



The Breathworks Foundation

Trustees annual report and financial statements

For the period ended 31 December 2021



The Breathworks Foundation
Trustees' annual report for the period ended 31 December 2021

Company Number 06890078

Charity Number 1131851

Registered office and operational address:

16-20 Turner Street

Manchester

M4 1DZ

Trustees

Trustees, who are also directors under company law, who served during this year and up to the date of the report were as follows:

Dharmachari Prasadu (Chair of the Board)

Robert Jones (Treasurer)

Dominic Houlder

Gillian Parry

Ruth Cheesley

Sally Jones

No trustees held title property belonging to the charity during the reporting period or at the date of approval.

Key Management Personnel

Helen Sullivan, Chief Executive

Vidyamala (Prudence) Burch OBE, Co-Founder

Bankers:

The Co-operative Bank

PO Box 250

Skelmersdale

WN8 6WT

Independent examiner:

Patrick Morrello ACA

Third Sector Accountancy Limited

Holyoake House

Hanover Street

Manchester

M60 0AS

The Breathworks Foundation
Trustees' annual report for the period ended 31 December 2021

Contents

Report Overview.....	3
Objectives and Activities	3
Achievements and Performance	4
Mindfulness Education Activities	4
Fundraising Activities.....	11
Donations and Grant Making Activities.....	12
Research Activities.....	12
Financial Review	12
Reserves Policy	13
Plans for the future	13
Structure, governance and management.....	13
Remuneration policy for key management personnel.....	14
Risk management	14
Statement of responsibilities of the trustees.....	14
Independent Examination Report	16

Report Overview

The trustees are pleased to present their report and the unaudited financial statements for the year ended 31 December 2021. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

The objects of the charity are:

1. To relieve the needs of people suffering from mental or physical illness, in particular but not exclusively pain, chronic illness or stress by the provision of mindfulness-based activities.
2. To advance the education of the public in mindfulness-based activities.
3. To undertake research into mindfulness-based activities and to publish the useful results thereof.

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and the trustees review the aims, objectives and activities of the charity each year.

This report provides an overview of what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021

has brought to those groups of people that it is set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Breathworks Foundation's activities of mindfulness education and research are undertaken to further the charitable purposes for the public benefit.

Achievements and Performance

This has been another year of great transformation for the charity. In light of the ongoing pandemic, Breathworks continues to operate all of its services online and has been adapting its operations to deliver greater reach and impact through this. We have been delighted to see the quality of learning hasn't been adversely impacted and regularly hear comments like:

"There is no excuse about missing the bus or missing the train... just to be able to click on the connection and there we are. And I really believe it's been really good for those who have disabilities. For those who would really find it difficult and a long journey... I'd be thinking, 'I'm too tired I might just miss this week.' It's more easy to connect with Zoom."

"It was also wonderful to be connected virtually with a lovely group of people at this challenging time."

Mindfulness Education Activities

Breathworks delivers mindfulness educational activities to support people who live with pain, stress and illness and the people who care for them. In this period, we ran all of our public programmes online:

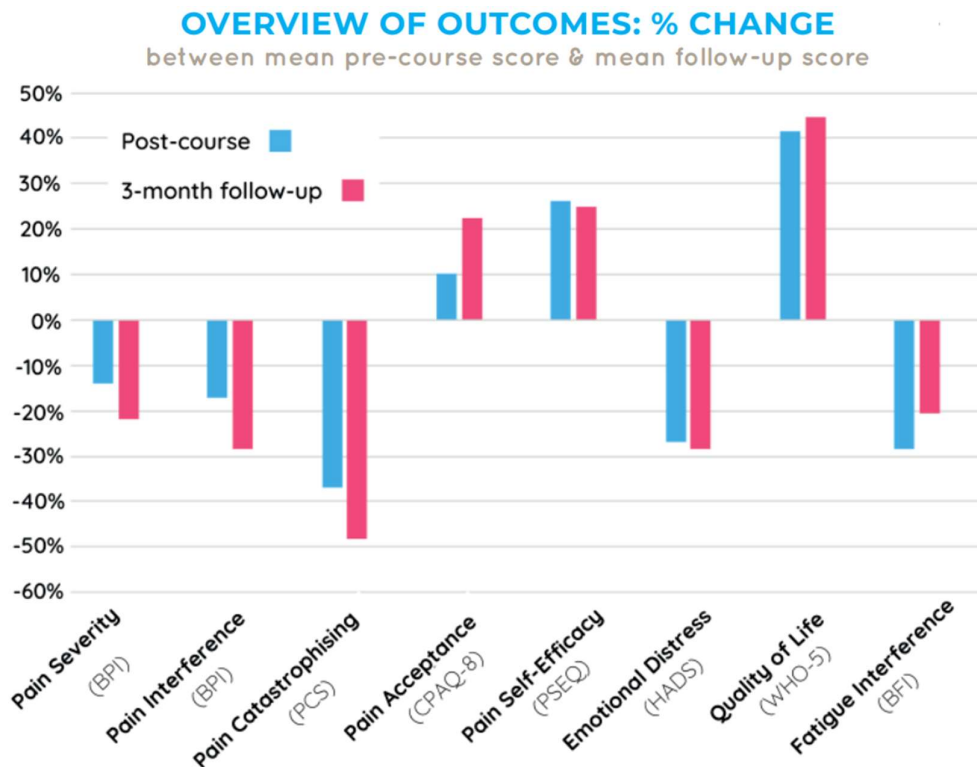


The Breathworks Foundation
Trustees' annual report for the period ended 31 December 2021

Mindfulness Based Pain & Illness Management (MBPM) Courses

Over 8 weeks the course provides a mix of techniques combining mindfulness, meditation, a supportive mindful movement practice, and modern pain management strategies, designed to help people manage their physical and mental health with more balance and ease.

We ran 14 of the general public courses, plus 1 extra specifically for trainee mindfulness teachers, reaching 212 people with a quarter of people receiving bursary funding. The course has been backed with huge amounts of research, and as shown below, the improvements in participants quality of life continue long beyond the end of the course.



"Mindfulness, for me now, is about being aware in that particular moment, and just being with the moment, it just makes things more bearable. And I think that anything that can do that has to be a positive move towards managing the condition.

It's not going to cure you, but it can help you cope with the day-to-day living that little bit better"

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021

Helen, living with Multiple Sclerosis (MS) attended this course many years ago and continues to attend retreats and events with Breathworks.



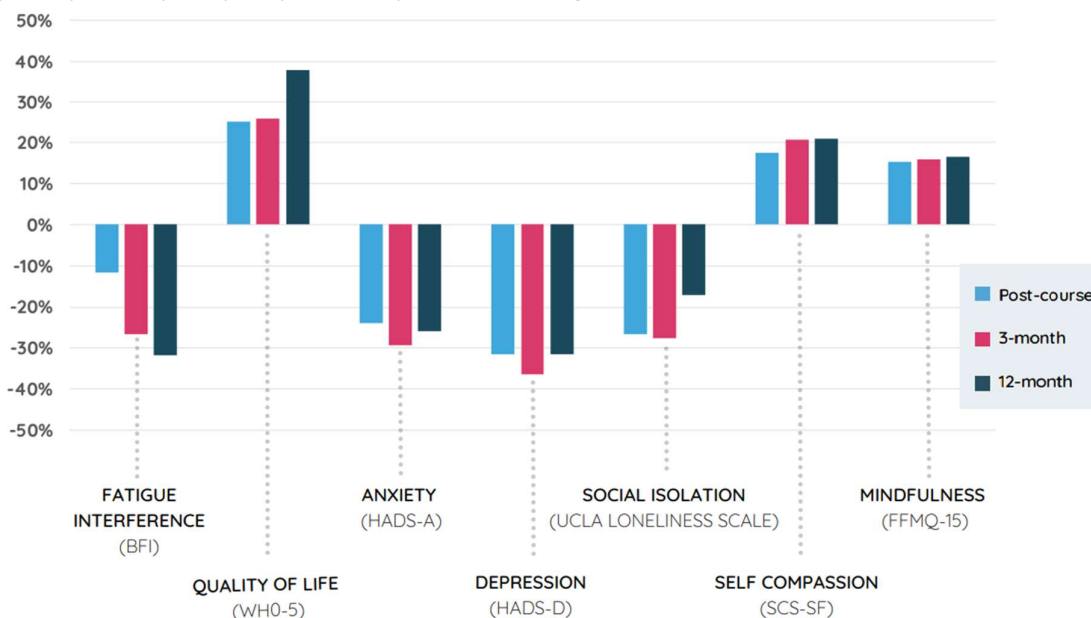
“The course equipped me with a tool kit that enabled me to accept and value my life, including my illness, moment by moment. Of course, learning to live well with MS is a continuing process of falling down and picking myself up - sometimes, literally. But nowadays, when anxiety, fatigue or self-criticism threatens to overwhelm me, **I know that I have the capacity to calm and rebalance myself.**”

Mindfulness for Stress Courses

Our MBPM course is also adapted to help people living with stress and anxiety and we delivered 14, 8-week courses, helping 207 people with a quarter of people receiving bursary funding.

Mindfulness for Stress is a comprehensive 8-week mindfulness course providing meditations, daily life exercises and strategies, and a wide-ranging toolkit of skills and practices for ongoing use.

We hear from participants of this course that 73% report increases in self compassion. This is important as self-compassion is associated with improved physical and mental health, as well as engagement with health-promoting behaviours. As shown on the graph below we also see participants report quality of life improvements long after the course has ended.



“This course is a revelation. I have always read and heard about how mindfulness can be impactful but have never believed it. This course focused on explaining how mindfulness affects us and proceeded to

The Breathworks Foundation
Trustees' annual report for the period ended 31 December 2021

pinpoint exactly what the habits that are derailing my progress are and presented tools to tackle them.

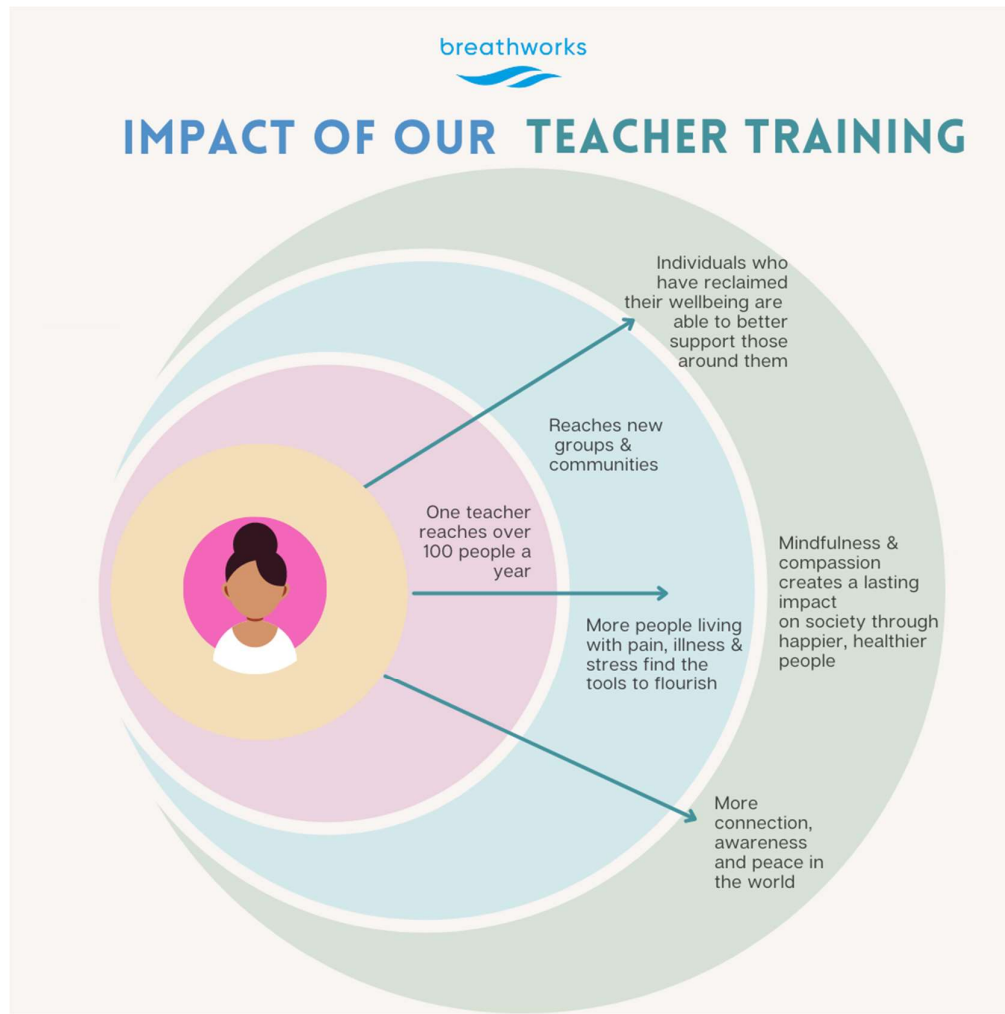
I really loved that multi-faceted approach that can be applied to many situations in life. I leave the course feeling more confident, having a better understanding of what stresses me and how to tackle it, and feeling a sense of community and belonging knowing that I'm not alone."

"I now have a daily routine that I cherish and it keeps me far more positive and able to cope with the ups and downs of everyday life. I have also made a wonderful network of new friends."

Broadening Access - Teacher Training

To broaden access we train teachers who are then equipped to take Mindfulness Based Pain & Illness Management (MBPM) and Mindfulness for Stress programmes into a wide range of community and healthcare settings; from prisons to schools, hospices to pain management units.

In this period we ran 19 teacher training programmes and served 212 people, with a third of the people receiving bursary funding in order to teach within their communities as "experts by experience". To support our teachers, we run continued professional development events and retreats to keep them fresh in their practice and we served 306 people in these events.



We currently have **643 people accredited to teach Breathworks programmes globally** and in our survey this year we found that 25% of our teachers are teaching programmes free at the point of access within a health service or community setting. Collectively our teachers have reached a further 25,000 people with Breathworks materials in the past year – passing on lifelong tools for people to live happier and healthier lives and positively influencing those around them.

Broadening Access – Champions Training

This was our second year of also running a foundation level training for Mindfulness Champions, which is the first step to becoming more confident to share mindfulness tools with others. This programme has been delivered to 108 people during this period and as a result mindfulness sessions are being delivered across a carers network, in counselling practices, large public sector employers and NHS Trusts, helping to provide people with wellbeing tools that they can apply immediately.

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021

Building Community - Online

The Breathworks community platform is free to join and offers access to over 90 hours of activities and live events to support wellbeing and provide supportive social connection. With 1800 members and growing all the time, the platform enables peer support in specific health condition groups e.g.



Gynaecological Health & Menopause

A space to share how mindfulness supports us with gynaecological health/conditions & the menopause.



Managing Pain and Illness

A group for those with pain & illness to connect, including Monthly Conversations with Vidyamala.

[More Details](#)[Request Access](#)[More Details](#)[Join Us](#)

“Being in a group with other people who suffer with chronic pain, or have some ailments going on, and being able to share and understand and have compassion on each other, has really helped me. I feel there's a sense of understanding. I don't have to feel like, 'oh, I'm not in a good place today.' And I don't have to share that with someone who probably won't understand. I'm sharing it with others who get it.”



LIVE TUESDAY MEDITATIONS WITH VIDYAMALA

These weekly sessions are designed for everybody - whether you are using our free online mindfulness resources, or simply want to drop in and give meditation a try!

Breathworks co-founder Vidyamala Burch continues to lead online live meditation sessions on Zoom each Tuesday evening. Typically welcoming 100 people from around the globe each week who come together to meditate and connect with the community.

“These Tuesday evening shared meditations have just been my lifeline since last year. [These sessions have] proved invaluable and insightful to so many, including me, since last year. I cannot even entertain thoughts of what may have been had this not come into my life when it did. I feel completely blessed to have been graced with the presence of Breathworks and sharings during very turbulent times physically, mentally and emotionally so give the greatest of heartfelt thanks.”

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021



We have continued to update and refresh the resources to promote self-care at the start of the pandemic and they continue to be well utilised.

MINDFUL SELF-CARE FOR TROUBLING TIMES

The Covid-19 pandemic has now been with us for many months and all of us have been impacted in one way or another. Times continue to be uncertain and demanding.

Mindfulness for long COVID

We are keenly aware of what is considered to be the next global health pandemic: long COVID. In response to this, we developed programmes that introduced patients to mindfulness as part of their path to recovery. We worked with University College London to create resources to form part of the 'Living With COVID Recovery Programme' that is so far available within 27 NHS Trusts and 35+ clinics. This 7-step mini course gives people living with long COVID the tools to find relaxation, get better sleep, build emotional strength and calm stressful breathing. 2/3 of NHS patients who sample the mindfulness programme have followed it through to completion.

"I have had Long Covid for 7 months and Breathworks has been a lifeline. A self-compassion and kindness approach has helped me pace my recovery and not put too much pressure on myself. I have never done anything like this before, but mindfulness has really helped improve my breathing and to manage pain. Especially in the context of nothing available from the NHS as still no sign of appointment at [my] local Long Covid service."

The course is also now freely available on our online community platform which over 500 people have benefited from.

Community Programmes: Take Back Your Life

We have been working to address health inequalities by securing funding to scale the recent adaptation of the MBPM programme for people with emerging English language and literacy. In this period, we delivered fully funded programmes across Manchester in partnership with Disabled Living. It has been found that disabled people are between 4 - 6 times more likely to die from COVID than the general population, leading to high levels of health anxiety and isolation. We wanted to provide wellbeing and mental health support to this group worst affected by the pandemic. We ran introductory sessions, three 8-week courses, and a range of special features sessions on local community and black community radio stations, introducing mindfulness for pain and stress relief to 30,000 listeners.

The Breathworks Foundation
Trustees' annual report for the period ended 31 December 2021

"I haven't been feeling so much pain since I started the course. It really has helped to soothe pain. My family have noticed as well - they said, 'oh Mum, you're not as stressed and anxious and I just feel like you've heard me'."

"I'm looking after myself finally. I never looked after myself. I never thought of myself as somebody who you can be proud of, or who you can cherish. I was just me, who is in the background, just a cripple. But now I thought, 'no, I'm going to take care of myself'."

Workplace Programmes

We teach mindfulness for better mental health at work and in this period we've worked with 47 organisations and reached over **4,000 people at work**.

In particular, we worked with Lancashire & South Cumbria NHS Foundation Trust and we ran workshops with staff from the Trust to introduce mindfulness, the benefits, and how to make mindfulness practice a supportive factor for wellbeing and health with a stressful and demanding workload.

We subsequently trained a group of nine **Mindfulness Champions** to confidently lead mindfulness practices and mindful breaks within their teams.

"Colleagues have said that they have enjoyed the practice sessions I have led, that they felt much calmer and spending a short period before meetings helps to settle them, enabling them to feel more present and creating a stronger sense of connection with others."

"I am aware from Trust well-being feedback that people are struggling to wind down from work and separate work from home. In our own team I have had feedback that the team enjoyed the two sessions I provided as a mindfulness wind down at the end of the working day."

Fundraising Activities

In this financial year we have not run any significant fundraising campaigns and received donations of £7,628 through the Breathworks website. This enables the provision of the community platform that is freely offered to the general public.

During this period, we have developing other fundraising initiatives and have applied to Trusts and Foundations for project funding to help expand services and research initiatives. In this period we

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021

have received £24,981 to enable a partnership between Breathworks and Disabled Living to reach people across Manchester who had been hardest hit by covid.

Donations and Grant Making Activities

Bursary Funding

Although no cash bursary awards were made during this period we awarded 95 places to beneficiaries to attend an 8 week Mindfulness for Health of Stress course free of charge.

“I have benefitted so much from this course, and feel so grateful to have had the opportunity, thanks to a bursary place. I've learnt so much and will now take this learning into the next phase of my life.”

And 72 beneficiaries were awarded places free of charge to train as Breathworks Mindfulness Teachers, equipped to deliver the 8-week mindfulness education programmes to help people suffering with pain, stress or illness.

Collectively this has resulted in the equivalent of over £70K in bursary funding.

Grant making activities

In this financial period the Breathworks Foundation has not been involved in grant making activities but a project seed funding scheme will be launched in the Spring of 2022.

Research Activities

In this period many of the research activities halted at the start of the pandemic have reconvened. Vanderbilt University Tennessee study is now well underway, with two Online MBPM courses delivered through Feb-April. The study hypothesizes that pain will disrupt levels of cortisol and oxytocin, as well as EEG and ERP markers indexing pain-related processing and inhibitory control, and that these will be normalized following the mindfulness program. Preliminary results have shown changes in EEG/ERP measures of self-regulation and inhibitory control of pain processing, and have been included in a grant application to the NIH (USA 5-year grant) to support a hypothesis that MBI enhances inhibitory control.

Changes were also observed in endocrine measures pre-post MBPM, that included markers of inflammation and hormones that relate to pain perception. This endocrine data will be included in another NIH large scale grant application submitted which will aim to lead to a larger research trial.

A new paper on Breathworks Mindfulness for Stress course has been published by Breathworks Teacher Daniela Sopezki and colleagues at Universidade Federal de São Paulo: “Feasibility and Effectiveness of a Mindfulness-Based Program vs Relaxation in the Treatment of Burnout in Brazilian Primary Care Providers.” The study found the Breathworks mindfulness course was efficacious in addressing a range of burnout symptoms amongst PHC providers.

Financial Review

At the end of this financial period the total funds carried forward are £171,110 (2020: 142,740) of unrestricted funds which increased by £28,370 during the period. The trustees do not see any concerns about the charity's ability to continue as a going concern.

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021

The total income for the year was £513,221 (2020: £402,592) consisting of £27,136 (2020: £13,261) restricted funds and £486,085 (2020: £389,331) unrestricted funds. The total expenditure for the year was £484,851 (2020: £331,225) consisting of £28,076 (2020: £12,321) spent from restricted funds and £456,775 (2020: £318,934) spent from unrestricted funds.

The wholly owned subsidiary, the Breathworks CIC is now a dormant company. All assets and liabilities of the subsidiary were transferred to the charity. Please see note 13 in the Notes to the accounts for further details

Reserves Policy

Our reserves policy ensures:

- Trustees have the time to take action if projected new income streams fall below expectations.
- There is protection for unforeseen operational costs.
- There is capacity for 'seed-funding' for an urgent or high potential project eg for research.
- Provision for redundancy payments and closing contractual obligations in the event of winding up the charity.

Following a review of the Foundation's budget and guided by the nature of the overheads, the trustees have concluded that an unrestricted reserve equivalent to 4 months' overheads, currently £161,617, is sufficient to meet these objectives. As at year end the free reserves of the charity were £171,110.

Plans for the future

In the year ahead we will continue our focus on making it as easy as possible for people who live with pain, stress and illness to access Breathworks mindfulness programmes for free or low cost at the point of access. We will do this through partnerships and commissioning networks and training practitioners to deliver Breathworks programmes in their professional and community settings.

We will continue our work to help address health inequalities by securing funding to scale the adaptation of the Mindfulness Based Pain & Illness Management programme for people with emerging English language and literacy and help more of our teachers do the same.

We are in a period of innovation and development and working on the launch of a number of new programmes. This includes programmes to help people take a mindfulness-based approach to holistic health; focusing on sleep, diet, exercise, awareness and social connection. Along with new next step courses for people who have completed a Breathworks 8-week course, helping people to sustain a mindfulness practice and unlock further wellbeing benefits. We are also planning to pilot a new blended (self-paced/online training and in person) teacher training model for health professionals who want to embed brief mindfulness interventions in their work with patients and clients.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 28 April 2009 and registered as a charity on 28 September 2009.

The Breathworks Foundation

Trustees' annual report for the period ended 31 December 2021

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at year end was 6 (2020: 6). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

At each AGM, the board of trustees will resign and be available for re-election. Recruitment is based on ensuring there is a blend of expertise in health and social care, business and charitable operations management.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

Following the restructure between the charity and the trading arm, the charity took over many of the staffing liabilities and has a management team in place to ensure the effective operation of the organisation.

Remuneration policy for key management personnel

The trustees review and agree the remuneration for key management personnel annually, in consideration with market rates and affordability for the charity.

Risk management

The charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. The charity has a trustee designated with responsibility for risk management and oversees a bi-annual review of the risk register in collaboration with the CEO.

Funds held as custodian trustee on behalf of others

No funds are held on behalf of others.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' annual 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 charity for that period. 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

The Breathworks Foundation
Trustees' annual report for the period ended 31 December 2021

- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report has been approved by the trustees on 7 July 2022 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'RE Jones'.

Robert Jones

Trustee

Independent examiner's report to the members of
The Breathworks Foundation

Independent Examination Report

I report on the accounts of the charity for the year ended 31 December 2021 set out on pages 17 to 31.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Patrick Morrello ACA
Third Sector Accountancy Limited
Holyoake House
Hanover Street
Manchester
M60 0AS

Date: 22 / 09 / 2022

The Breathworks Foundation
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Total funds 2020 £</i>
Income from:							
Donations and legacies	3	6,470	2,155	8,625	12,838	12,561	25,399
Charitable activities	4	479,615	24,981	504,596	376,493	700	377,193
Total income		486,085	27,136	513,221	389,331	13,261	402,592
Expenditure on:							
Raising funds	5	2,028	-	2,028	1,115	-	1,115
Charitable activities	6	454,747	28,076	482,823	317,819	12,321	330,140
Total expenditure		456,775	28,076	484,851	318,934	12,321	331,255
Net income/(expenditure) for the year	7	29,310	(940)	28,370	70,397	940	71,337
Net movement in funds for the year		29,310	(940)	28,370	70,397	940	71,337
Reconciliation of funds							
Total funds brought forward		141,800	940	142,740	71,403	-	71,403
Total funds carried forward		171,110	-	171,110	141,800	940	142,740

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

The Breathworks Foundation
Company number 06890078

Balance sheet as at 31 December 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	12	3,515	675
Intangible assets	13	69,468	-
Investments	14	3	3
Total fixed assets		72,986	678
Current assets			
Stock		4,714	6,293
Debtors	15	13,795	26,579
Cash at bank and in hand	-	208,978	206,782
Total current assets		227,487	239,654
Liabilities			
Creditors: amounts falling due in less than one year	16	(112,833)	(97,592)
Net current assets		114,654	142,062
Total assets less current liabilities		187,640	142,740
Creditors: amounts falling due after more than one year	17	(16,530)	-
Net assets		171,110	142,740
The funds of the charity:			
Restricted income funds	18	-	940
Unrestricted income funds	19	171,110	141,800
Total charity funds		171,110	142,740

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 19 to 31 form part of these accounts.

Approved by the trustees on 22 / 09 / 2022 and signed on their behalf by:

RE Jones
Robert Jones, Trustee

22 / 09 / 2022
Date signed

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

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 (FRS 102) issued in October 2019 - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Breathworks Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Notes to the accounts for the year ended 31 December 2021 (continued)

e Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

f Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of staff salaries for time spent on fundraising activities.
- Expenditure on charitable activities includes the costs of providing education, training and research undertaken to further the purposes of the charity.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g Tangible fixed assets

Individual fixed assets costing £100 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office equipment	25%
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h Intangible fixed assets

Intangible fixed assets are amortised over their estimated useful economic lives on a straight line basis as follows:

Goodwill	10 years
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For the current year Goodwill was not amortised as it was not acquired until 31 December 2021.

i Stock

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

j Debtors

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

k Cash at bank and in hand

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

l Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

n Pensions

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 8. Outstanding contributions at the year end were £922.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

The Breathworks Foundation

Notes to the accounts for the year ended 31 December 2021 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2020 £</i>
Donations	6,470	2,155	8,625	12,838	12,561	25,399
Total	6,470	2,155	8,625	12,838	12,561	25,399

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2020 £</i>
GMCVO grant	-	-	-	-	500	500
Manchester City Council grant	-	24,981	24,981	-	-	-
Donation - Sheila Bird Group	-	-	-	-	200	200
<u>Charitable trading</u>						
Courses and workshops	442,726	-	442,726	314,451	-	314,451
Membership fees	21,575	-	21,575	23,174	-	23,174
Other income	15,314	-	15,314	38,868	-	38,868
Total	479,615	24,981	504,596	376,493	700	377,193

The Breathworks Foundation

Notes to the accounts for the year ended 31 December 2021 (continued)

5 Cost of raising funds

	Unrestricted £	Restricted £	2021 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>2020 £</i>
Staff costs	2,028	-	2,028	1,115	-	1,115
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,028	-	2,028	1,115	-	1,115
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the accounts for the year ended 31 December 2021 (continued)

6 Analysis of expenditure on charitable activities

	2021 £	2020 £
Direct course costs	192,733	122,178
Staff costs	226,000	157,876
Staff training	1,021	728
Marketing	5,718	4,281
Internet and website	23,916	24,831
Research	2,351	2,036
Bursaries (see note below)	-	900
Grants paid	490	-
Office rent and rates	11,079	5,729
Administration and office expenses	7,012	5,529
Accountancy fees	4,105	2,068
Legal and professional fees	1,555	1,158
Insurance	1,969	1,267
Sundry expenses	4,069	1,242
Depreciation	805	317
	<hr/>	<hr/>
	482,823	330,140
	<hr/> <hr/>	<hr/> <hr/>

Note to Bursaries

Throughout the year the charity awarded 167 bursary places to beneficiaries to attend various courses free of charge. The value of lost revenue was £70,000. Any training delivery cost related to the bursary places is captured in the expenditure in the above table.

Restricted expenditure	28,076	12,321
Unrestricted expenditure	454,747	317,819
	<hr/>	<hr/>
	482,823	330,140
	<hr/> <hr/>	<hr/> <hr/>

7 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2021 £	2020 £
Depreciation	805	317
Accountancy fees	1,380	600
Independent examiner's fee	300	120
	<hr/> <hr/>	<hr/> <hr/>

Notes to the accounts for the year ended 31 December 2021 (continued)

8 Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	215,013	150,119
Social security costs	9,475	6,412
Pension costs	3,539	2,460
	<hr/>	<hr/>
	228,027	158,991
	<hr/> <hr/>	<hr/> <hr/>
Fundraising	2,028	1,115
Charitable activities	225,999	157,876
	<hr/>	<hr/>
	228,027	158,991
	<hr/> <hr/>	<hr/> <hr/>

No employee has employee benefits in excess of £60,000 (2020: Nil).

The average number of staff employed during the period was 15 (2020: 13).

The average full time equivalent number of staff employed during the period was 6 (2020: 6).

The key management personnel of the charity comprise the trustees, the Chief Executive and one other officer. The total employee benefits of the key management personnel of the charity were £47,676 (2020: £24,782).

9 Trustee remuneration and expenses, and related party transactions

No trustee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: Nil).

No trustee received travel and subsistence expenses during the year (2020: £Nil).

There were no aggregate donations from related parties (2020: Nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: Nil).

Related party transactions consisted of transfers of funds and recharges of operational costs between the charity and its subsidiary company. As part of the transfer of trade and assets on 31 December 2021 the charity made a purchase of goodwill from the subsidiary to the value of £69,468. For further information refer to Note 13 and the trustees' report.

The Breathworks Foundation
Notes to the accounts for the year ended 31 December 2021 (continued)

10 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
Manchester City Council - Covid Impact Grant	24,981	-
	<hr/>	<hr/>
	24,981	-
	<hr/> <hr/>	<hr/> <hr/>

There were no unfulfilled conditions and contingencies attaching to the grant.

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Office equipment £
At 1 January 2021	1,267
Additions	3,645
	<hr/>
At 31 December 2021	4,912
	<hr/> <hr/>
Depreciation	
At 1 January 2021	592
Charge for the year	805
	<hr/>
At 31 December 2021	1,397
	<hr/> <hr/>
Net book value	
At 31 December 2021	3,515
	<hr/> <hr/>
<i>At 31 December 2020</i>	675
	<hr/> <hr/>

Goodwill was acquired from the subsidiary company on 31 December 2021.

Notes to the accounts for the year ended 31 December 2021 (continued)

13 Fixed assets: intangible assets

Cost	Goodwill £
At 1 January 2021	-
Additions	69,468
	<hr/>
At 31 December 2021	69,468
	<hr/> <hr/>
Net book value	
At 31 December 2021	69,468
	<hr/> <hr/>
<i>At 31 December 2020</i>	-
	<hr/> <hr/>

Notes to the accounts for the year ended 31 December 2021 (continued)

14 Investments

	2021 £	2020 £
Investment in the shares of the subsidiary company Breathworks Community Interest Company	3	3

The charity owns the whole of the ordinary share issue of the Breathworks Community Interest Company, a company registered in England, register no 5016384. The shares were transferred to the charity on 16 April 2019. The subsidiary was used to focus mindfulness training and courses on not-for profit and commercial organisations. During the year the trustees decided that the subsidiary should transfer trade and assets to the charity on 31 December 2021 due to the matching activities and to avoid duplicating staff effort. The company is now dormant. A summary of the results of the subsidiary is shown below:

Profit and loss account	2021 £	2020 £
Income	119,224	146,687
Expenditure	(52,761)	(127,941)
Net profit/(loss)	66,463	18,746
Balance sheet	2021 £	2020 £
Fixed assets	-	1,231
Current assets	3	84,817
Creditors due in less than one year	-	(83,625)
Total assets less current liabilities	3	2,423
Creditors due after more than one year	-	(68,883)
Net liabilities	3	(66,460)
Assets	3	86,048
Liabilities	-	(152,508)
Shareholder's funds	3	(66,460)

15 Debtors

	2021 £	2020 £
Owed by subsidiary	-	21,738
Trade debtors	6,580	-
Other debtors	4,794	-
Prepayments and accrued income	2,421	4,841
	13,795	26,579

The Breathworks Foundation

Notes to the accounts for the year ended 31 December 2021 (continued)

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Keyfund loan	9,400	-
Trade creditors	2,299	-
Other creditors and accruals	46,989	20,408
Deferred income	54,145	77,184
	<hr/>	<hr/>
	112,833	97,592
	<hr/> <hr/>	<hr/> <hr/>

17 Creditors: amounts falling after more than one year

	2021 £	2020 £
Keyfund loan	16,530	-
	<hr/>	<hr/>
	16,530	-
	<hr/> <hr/>	<hr/> <hr/>

18 Analysis of movements in restricted funds

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
The Eleos Partners	470	-	(470)	-	-
Private donor	470	-	(470)	-	-
Bursary fund	-	1,670	(1,670)	-	-
COP donation	-	485	(485)	-	-
Manchester City Council - Covid Impact Fund	-	24,981	(24,981)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	940	27,136	(28,076)	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Breathworks Foundation

Notes to the accounts for the year ended 31 December 2021 (continued)

Comparative period

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Funds					
GMCVO grant	-	500	(500)	-	-
<u>Donations</u>					
The Sheila Bird Group	-	200	(200)	-	-
Give2live donations	-	2,561	(2,561)	-	-
The Eleos Partners	-	5,000	(4,530)	-	470
Private donor	-	5,000	(4,530)	-	470
Total	-	13,261	(12,321)	-	940

Name of restricted fund	Description, nature and purposes of the fund
Manchester City Council - Covid Impact Fund	to deliver nine mindfulness courses/workshops
The Sheila Bird Group	funding for 1 person to attend a Mindfulness for Health Course
The Eleos Partners	towards specific projects to enable Breathworks to provide free resources and mindfulness education activities for key workers and the general public to
Private donor	provide the tools to help improve mental wellbeing in response to Covid-19

19 Analysis of movement in unrestricted funds

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	As at 31 December 2021 £
General fund	141,800	486,085	(456,775)	-	171,110
	141,800	486,085	(456,775)	-	171,110

The Breathworks Foundation

Notes to the accounts for the year ended 31 December 2021 (continued)

Comparative period

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	As at 31 December 2020 £
General fund	31,465	389,331	(278,996)	-	141,800
Designated fund - Bursary and projects	39,938	-	(39,938)	-	-
	<u>71,403</u>	<u>389,331</u>	<u>(318,934)</u>	<u>-</u>	<u>141,800</u>

Name of

unrestricted fund

Description, nature and purposes of the fund

General fund	The free reserves after allowing for all designated funds
Designated fund - bursary and projects	from general funds designated for bursary grants, and to provide free resources and training and educational courses and activities

20 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	3,515	-	-	3,515
Intangible assets	69,468	-	-	69,468
Fixed asset investments	3	-	-	3
Net current assets/(liabilities)	114,654	-	-	114,654
Creditors of more than one year	(16,530)	-	-	(16,530)
	<u>171,110</u>	<u>-</u>	<u>-</u>	<u>171,110</u>

Comparative period

	General fund £	Designated funds £	Restricted funds £	Total 2020 £
Tangible fixed assets	675	-	-	675
Fixed asset investments	3	-	-	3
Net current assets/(liabilities)	141,122	-	940	142,062
	<u>141,800</u>	<u>-</u>	<u>940</u>	<u>142,740</u>