 2023 was £220,059 (2022: £202,838). The increase is mainly due to the increased cashflow from operating activities less the purchases of a new vehicle.

NewStarts (Registered number: 06809593)
Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

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 £554,269 are:

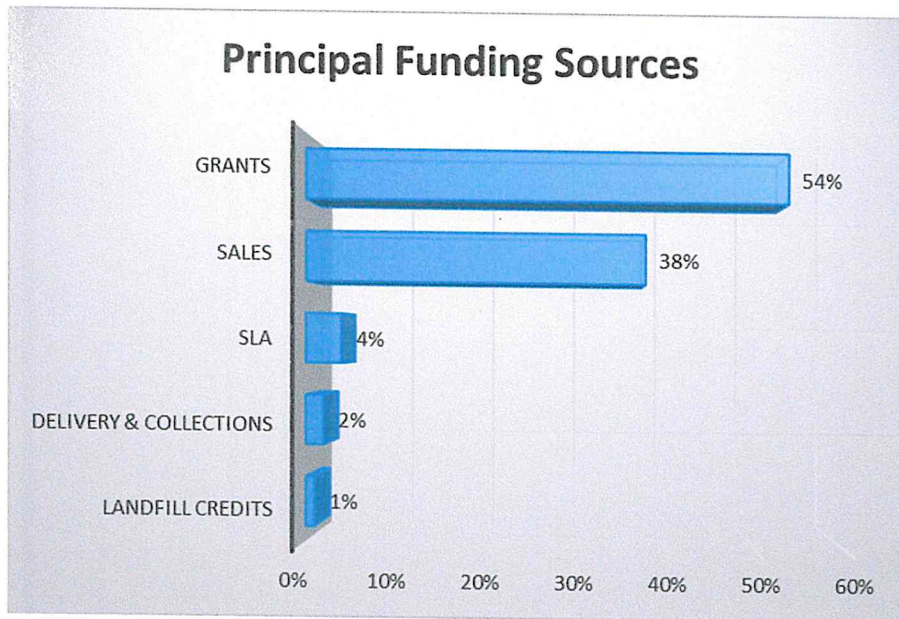


Fig 3

Principal expenditure

The main categories of expenditure, shown in Fig 4 totalling £499,481 (excluding depreciation) are:

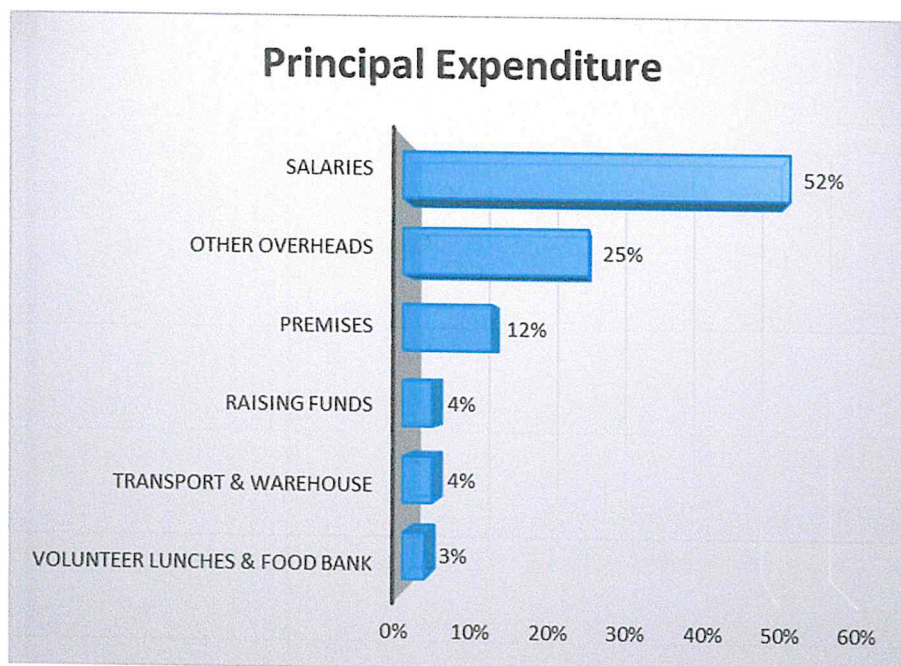


Fig 4

NewStarts (Registered number: 06809593)
Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

Donations and Legacies

These amounted to £311,762 (2022: £256,823) from the following sources:

- Bromsgrove District Council
- JH Rausling Trust
- National Lottery Partnership
- Peoples' Postcode Lottery
- Awards for All
- Eveson
- Albert Hunt; Arnold Clark, Aviva; BARN; Beatrice Lang Trust; Cadbury Charitable Trust; DMP Ellis; ; Evenson Charitable Trust; George Henry Collins; GW Turner; Grimley Charity; Grimmitt Trust; Groundwork UK, Heart of England; J Hopkins & HJ Sawyer; Lasletts; Lord Barnaby Foundation; Lord Austin Trust; Mitchell Marsh; The SMB Charitable Trust; Worcestershire Community Fund; 29th May 1961 Charitable Trust;
- Other donations from private individuals, churches, fundraising events and other organisations.

Please also see Note 18 for further details.

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 £286,293 (2022: £222,860). NewStarts does not have discretion over how restricted funds are used other than for the nominated purpose.

A total of £211,049 (2022: £235,754) was spent as restricted expenditure with a restricted fund balance of £215,418 being carried forward 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 as of March 2023 were £37,657 (2022: £65,880), 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 £215,418 (2022: £140,123). Further details are provided in Note 18.

NewStarts (Registered number: 06809593)
Report of the Trustees (including Directors' Report)
for the year ended 31 March 2023

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 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06809593 (England and Wales)

Registered Charity number
1128541

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

Trustees

Stuart Hood (resigned 17.04.23)
Sarah Reece-Mills
Ian Jones

Matt Bonham
Therese Down
Susan Burton (joined 18.10.22)

Key Personnel

Marion Kenyon – Chief Executive Officer
Andrew Pain – HR & Development Manager (resigned 31.03.23)

Independent Examiner

It Doesn't Have to Cost the Earth Ltd
47 St Dunstons Close
Worcester
WR5 2AJ

Solicitors

Thomas Horton LLP
Strand House
70 The Strand
Bromsgrove

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 2023

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).

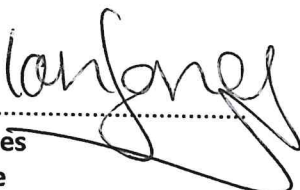
Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 1 September 2023 signed on its behalf by:


.....
Ian Jones
Trustee

Independent Examiner's Report to the Trustees of NewStarts Charitable Company for the year ended 31 March 2023

I report to the trustees on my examination of the accounts of NewStarts ("the Company") for the year ended 31 March 2023 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 charity'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

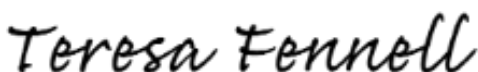
Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Chartered Institute of Management Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 applicable 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.

Signed:



Teresa Fennell, ACMA CGMA

It Doesn't Have to Cost the Earth Ltd, 47 St Dunstan's Close, Worcester, WR5 2AJ

Date: 13th September 2023

NewStarts
Statement of Financial Activities
(incorporating an Income and Expenditure Account)
for the year ended 31 March 2023

	Note	Unrestricted 2023 £	Restricted 2023 £	TOTAL 2023 £	Unrestricted 2022 £	Restricted 2022 £	TOTAL 2022 £
INCOME FROM:							
Donations and legacies	2	25,469	286,293	311,762	33,963	222,860	256,823
Charitable activities	3	241,012	-	241,012	217,970	-	217,970
Other income		1,495	-	1,495	-	-	-
TOTAL INCOME		267,976	286,293	554,269	251,933	222,860	474,793
EXPENDITURE ON:							
Raising funds	4	1,670	18,782	20,452	2,604	17,076	19,680
Charitable activities	5	294,478	192,267	486,745	224,666	218,678	443,344
TOTAL EXPENDITURE		296,148	211,049	507,197	227,270	235,754	463,024
NET (EXPENDITURE)/INCOME		(28,172)	75,244	47,072	24,663	(12,894)	11,769
Transfer between funds		(51)	51	-	(10)	10	-
NET MOVEMENT IN FUNDS		(28,223)	75,295	47,072	24,653	(12,884)	11,769
Fund balances brought forward		65,880	140,123	206,003	41,227	153,007	194,234
TOTAL FUNDS CARRIED FORWARD		37,657	215,418	253,075	65,880	140,123	206,003

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

All income and expenditure derive from continuing activities.

Balance Sheet
As at 31 March 2023

	Notes	2023	2022
		£	£
FIXED ASSETS			
Tangible assets	10	365,778	350,700
CURRENT ASSETS			
Stock		2,597	-
Debtors	11	17,204	15,083
Cash at bank and in hand		220,059	202,838
		<u>239,860</u>	<u>217,921</u>
CREDITORS : amounts falling due within one year	12	<u>(29,579)</u>	<u>(30,259)</u>
NET CURRENT ASSETS		<u>210,281</u>	<u>187,662</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>576,059</u>	<u>538,362</u>
CREDITORS : amounts falling due after one year	13	<u>(322,984)</u>	<u>(332,359)</u>
		<u>253,075</u>	<u>206,003</u>
FUNDS			
Unrestricted		37,657	65,880
Restricted	18	215,418	140,123
TOTAL FUNDS		<u>253,075</u>	<u>206,003</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 FRS102.

The financial statements were approved and authorised for issue by the Board on 1st September 2023 and signed on its behalf by:

Trustee

IAN JONES



Trustee

THÉRÈSE DOWN

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NewStarts
Statement of Cashflows
for the year ended 31 March 2023

	Notes	2023 £	2022 £
CASH INFLOW FROM OPERATING ACTIVITIES	16	72,965	27,045
CASH OUTFLOW FROM INVESTING ACTIVITIES			
Payment to acquire tangible fixed assets		(22,794)	-
CASH OUTFLOWS FROM FINANCING ACTIVITIES			
Bank loan repayment		(11,054)	(12,205)
Bank interest paid		(21,896)	(19,696)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(55,744)	(31,901)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		17,221	(4,856)
CASH AND CASH EQUIVALENTS AT THE START OF PERIOD		202,838	207,694
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		220,059	202,838
CASH AND CASH EQUIVALENTS CONSISTS OF:			
Cash at bank and in hand		220,059	202,838

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

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.

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

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

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

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 2023

2. DONATIONS AND LEGACIES

	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations	25,268	9,000	34,268	18,304	1,020	19,324
Grants	201	277,293	277,494	15,659	221,840	237,499
	25,469	286,293	311,762	33,963	222,860	256,823

Analysis of Government grants included above:

HMRC CJRS	-	-	-	474	-	474
Awards for All Lottery	-	10,000	10,000	-	-	-
Bromsgrove District Council	-	99,594	99,594	-	84,464	84,464
National Lottery Partnership	-	30,000	30,000	-	-	-
	-	139,594	139,594	474	84,464	84,938

3. CHARITABLE ACTIVITIES

	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Display room income	186,641	-	186,641	154,117	-	154,117
Landfill re-use credits	6,756	-	6,756	6,081	-	6,081
IT income	17,350	-	17,350	26,354	-	26,354
Collection & delivery donations	10,265	-	10,265	9,579	-	9,579
Service level agreements	20,000	-	20,000	20,000	-	20,000
Gift aid tax	-	-	-	1,839	-	1,839
	241,012	-	241,012	217,970	-	217,970

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

4. RAISING FUNDS

	Basis of Allocation	Unrestricted 2023 £	Restricted 2023 £	TOTAL 2023 £	Unrestricted 2022 £	Restricted 2022 £	TOTAL 2022 £
Staff Costs	Time based	1,501	16,868	18,369	2,395	15,705	18,100
Overheads	Usage	169	1,914	2,083	209	1,371	1,580
Support costs		<u>1,670</u>	<u>18,782</u>	<u>20,452</u>	<u>2,604</u>	<u>17,076</u>	<u>19,680</u>

5. CHARITABLE ACTIVITIES

	Note	Basis of Allocation	Total 2023 £	Total 2022 £
Staff costs	9	Time based	253,059	219,137
Premises		Usage	34,788	26,836
Office costs		Usage	11,560	11,211
Repairs and maintenance		Direct	14,581	11,832
Provision of welfare		Direct	89,265	98,430
Motor and travel		Direct	24,818	21,638
Professional & Insurance		Usage	15,637	14,059
Advertising		Direct	6,132	2,529
Waste disposal		Direct	4,659	6,313
Other costs		Direct	2,342	2,118
Bank interest		Usage	21,896	19,696
Depreciation	6	Usage	7,407	8,951
			<u>486,145</u>	<u>442,750</u>
Governance costs	7	Direct	600	594
TOTAL EXPENDITURE			<u>486,745</u>	<u>443,344</u>
Unrestricted funds			294,478	224,666
Restricted funds			<u>192,267</u>	<u>218,678</u>
			<u>486,745</u>	<u>443,344</u>

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging

		2023 £	2022 £
Depreciation - owned assets		7,716	8,951
		<hr/>	<hr/>
Included within:			
Raising Funds	Note 4	309	-
Charitable Activities	Note 5	7,407	8,951
		<hr/>	<hr/>
		7,716	8,951
		<hr/>	<hr/>

7. FEES FOR EXAMINATION OF THE ACCOUNTS

Independent examination for the year was £600 (2022: £594).

8. TRUSTEES' REMUNERATION AND EXPENSES

The trustees neither received nor waived any remuneration during the year (2022: £Nil).

The trustees did not have any personal expenses reimbursed during the year (2022: £Nil)

The trustees have indemnity cover.

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

9. STAFF COSTS AND KEY MANAGEMENT PERSONNEL

	Notes	2023 £	2022 £
Wages and salaries		251,717	220,424
Social security costs		12,746	10,592
Pension costs		6,965	6,221
		<u>271,428</u>	<u>237,237</u>
Included within:			
Raising Funds	Note 4	18,369	18,100
Charitable Activities	Note 5	253,059	219,137
		<u>271,428</u>	<u>237,237</u>
		2023 Number	2022 Number
The average number of employees during the year was as follows:			
Chief Executive		1	1
Staff managers		5	5
Operational and administrative staff		10	8
		<u>16</u>	<u>14</u>

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 £58,581 (2022: £59,702)

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

10. TANGIBLE FIXED ASSETS

	Freehold Property £	Improvements to Property £	Plant & Machinery £	Motor Vehicles £	Computer Equipment £	Total £
Cost :						
At 1 April 2022	387,127	13,620	15,203	38,925	4,203	459,078
Additions	-	-	-	22,794	-	22,794
Disposals	-	-	-	-	-	-
At 31 March 2023	387,127	13,620	15,203	61,719	4,203	481,872
Depreciation :						
At 1 April 2022	36,786	13,620	14,844	38,925	4,203	108,378
Charge for the year	5,476	-	359	1,881	-	7,716
Disposals	-	-	-	-	-	-
At 31 March 2023	42,262	13,620	15,203	40,806	4,203	116,094
NBV at 31 March 2023	344,865	-	-	20,913	-	365,778
NBV at 31 March 2022	350,341	-	359	-	-	350,700

Net book value at 31 March 2023 represents fixed assets used for charitable purposes.

11. DEBTORS

	2023 £	2022 £
Trade debtors	2,065	3,283
Other debtors	-	1,754
Rent deposit	1,875	1,875
Reserve gift aid	500	500
Prepayments & accrued income	12,764	7,671
	17,204	15,083

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

12. CREDITORS : Amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts (see note 14)	10,126	11,805
Trade creditors	5,495	2,878
Social security and other taxes	5,563	-
Other creditors	1,370	1,016
Accruals	7,025	14,560
	<u>29,579</u>	<u>30,259</u>

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

	2023 £	2022 £
Bank loans (see note 14)	<u>322,984</u>	<u>332,359</u>

14. BANK LOANS

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

	2023 £	2022 £
Amounts falling due within one year on demand:		
Bank loans	<u>10,126</u>	<u>11,805</u>
Amounts falling due between one and two years:		
Bank loans	<u>10,957</u>	<u>12,452</u>
Amounts falling due between two and five years:		
Bank loans	<u>114,920</u>	<u>124,033</u>
Amounts falling due in more than five years:		
Bank loans	<u>197,107</u>	<u>195,874</u>

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

15. SECURED DEBTS

The following secured debts are included within creditors

	2023 £	2022 £
Bank loans	<u>333,110</u>	<u>344,164</u>

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

16. CASH INFLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the year	47,072	11,769
Bank Interest payable	21,896	19,696
Depreciation and impairment of tangible fixed assets	7,716	8,951
(Increase) in stock	(2,597)	-
(Increase)/decrease in debtors	(2,121)	2,508
Increase/(decrease) in creditors	999	(15,879)
	<u>72,965</u>	<u>27,045</u>

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

17. MOVEMENT IN FUNDS

	Balance at 1 April 2022 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted Funds	65,880	267,976	(296,148)	(51)	37,657
Restricted Funds	140,123	286,293	(211,049)	51	215,418
Total Funds	206,003	554,269	(507,197)	-	253,075

	Balance at 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 1 April 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

NewStarts

Notes to the financial statements for the year ended 31 March 2023

18. RESTRICTED FUNDS

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:

	Balance at 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 1 April 2022 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 March 2023 £
29 May 1961 Charitable Trust	-	-	-	-	-	5,000	(5,033)	33	-
Albert Hunt Trust	4,532	5,000	(9,532)	-	-	6,000	(6,000)	-	-
Alfred Haines	762	1,000	(1,762)	-	-	-	-	-	-
Arnold Clark	-	1,000	(1,000)	-	-	1,000	-	-	1,000
Aviva	-	-	-	-	-	432	(429)	(3)	-
Awards for All	10,000	-	(10,000)	-	-	10,000	-	-	10,000
B&M Food	482	-	(482)	-	-	-	-	-	-
BARN Lottery	-	7,150	-	-	7,150	-	(6,052)	-	1,098
BARN NAVCA	-	-	-	-	-	1,000	-	-	1,000
Baron Davenport	-	249	(259)	10	-	-	-	-	-
Beatrice Lang Trust	-	-	-	-	-	5,000	-	-	5,000
Big Issue	-	3,000	(3,000)	-	-	-	-	-	-
Birmingham City Council	2,219	-	(2,219)	-	-	-	-	-	-
Bromsgrove District Council	28,000	85,464	(16,208)	-	97,256	99,594	(89,302)	-	107,548
Cadbury Charitable Trust	-	-	-	-	-	1,000	-	-	1,000
Charity Aid Foundation	66,220	1,000	(67,220)	-	-	-	-	-	-
Crowdfunder	-	-	-	-	-	3,477	-	-	3,477
DMF Ellis	-	-	-	-	-	5,000	(5,000)	-	-
Didymus	4,000	-	(4,000)	-	-	-	-	-	-
Easter Egg Fund	-	20	(20)	-	-	-	-	-	-
Eveson	-	7,500	(7,500)	-	-	10,000	(10,000)	-	-
Foodbank	-	477	(477)	-	-	500	(501)	1	-
Frankley Parish Council	-	10,000	(9,302)	-	698	-	-	-	698
Garfield Weston Foundation	-	30,000	(30,000)	-	-	-	-	-	-
George Henry Collins Charity	-	2,000	(2,000)	-	-	2,000	(2,000)	-	-

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

18. RESTRICTED FUNDS (cont'd)

	Balance at 1 April 2021	Incoming Resources	Resources Expended	Transfers	Balance at 1 April 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£
GJW Turner	-	3,000	-	-	3,000	3,000	(6,035)	35	-
Grimley Charity	-	1,000	(1,000)	-	-	1,000	(1,000)	-	-
Grimmitt Trust	2,008	-	(2,008)	-	-	3,000	(3,000)	-	-
Groundwork UK	-	1,000	-	-	1,000	2,000	(2,991)	(9)	-
Heart of England	13,969	5,000	(18,969)	-	-	4,000	(4,000)	-	-
J Hopkins & HJ Sawyer	-	-	-	-	-	750	(729)	(21)	-
JH Rausing Trust	-	-	-	-	-	51,360	(10,680)	-	40,680
Lasletts	2,934	-	-	-	2,934	5,844	(8,767)	(11)	-
Lord Austin Trust	-	1,000	-	-	1,000	-	(1,000)	-	-
Lord Barnby Foundation	-	-	-	-	-	3,000	-	-	3,000
Mitchell Marsh	-	-	-	-	-	5,000	-	-	5,000
National Lottery Partnership	-	-	-	-	-	30,000	(9,989)	-	20,011
Nationwide Building Society	-	40,000	(17,915)	-	22,085	-	(22,087)	2	-
Peoples' Postcode Lottery	2,223	-	(2,223)	-	-	25,000	(15,430)	-	9,570
Roger & Douglas Turner	1,132	3,000	(4,132)	-	-	-	-	-	-
Rowlands	-	5,000	-	-	5,000	-	-	-	5,000
Severn Trent Water	1,029	-	(1,029)	-	-	-	-	-	-
The February Fund	5,000	-	(5,000)	-	-	-	-	-	-
The Montal Charitable Trust	5,000	-	(5,000)	-	-	-	-	-	-
The SMB Charitable Trust	-	-	-	-	-	1,000	(1,024)	24	-
WCC Foodbank	3,001	-	(3,001)	-	-	-	-	-	-
William Cadbury Trust	-	-	-	-	-	-	-	-	-
Worcestershire Community Fund	496	10,000	(10,496)	-	-	1,336	-	-	1,336
Restricted Fund Balances	153,007	222,860	(235,754)	10	140,123	286,293	(211,049)	51	215,418

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

18. RESTRICTED FUNDS (cont'd)

Funders in excess of £20,000 (2022-23)	Description of Funding
Bromsgrove District Council (BDC)	Funding from BDC as part of the WCC Public Health pilot to fully fund two community builder posts, developing Asset Based Development Work in Bromsgrove £49,514. Foodbank and essential items £45,080 Additional funding for Asset Based Community Development project £5,000
JH Rausling Trust	Funding towards core costs and foodbank
National Lottery Partnership	Funding towards core costs
Peoples' Postcode Lottery	Funding towards salary costs

The following funds also directly related to the operating costs of the Food Bank:

Awards for All	Lasletts	Lord Austin
Heart of England	Groundwork UK	Grimmitt Trust
GJW Turner	Worcestershire Community Fund	

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

Albert Hunt Trust	J Hopkins & HJ Sawyer
George Henry Collins Charity	Grimley Charity

Core Costs grants were provided by:

Arnold Clark	Aviva	BARN NAVCA
Beatrice Laing Fund	Cadbury Charitable Trust	DMF Ellis
Evesons	GJW Turner	Grimmitt Trust
Lord Barnaby	Mitchell Marsh	
The SMB Charitable Trust	29th May 1961 Charitable Trust	

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

18. RESTRICTED FUNDS (cont'd)

RESTRICTED FUNDS BALANCE SHEET

at 31 March 2023

	2023		2022	
	£	£	£	£
FIXED ASSETS				
Tangible assets		-		-
CURRENT ASSETS				
Debtors	-		2,500	
Cash at bank and in hand	215,418		138,702	
	215,418		141,202	
CREDITORS : amounts falling due within one year	-		(1,079)	
NET CURRENT ASSETS		215,418		140,123
TOTAL ASSETS LESS CURRENT LIABILITIES		215,418		140,123
CREDITORS : amounts falling due after one year		-		-
		215,418		140,123
FUNDS				
Restricted		215,418		140,123
TOTAL RESTRICTED FUNDS		215,418		140,123

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 £6,965 (2022: £6,221)

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 £1,370 (2022: £1,016).

NewStarts
Notes to the financial statements
for the year ended 31 March 2023

20. OPERATING LEASES

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

	2023 £	2022 £
Within one year	403	-
Between 2 -5 years	2,010	-
More than 5 years	-	-
	<u>2,413</u>	<u>-</u>
Repayments made in the year	<u>202</u>	<u>-</u>

All operating leases are treated as an expense.

21. RELATED PARTIES

There were no related party transactions for the trustees in the year ended 31 March 2023.

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 £4,154 (2022: £3,138)

The outstanding to the supplier at the year end amounted to £284 (2022: £137).

22. ULTIMATE CONTROLLING PARTY

The charity is controlled by the trustees.