

Company registration number: 8139367  
Charity registration number: 1149813  
SCO47781

# **The Junction 42 Foundation**

(A company limited by guarantee)

## **Trustees' Annual Report and Accounts**

**Year Ended 31st March 2023**

**JUNCTION<sup>42</sup>**

# **The Junction 42 Foundation**

**Year Ended 31st March 2023**

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# The Junction 42 Foundation

Year Ended 31st March 2023

## Legal and Administrative Information

### Reference

The Junction 42 Foundation is a charitable company, formed in 2012 to provide help to people who have criminal convictions or those considered at risk of offending against the law. It is a company limited by guarantee and is also a registered charity (in England & Wales; and in Scotland).

<b>Registered Charity Numbers</b>	1149813 SCO47781	England and Wales Scotland
<b>Registered Company Number</b>	8139367	
<b>Registered Office</b>	Brunswick Methodist Church Brunswick Place Newcastle upon Tyne NE1 7BJ	
<b>Website</b>	www.junction42.org	
<b>Trustees</b>	Mr Richard Vardy Bishop Francis White Dr Paul Cassidy Mrs Alison Edwards Mrs Sarah Wade	<i>Resigned 12/07/2023</i>    <i>Resigned 06/12/2023</i>
<b>Chief Executive Officer</b>	Joanne O'Connor	
<b>Primary Bankers</b>	HSBC Bank plc Bamburgh House Forum Way Cramlington NE23 6QE	
<b>Independent Auditor</b>	Stephenson Coates Audit Limited West 2, Asama Court Newcastle Business Park Newcastle upon Tyne NE4 7YD	

# The Junction 42 Foundation

Year Ended 31st March 2023

## Trustees' Annual Report (Incorporating the Directors' Report)

The trustees present their report and the financial statements for the year ended 31 March 2023. These are prepared in accordance with the governing document, the recommendations of the 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 (FRS102) and the small companies' regime of the Companies Act 2006.

### Reference and administrative details

The Junction 42 Foundation is a charitable company, formed in 2012 to provide help to people who have criminal convictions or those considered at risk of offending against the law. It is a company limited by guarantee and is also a registered charity (in England & Wales; and in Scotland).

The trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report are set out on page 1.

### Structure, governance and management

As a company limited by guarantee, there is no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up whilst being a member or within one year of ceasing to be a member, such amount not to exceed £10. The relevant governing document is the Memorandum and Articles of Association.

New trustees may be appointed by resolution passed at a special meeting of the trustees, or by statutory powers. The training and induction for new trustees will depend on experience.

The trustees are responsible for setting general policy, but the day to day running of the charitable company is delegated to an employed management team headed by the Chief executive officer.

The company maintains a transparent and equitable approach to setting the pay and remuneration of key management personnel. Guided by a scale and points system reflecting responsibilities and experience, an annual appraisal process ensures that adjustments align with individual performance. Trustees actively engage in setting targets for the Chief Executive Officer (CEO), which is tied to the remuneration policy for senior roles. Oversight of this process is entrusted to the trustee HR and risk subgroup and is overseen annually.

### Objectives and principal activities

The charitable objectives of the company are:

1. To relieve the charitable needs of those in need by reason of current and previous criminal convictions or those considered at risk of offending against the law in particular but not exclusively by creation of employment, housing, education, training and community projects to assist with their rehabilitation and to do this with a Christian ethic.
2. The prevention or alleviation of poverty and sickness through the provision of grants or services to individuals in need by reason of current and previous criminal convictions or those considered at risk of offending against the law and/or charities, or other organisations working to prevent or relieve poverty, homelessness and sickness.

### Risks

The trustees confirm that the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, have been identified and reviewed; and that systems are in place to mitigate those risks.

Strategic developments in risk management this year include:

- 9 policy documents either reviewed or written.
- Strategic pivot towards financial stabilisation by increasing multiyear grant funding to reduce the volatile effect of short term contract delivery

# The Junction 42 Foundation

Year Ended 31st March 2023

## Trustees' Annual Report (Incorporating the Directors' Report)

### Public benefit

The trustees are satisfied that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

When planning the charity's activities, the trustees considered the Charity Commission Guidance on public benefit. The trustees also considered how the charity had succeeded in delivering its aims, including any public benefit, when reviewing the achievements for the year set out below.

## Achievements and performance

Junction 42 exists to see the lives of offenders and their communities visibly transformed through:

- Creative education and engagement;
- Faith support
- Through the gate mentoring and employability

Our values are:

- Journeying with
- Inspirational
- Relational
- Missional
- Creating opportunities

This is Junction 42's 11<sup>th</sup> year of operation

## Introduction

We are proud to say that despite challenges and volatility in contracting arrangements, Junction 42 has been able to remain a front-line service, offering help and support to those with convictions. Our work has continued in custody and in the community, with our in-prison work seeing growth and development.

## Creative Education and Engagement

Junction 42 delivers specialist creative engagement services in HMP Northumberland and HMP Low Newton. Part of these services we use in cell creative packs, creative workshops and deliver other creative projects. The success of the in-cell learning programme led to an increased demand from our local prisons for our Creative Engagement provision. We provided 5 areas of creative engagement, illustrated in the diagram below:

*T was on the first cohort of the in-cell Creative Arts Course. Prior to the course he was a prolific self harmer, struggled with his mental health and to engage with others on the wing. He connected with the packs and found that he was very good at some of the creative skills. So good, in fact, that he started to teach others on the wing the skills that he had learnt. He now has spare packs from us whenever possible. He runs a creative group for people on his wing who struggle with their mental health. He says that his mental health has vastly improved through engagement with the course and that he no longer self harms.*

- Prisoner feedback

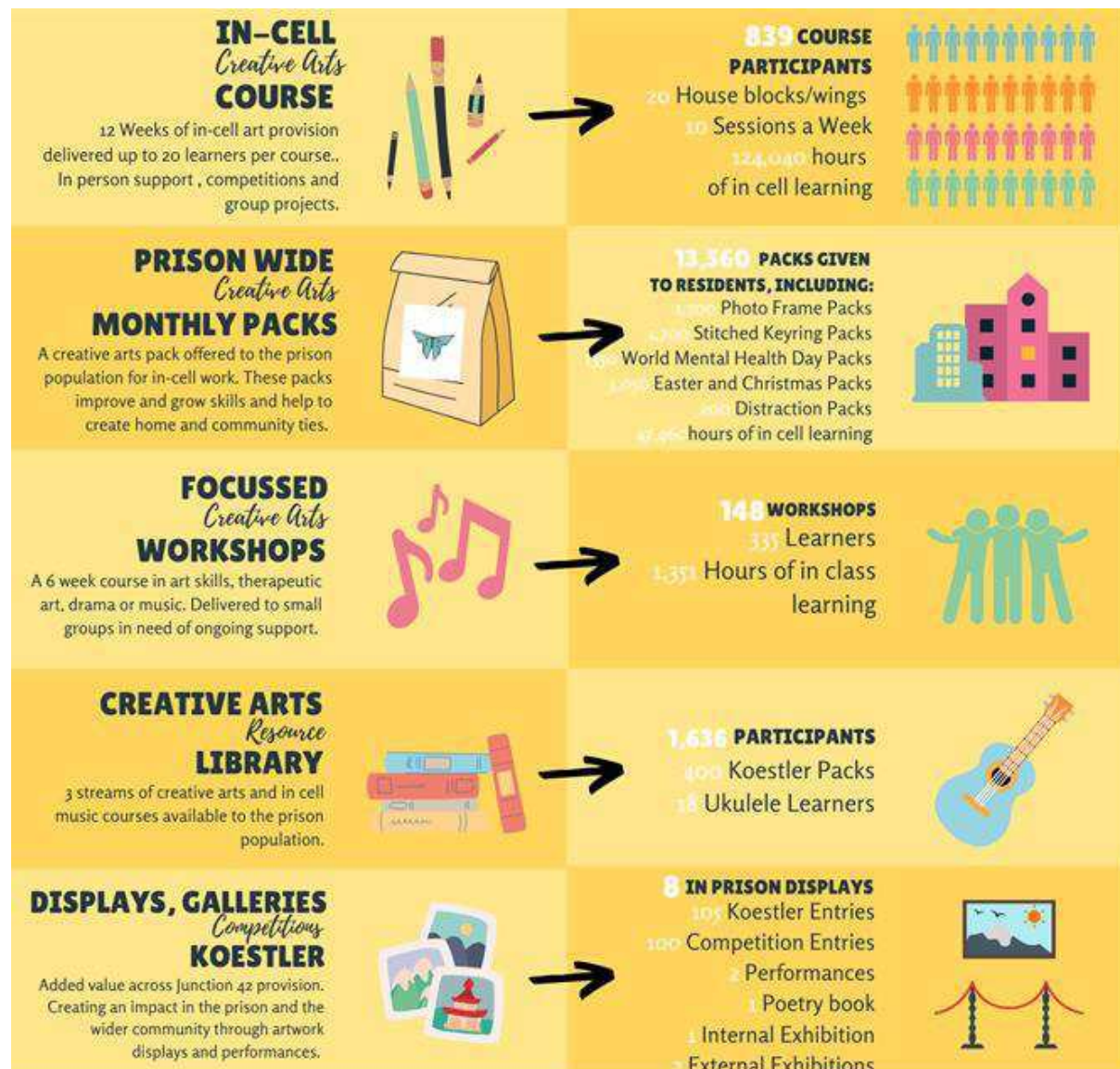
*"Working in partnership with the brilliant staff at junction 42 was successful due to their care, Compassion and always going the extra mile to help anyone who engaged with them. The essential help and support provided for ex-offenders and offenders pre-release is so necessary to enhance their lives and give them the skills to live a better life, find employment, housing and access pastoral support"*

- Prison feedback

# The Junction 42 Foundation

Year Ended 31st March 2023

Trustees' Annual Report (Incorporating the Directors' Report)



## Koestler Awards 2022

Men and women on our Creative arts courses in HMP Northumberland and HMP Low Newton won 18 awards at the 2022 Koestler Awards for Arts in Criminal Justice. We were delighted to see their talents acknowledged and for them to receive such positive feedback.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Trustees' Annual Report (Incorporating the Directors' Report)

### Faith

#### National resources

##### Stories of Hope packs

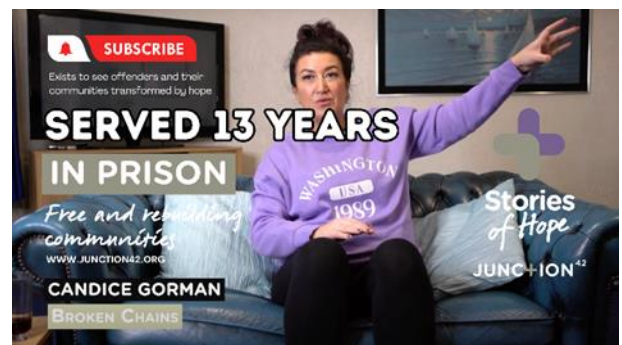
Our Stories of Hope packs contain highly engaging resources which utilise tactile, kinaesthetic, and visual learning to provide prisoners with a means to explore or engage with faith in their prison cell. This year, we distributed 4 rounds of our quarterly waves of packs. In 2022-23, Junction 42 created, packed and distributed 74,834 Stories of Hope packs to 123 prisons.

"Junction 42 have become an important partner to prison chaplaincy teams across the country. Their commitment and enterprise during the pandemic meant that their influence spread from being largely limited to the North East. The Stories of Hope packs are now distributed to prison chaplaincy teams across England and Wales. When I visit a prisoner, I will often see a completed activity on display, or hear a worship CD being played. Junction 42 don't stand still. They are always thinking how else they can serve. Junction 42 understand the needs of prisoners and their energy and enterprise mean they are a highly valued partner of the prison chaplaincy teams of England and Wales." **Phil Chadder**  
**National Prison Chaplaincy HQ National Partner**

We are grateful to those who have partnered with us 2022-23 on this programme. Partners included UCB, Prison Fellowship, Life Words, Prison Chaplaincy HQ, Yellow Ribbon, Word for Word Bible Comic, The Message Trust, Music Ministry Trust, Prisons Week, Alpha and 4 points.

##### Media

Junction 42 have created and produced inspirational life stories which we have managed to put back into prison. Junction 42 has recorded and produced 8 podcasts and videos featuring stories of those with lived experience living out their faith, encouraging prisoners that change is possible. In partnership with National Prison Radio and A Way Out Media, we have a library of resources of lived out faith stories that stream in HMP Prisons nationally.



##### Training/ Connect Network

Junction 42 oversees the Connect Network. The Connect Network trains and supports the local church to provide a safe and welcoming space for those from the margins to grow in their faith. Connect communities continuing this year were in Newcastle, Stockton, Edinburgh, Middlesbrough and Gateshead. In the pipeline for new connect communities we have Leicester and Darlington.

#### In-person faith delivery

##### Faith support

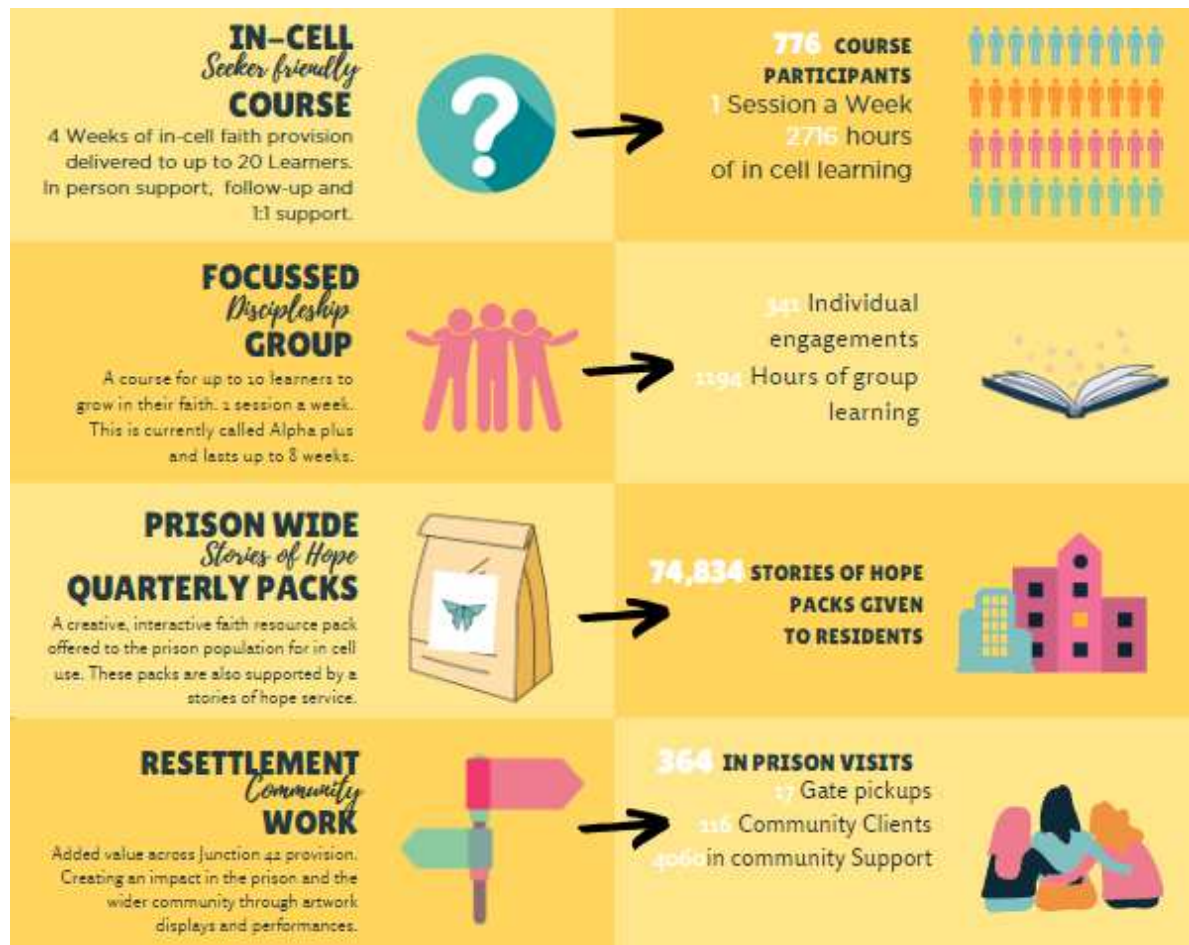
Our support continued in delivering alongside the prison chaplaincy teams in HMP Northumberland, HMP Holme House, HMP Durham, HMP Low Newton and HMP Edinburgh. Delivering whole prison initiatives and weekly group work, Sunday services, helping prisoners support their faith and connecting them in with a local church/ connect communities upon release.



# The Junction 42 Foundation

Year Ended 31st March 2023

Trustees' Annual Report (Incorporating the Directors' Report)



## Seasonal Responses

This year we distributed 3100 Easter packs to prisoners across the North East. We also provided 4,745 Christmas gift packs to all prisoners in the North East and HMP Edinburgh. The packs contained a Christmas craft, chocolate and Christmas reading. For our community clients we delivered 62 Christmas gifts bags.





# The Junction 42 Foundation

Year Ended 31st March 2023

## Trustees' Annual Report (Incorporating the Directors' Report)

### Through the gate and Employability

Work-out helps to stabilise in 10 ways (diagram to the right) to reduce the likelihood of reoffending and into employment.

67 individuals completed our 'Work Out' programme in 2022-23 and we provided addition support to another 224 individuals across Tyne and Wear, Durham/Tees Valley and Edinburgh. Clients on the Work Out programme receive 1:2:1 mentoring support and groupwork opportunities to improve their social and life skills, wellbeing, employability, and engagement with statutory services.

In total we helped a total of 14 individuals get an ID, 19 individuals get birth certificates, 24 individuals to open a bank account and 2 individuals access debt support.



*A came to us really struggling with her identity and how she is portrayed online. With a CV and disclosure she now feels able to be more authentic in who she is. She has worked hard to overcome her anxiety & addiction by initially using the prayer journal to hold herself accountable. She is rebuilding her confidence & is en route to be going for some professional help. – Client*

*"Junction 42 provide a safe and workable environment where they can assist with aspects of housing support, a mentor service and employability. This has incorporated staff going that extra mile and way beyond the duty of care for which their funding has covered. Covering assisting to support with housing applications and benefit claims to writing CVs and the very important disclosure letters to job clubs and IT support and training. Junction 42 have an amazing relationship with our claimants and are extremely well thought of in the area of ex-offenders and prison leavers by both other providers and the claimants themselves." - Kath Hindmarsh, DWP SPOC/Ambassador for Ex-Offenders*

# **The Junction 42 Foundation**

**Year Ended 31st March 2023**

## **Trustees' Annual Report (Incorporating the Directors' Report)**

### **Financial review**

The charity's total income for the financial year was £685,982 (2022 - £963,063), and the total expenditure was £874,352 (2022 - £912,787), giving net deficit of £188,370 (2022 – surplus £50,276) and retained funds carried forward of £417,589 (2022 - £605,959).

Income for the year included successful funding from the Department for Work and Pensions, His Majesty's Prison and Probation Service, Sodexo, Volunteering Matters and Trust funders.

The funds of the charity (inc £463,936 asset value), are £337,014 in unrestricted funds and £80,575 in restricted funds carried forward. The trustees review the reserve levels annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The trustees proposed a policy that the charity should hold a level of reserves, namely those not held for a specific purpose, which is equivalent to no less than 32-weeks operating costs. It has become common practice for Junction 42 to have long periods of unfunded provision due to the change in procurement processes within government, meaning contracts have become more short term in nature with uncertainty and gaps between renewals. This reserves policy was put in place to mitigate this risk our financial stability.

Since January 2022 we have been out of contract with the DWP and have used these reserves to ensure continuation of provision to our service users. This has taken us below 32 weeks' reserves, and we anticipate being below 32 weeks in the coming year, but no lower than 12 weeks. We aim to restore our reserves level in the future by securing a wider portfolio of contractual opportunities.

The projected total expenditure for the organization for the year ending on 31st March 2024 is £730,000, out of which £115,000 is non-operational and is allocated for the purchase of prison education resources, specifically funded. Based on the anticipated operational expenditure, 32 weeks of operating costs would amount to £378,000, and 12 weeks would amount to £142,000. The unrestricted reserves as of the year ending on 31st March 2023 were £337,014, equivalent to 29 weeks of operating costs.

### **Plans for future periods**

Junction 42 plans to continue investing in developing its work in prisons and the community. In particular we will look to:

- Increase our digital assets including expanding the Stories of Hope media stream, telling the stories of those with experience of the criminal justice system.
- Support and train local churches to establish Connect Communities in Carlisle, Sunderland, Leicester.
- National expansion of the creative in-cell resource by the development of the curriculum, staff training and media.
- Increase training opportunities for staff professional development, especially in the areas of mental health and neurodiversity.

As stated in last year's accounts we received confirmation that contracts held with the Department for Work and Pensions would not be renewed in the 2022/23 financial year. We have built up reserves in recent years to mitigate this potential loss of this income. Our plans for 2022/23 regarding this are to broaden our income streams to reduce our reliance on short term contracts and stabilise our income. We are doing this by growing our in-prison and probation contract opportunities and significantly increasing our grant income, having secured various grants for 2022/23 and some 3-year grants which will provide income through to 2025. We are also investing in increasing our regular donation income and use of fundraising campaigns.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Trustees' Annual Report (Incorporating the Directors' Report)

### Trustees' responsibilities statement

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable the trustees 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.

### Disclosure of information to auditors

The trustees who held office at the date of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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

**This report was approved by the trustees on** 19/12/2023

**and is signed on its behalf by:**



Paul Cassidy

Trustee

# **The Junction 42 Foundation**

**Year Ended 31st March 2023**

## **Independent Auditor's Report to the Members of The Junction 42 Foundation**

### **Opinion**

We have audited the financial statements of The Junction 42 Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# **The Junction 42 Foundation**

**Year Ended 31st March 2023**

## **Independent Auditor's Report to the Members of The Junction 42 Foundation**

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Independent Auditor's Report to the Members of The Junction 42 Foundation

### Auditor's responsibilities for the audit of the financial statements (*continued*)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include Safeguarding, financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

### Use of our report

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



**John Oswald BA FCA**  
**Senior Statutory Auditor**

For and on behalf of  
**Stephenson Coates Audit Limited**  
**Chartered accountants**  
West 2, Asama Court  
Newcastle Business Park  
Newcastle upon Tyne, NE4 7YD

Date: 19/12/2023

# The Junction 42 Foundation

Year Ended 31st March 2023

## Statement of Financial Activities

		Unrestricted Funds	2023 Restricted Funds	Total Funds	2022 Total Funds
	Note	£	£	£	£
<b>Income</b>					
Donations and legacies		230,462	165,025	<b>395,487</b>	432,314
Charitable activities		282,008	-	<b>282,008</b>	529,283
Other trading activities		6,885	-	<b>6,885</b>	150
Other income		1,067	535	<b>1,602</b>	1,316
<b>Total Income</b>	<b>2</b>	<u>520,422</u>	<u>165,560</u>	<u><b>685,982</b></u>	<u>963,063</u>
<b>Expenditure</b>					
Raising funds	<b>3</b>	430	-	<b>430</b>	783
Charitable activities	<b>4, 5</b>	<u>766,185</u>	<u>107,737</u>	<u><b>873,922</b></u>	<u>912,004</u>
<b>Total Expenditure</b>		<u>766,615</u>	<u>107,737</u>	<u><b>874,352</b></u>	<u>912,787</u>
<b>Net Income / (Expenditure)</b>		<u>(246,193)</u>	<u>57,823</u>	<u><b>(188,370)</b></u>	<u>50,276</u>
<b>Net Income and Net Movement In Funds</b>					
Total funds brought forward	<b>13</b>	583,207	22,752	<b>605,959</b>	555,683
Transfers	<b>13</b>	-	-	-	-
<b>Total Funds Carried Forward</b>	<b>13</b>	<u>337,014</u>	<u>80,575</u>	<u><b>417,589</b></u>	<u><b>605,959</b></u>

All income and expenditure derive from continuing activities.

The statement is a combined Statement of Financial Activities and Income and Expenditure Account for the purposes of meeting both Companies Act and Charity SORP reporting requirements.

The notes on pages 16 to 30 form part of the financial statements.



# The Junction 42 Foundation

Year Ended 31st March 2023

## Statement of Financial Position

	Note	2023 £	2022 £
<b>Fixed Assets</b>			
Tangible fixed assets	9	8,949	13,300
Investments	10	1	1
		<u>8,950</u>	<u>13,301</u>
<b>Current Assets</b>			
Debtors	11	66,684	59,098
Cash at bank and in hand		388,302	561,122
		<u>454,986</u>	<u>620,220</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	12	<u>46,347</u>	<u>27,562</u>
<b>Net Current Assets</b>		<u>408,639</u>	<u>592,658</u>
<b>Total Assets less Current Liabilities</b>		<u>417,589</u>	<u>605,959</u>
<b>Net Assets</b>	14	<u><b>417,589</b></u>	<u><b>605,959</b></u>
<b>Funds of the Charity</b>			
Restricted funds	13	80,575	22,752
Unrestricted funds	13		
Unrestricted funds		334,181	446,024
Designated funds		2,833	137,183
		<u>337,014</u>	<u>583,207</u>
<b>Total Charity Funds</b>		<u><b>417,589</b></u>	<u><b>605,959</b></u>

These financial statements for The Junction 42 Foundation (Company number: 8139367) have been prepared in accordance with the provisions applicable to companies subject to the small entities regime of the Companies Act 2006.

The notes on pages 16 to 30 form part of the financial statements.

### Directors Responsibilities

These financial statements were approved by the board of trustees and authorised for issue :

Name of Trustee:

P Cassidy

Signed on behalf of the Trustees:



Date of Approval:

19/12/2023

# The Junction 42 Foundation

Year Ended 31st March 2023

## Statement of Cash Flows

	2023 £	2022 £
<b>Cash Flows from Operating Activities</b>		
Net cash provided by (used in) operating activities	(173,300)	161,290
	<u>(173,300)</u>	<u>161,290</u>
<b>Cash Flows from Investing Activities</b>		
Dividends and interest	480	11
Purchase of tangible fixed assets	-	-
Net cash provided by (used in) investing activities	<u>480</u>	<u>11</u>
Change in cash and cash equivalents in the reporting period	(172,820)	161,301
Cash and cash equivalents at the beginning of the reporting period	561,122	399,821
<b>Cash and Cash Equivalents at the end of the Reporting Period</b>	<u>388,302</u>	<u>561,122</u>

## Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2023 £	2022 £
Net movement in funds for the reporting period (as per the statement of financial activities)	(188,370)	50,276
Adjustments for:		
Depreciation charges	4,351	7,511
Dividends and interest from investments	(480)	(11)
(Increase) / decrease in debtors	(7,586)	110,227
Increase / (decrease) in creditors	18,785	(6,713)
Net cash provided by (used in) operating activities	<u>(173,300)</u>	<u>161,290</u>

## Analysis of Cash and Cash Equivalents

	2023 £	2022 £
Cash at bank	388,302	561,122
Total cash and cash equivalents	<u>388,302</u>	<u>561,122</u>

# **The Junction 42 Foundation**

**Year Ended 31st March 2023**

## **Notes to the Financial Statements**

### **1 Accounting Policies**

#### **1.1 Basis of Preparation**

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities.

The charitable company has taken the option under section 398 of the Companies Act 2006 and the Charities Act 2011 (Group Accounts) Regulations 2015 not to prepare consolidated financial statements.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

The Junction 42 Foundation meets the definition of a public benefit entity under FRS 102.

#### **1.2 Assessment of Going Concern**

The Directors of the charitable company are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern at least for a period of 12 months from the date of approval of these financial statements. Accordingly, the financial statements are prepared on a going concern basis.

#### **1.3 Fund Accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the term of specific appeal.

Further explanation of the nature and purpose of each fund is included in Note 13 of the financial statements.

# **The Junction 42 Foundation**

**Year Ended 31st March 2023**

## **Notes to the Financial Statements**

### **1.4 Incoming Resources**

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

- All voluntary income is recognised as donations and are included in full, with associated Gift Aid receivable in the Statement of Financial Activities.
- Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Income from fees for education, training and mentoring are accounted for when invoices are drawn up and the service has been provided (as the point of entitlement).
- Donated services and facilities are included at the value to the charity where this can be quantified.
- Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.
- Investment income is included in the accounts when receivable.

### **1.5 Resources Expended**

Charitable activities – The costs of charitable activities represent the cost of undertaking the charity's objectives and include direct costs incurred in delivering those services together with support costs. All expenditure is accounted for on an accruals basis. 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. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

Costs of raising funds include expenditure on promotion and advertising plus any fundraising trading costs.

### **1.6 Governance Costs**

Include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

### **1.7 Liabilities Recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 1.8 Tangible Fixed Assets

All assets costing more than £1,000 are capitalised and at historic cost. Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on fixed assets which is written off on a straight-line basis over time and estimated useful life of the asset.

Fixtures, fittings and furniture	20% Straight line
Motor vehicles	25% Reducing balance

Fixtures, fittings and vehicles are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

### 1.9 Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

### 1.10 Operating Leases

Rental charges payable under operating leases are charged on a straight line basis over the terms of the lease.

### 1.11 Taxation

The charity is exempt from taxation in respect of income or capital gains received to the extent that such income or gains are applied exclusively for charitable purposes. The charity is not exempt from Value Added Tax.

### 1.12 Volunteer Assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

### 1.13 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

There are no critical judgements, significant assumptions concerning the future and key sources of estimation of uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 2 Analysis of Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
<b>Donations and Legacies</b>			
Donations and grants	165,689	165,025	<b>330,714</b>
Donations in respect of salaries	56,905	-	<b>56,905</b>
Gift aid tax reclaims	7,868	-	<b>7,868</b>
	<u>230,462</u>	<u>165,025</u>	<u><b>395,487</b></u>
<b>Charitable Activities</b>			
Prison education services	202,153	-	<b>202,153</b>
Employability education	-	-	<b>-</b>
Incell learning production hub	79,855	-	<b>79,855</b>
	<u>282,008</u>	<u>-</u>	<u><b>282,008</b></u>
<b>Other Trading Activities</b>			
Fundraising events and sales	6,885	-	<b>6,885</b>
	<u>6,885</u>	<u>-</u>	<u><b>6,885</b></u>
<b>Other Income</b>			
Coronavirus job retention scheme	-	-	<b>-</b>
Reimbursed expenses	587	535	<b>1,122</b>
Bank interest	480	-	<b>480</b>
	<u>1,067</u>	<u>535</u>	<u><b>1,602</b></u>
<b>Total Income</b>	<u><b>520,422</b></u>	<u><b>165,560</b></u>	<u><b>685,982</b></u>

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 2 Analysis of Income (Continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations and Legacies</b>			
Donations and grants	285,895	76,827	<b>362,722</b>
Donations in respect of salaries	-	59,682	<b>59,682</b>
Gift aid tax reclaims	9,910	-	<b>9,910</b>
	<u>295,805</u>	<u>136,509</u>	<u><b>432,314</b></u>
<b>Charitable Activities</b>			
Prison education services	94,072	-	<b>94,072</b>
Employability education	361,720	-	<b>361,720</b>
Incell learning production hub	73,491	-	<b>73,491</b>
	<u>529,283</u>	<u>-</u>	<u><b>529,283</b></u>
<b>Other Trading Activities</b>			
Fundraising events and sales	-	150	<b>150</b>
	<u>-</u>	<u>150</u>	<u><b>150</b></u>
<b>Other Income</b>			
Coronavirus job retention scheme	570	-	<b>570</b>
Reimbursed expenses	735	-	<b>735</b>
Bank interest	11	-	<b>11</b>
	<u>1,316</u>	<u>-</u>	<u><b>1,316</b></u>
<b>Total Income</b>	<u><b>826,404</b></u>	<u><b>136,659</b></u>	<u><b>963,063</b></u>

During the financial year 31 March 2022, a non-recurring, material unrestricted donation of £140,000 was received to further the work of the charity.

During the 2022 financial year £570 (2021: £41,792) of government grants was received from the Covid-19 job retention scheme.



# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 3 Cost of Fundraising

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Expenditure on raising funds	430	-	430
	<u>430</u>	<u>-</u>	<u>430</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Expenditure on raising funds	783	-	783
	<u>783</u>	<u>-</u>	<u>783</u>

### 4 Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Prison education services	154,708	16,488	171,196
Employability education	169,566	22,291	191,857
Faith in the community	16,131	9,076	25,207
Creative education and engagement	-	-	-
Incell learning production hub	187,219	49,690	236,908
	<u>527,624</u>	<u>97,544</u>	<u>625,168</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Prison education services	112,771	13,100	125,871
Employability education	114,801	112,533	227,334
Faith in the community	10,381	10,000	20,381
Creative education and engagement	295	3,349	3,644
Incell learning production hub	219,546	11,353	230,898
	<u>457,794</u>	<u>150,334</u>	<u>608,128</u>

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 5 Expenditure on Charitable Activities Support Costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations and contractual giving	14,452	-	14,452
Admin management staff costs	141,021	9,755	150,776
Office rent and rates	10,875	-	10,875
Insurance	7,751	-	7,751
Staff travel costs and subsistence	5,646	38	5,684
Office costs - telephone, printing, computers	16,037	23	16,060
Premises expenses and canteen	-	-	-
Motor and travel costs	1,749	-	1,749
Depreciation	4,351	-	4,351
Merchant services and bank charges	-	-	-
Staff training	6,417	-	6,417
Consultancy – media and publicity	11,276	-	11,276
Subscriptions and volunteer costs	1,534	377	1,911
Accountancy charges	9,357	-	9,357
Audit fees	2,700	-	2,700
Cleaning and Covid PPE	991	-	991
Other costs – legal and consultancy	4,404	-	4,404
	<u>238,561</u>	<u>10,193</u>	<u>248,754</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations and contractual giving	8,300	-	8,300
Admin management staff costs	176,872	16,967	193,839
Office rent and rates	16,925	-	16,925
Insurance	7,846	-	7,846
Staff travel costs and subsistence	4,727	-	4,727
Office costs - telephone, printing, computers	23,010	315	23,325
Premises expenses and canteen	102	-	102
Motor and travel costs	1,572	-	1,572
Depreciation	7,511	-	7,511
Merchant services and bank charges	-	-	-
Staff training	7,819	-	7,819
Consultancy – media and publicity	4,167	-	4,167
Subscriptions and volunteer costs	315	-	315
Accountancy charges	9,100	-	9,100
Audit fees	1,800	-	1,800
Cleaning and Covid PPE	2,258	-	2,258
Other costs – legal and consultancy	3,014	11,256	14,270
	<u>275,338</u>	<u>28,538</u>	<u>303,876</u>

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 6 Statutory Auditor Fees

Fees payable to the statutory auditor for:

	2023	2022
	£	£
Statutory audit fee	2,700	2,160

### 7 Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	542,851	526,007
Social security costs	35,569	31,247
Employer contributions to pension plans	17,608	16,029
	<u>596,028</u>	<u>573,284</u>

The average head count of employees during the year was as follows:

	2023	2022
Average headcount		
Direct charitable activities	24	25
Management and administration	7	8
	<u>31</u>	<u>33</u>

The number of employees who received employee benefits of more than £60,000 during the year was as follows:

	2023	2022
More than £60,000	-	-

### Key Management Personnel

The trustees, CEO, head of operations and head of projects are considered to be key management personnel for the purposes of FRS102. The remuneration of the key management personnel for the year including employers' national insurance and employers' pension contributions was £127,483 (2022: £111,984). The increase in remuneration is due in part to an increase in working hours for the head of operations.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 8 Trustee Remuneration, Expenses and Donations

The trustees received no remuneration in the year (2022: £Nil).

During the year the total aggregated donations made to the charity by the trustees was £4,500 (2022: £1,860).

### 9 Tangible Fixed Assets

	Fixtures and Fittings	Motor Vehicles	<b>Total</b>
		£	£
Cost as at 1st April 2022	32,842	16,994	49,836
Additions	-	-	-
Cost as at 31st March 2023	<b>32,842</b>	<b>16,994</b>	<b>49,836</b>
Depreciation as at 1st April 2022	22,369	14,167	36,536
Depreciation charge	3,644	707	4,351
Depreciation as at 31st March 2023	<b>26,013</b>	<b>14,874</b>	<b>40,887</b>
Net book value as at 31st March 2023	<b>6,829</b>	<b>2,120</b>	<b>8,949</b>
Net book value as at 31st March 2022	10,473	2,827	13,300

All fixed assets are used for purposes of the charitable company.

### 10 Investments

	<b>Unlisted investments</b>
	£
Cost	
31 March 2023 and 31 March 2022	1
	1

Unlisted investments represents an investment of 100% of the issued share capital of Junction 42 Social Enterprises Limited, an unlisted dormant company registered in England.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 11 Debtors

	2023	2022
	£	£
Trade debtors	64,898	57,324
Prepayments	1,786	1,774
	<u>66,684</u>	<u>59,098</u>

### 12 Creditors: Amounts Falling Due Within One Year

	2023	2022
	£	£
Trade creditors	14,602	-
Amounts due to subsidiary undertaking	1	1
Accruals and deferred income	22,326	15,121
Other taxes and social security	9,418	12,440
	<u>46,347</u>	<u>27,562</u>

### 13 Deferred Income

	2023	2022
	£	£
Balance at the beginning of the reporting period	-	-
Amount released to income	-	-
Amount deferred in year	10,000	-
Balance at the end of the reporting period	<u>10,000</u>	<u>-</u>

At the close of the year end a grant was received for £10,000 that did not meet the Charities SORP income recognition criteria and has been deferred to be recognised in the year ending 31/03/2024.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 13 Analysis of Charitable Funds

	1 Apr 2022 £	Income £	Expenditure £	Transfers £	31 Mar 2023 £
<b>Unrestricted Funds</b>					
<b>Unrestricted</b>					
General funds	446,024	520,422	(752,260)	119,995	334,181
	<b>446,024</b>	<b>520,422</b>	<b>(752,260)</b>	<b>119,995</b>	<b>334,181</b>
<b>Designated</b>					
Building fund	43,938	-	-	(43,938)	-
Giving fund	14,245	-	(14,232)	2,820	2,833
Operations fund	29,000	-	-	(29,000)	-
Scotland fund	50,000	-	(123)	(49,877)	-
	<b>137,183</b>	<b>-</b>	<b>(14,355)</b>	<b>(119,995)</b>	<b>2,833</b>
<b>Total Unrestricted</b>	<b>583,207</b>	<b>520,422</b>	<b>(766,615)</b>	<b>-</b>	<b>337,014</b>
<b>Restricted Funds</b>					
Acts 435	-	2,560	(2,471)	-	89
Agnes Hunter Trusts	-	10,000	(2,500)	-	7,500
Childs Charitable Trust	-	5,000	(2,083)	-	2,917
Community Foundation	-	4,000	(1,000)	-	3,000
Fiftyfour Two	11,250	15,000	(11,250)	-	15,000
JustSow	833	10,000	(9,076)	-	1,757
Methodist Church	7,500	15,000	(15,000)	-	7,500
National Lottery Awards for All	-	-	-	-	-
Nepacs	1,552	-	(638)	-	914
Rank Foundation	-	20,000	(5,378)	-	14,622
Seedfield Trust	-	4,000	-	-	4,000
Sir James Knott Trust	-	10,000	(5,000)	-	5,000
Sport England	1,617	-	(840)	-	777
The Anchor Foundation	-	5,000	(5,000)	-	-
The Benefact Trust	-	30,000	(12,501)	-	17,499
The Deo Gloria Trust	-	5,000	(5,000)	-	-
Vardy Foundation	-	30,000	(30,000)	-	-
<b>Total Restricted</b>	<b>22,752</b>	<b>165,560</b>	<b>(107,737)</b>	<b>-</b>	<b>80,575</b>
<b>Total Funds</b>	<b>605,959</b>	<b>685,982</b>	<b>(874,352)</b>	<b>-</b>	<b>417,589</b>

#### Fund Transfers

During the year the trustees undesignated the three designated funds set up in the prior year and transferred the balances back to the general fund.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### Prior Year Analysis of Charitable Funds

	1 Apr 2021 £	Income £	Expenditure £	Transfers £	31 Mar 2022 £
<b>Unrestricted Funds</b>					
<b>Unrestricted</b>					
General funds	446,780	826,404	(728,915)	(98,245)	<b>446,024</b>
	<b>446,780</b>	<b>826,404</b>	<b>(728,915)</b>	<b>(98,245)</b>	<b>446,024</b>
<b>Designated</b>					
Building fund	43,938	-	-	-	<b>43,938</b>
Giving fund	-	-	(5,000)	19,245	<b>14,245</b>
Operations fund	-	-	-	29,000	<b>29,000</b>
Scotland fund	-	-	-	50,000	<b>50,000</b>
	<b>43,938</b>	<b>-</b>	<b>(5,000)</b>	<b>98,245</b>	<b>137,183</b>
<b>Total Unrestricted</b>	<b>490,718</b>	<b>826,404</b>	<b>(733,915)</b>	<b>-</b>	<b>583,207</b>
<b>Restricted Funds</b>					
Acts 435	-	12,019	(12,019)	-	-
Commissioner – VRU monies	24,703	-	(24,703)	-	-
Fiftyfour Two Foundation	-	15,000	(3,750)	-	<b>11,250</b>
JustSow	-	10,000	(9,167)	-	<b>833</b>
Methodist Church	5,000	15,000	(12,500)	-	<b>7,500</b>
Nepacs	-	1,125	427	-	<b>1,552</b>
Salary Support fund	5,442	59,682	(65,124)	-	-
Seedfield Trust	-	3,000	(3,000)	-	-
Sodexo grant	7,000	7,000	(14,000)	-	-
Sport England	7,820	-	(6,203)	-	<b>1,617</b>
The Triangle Trust	-	13,833	(13,833)	-	-
Volunteering Matters	15,000	-	(15,000)	-	-
<b>Total Restricted</b>	<b>64,965</b>	<b>136,659</b>	<b>(178,872)</b>	<b>-</b>	<b>22,752</b>
<b>Total Funds</b>	<b>555,683</b>	<b>963,063</b>	<b>(912,787)</b>	<b>-</b>	<b>605,959</b>

### Fund Transfers

During the year three new designated funds were established by the trustees designating £98,245 from the general funds.



# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### Fund Descriptions

#### Designated Funds

Building fund	Money designated for the future purchase of a building.
Giving fund	Money designated to give away as per our policy of giving away a percentage of our contractual income and unexpected gifts.
Operations fund	The trustees decided to designate some of the money received from Vertu Motors to invest in our operations function in the next year.
Scotland fund	The trustees decided to designate some reserves towards developing our work in Scotland.

#### Restricted Funds

Acts 435	Acts 435 provide micro-grants for us to purchase items for our clients who are in financial hardship.
Agnes Hunter Trusts	This grant is for the coffee employability project run in Edinburgh.
Childs Charitable Trust	The grant is for the National Stories of Hope resource packs and media sent into prisons.
Community Foundation	Distributed by the Community Foundation programme on behalf of Newcastle Building Society and Pattinsons Estate Agency to support the employability work in Newcastle.
Fiftyfour Two Foundation – Employability	The Fiftyfour Two Foundation grant was received to support of Stories of Hope National Prison Initiative.
JustSow	To support the growth of the Connect Network.
Methodist Church	The Methodist Church grant funded our employability support in Newcastle upon Tyne.
Nepacs	Nepacs provide micro-grants for us to purchase items for our clients who are in financial hardship.
Rank Foundation	To produce Stories of Hope media and podcasts.
Salary Support fund	The Salary Support Fund is for funding received from various sources towards the salary costs of our staff.
Vardy Foundation	The Vardy foundation grant is for the national stories of Hope resource packs and media sent into prisons. They have committed to giving for 3 years.
The Deo Gloria Trust	The grant was awarded to support the postage costs of the national stories of Hope resource packs.
The Benefact Trust	The Benefact grant is for the national stories of Hope resource packs and media sent into prisons. They have committed to giving
Sir James Knott Trust	This is a grant to support the core costs and operational development. It is awarded annual for 2 years.
The Anchor Foundation	The grant is for the national stories of Hope resource packs and media sent into prisons.
National Lottery Awards for All	To support the networking and partnership working in Edinburgh.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 14 Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fixed assets	8,950	-	<b>8,950</b>
Current assets	374,411	80,575	<b>454,986</b>
Creditors less than 1 year	(46,347)	-	<b>(46,347)</b>
	<u>337,014</u>	<u>80,575</u>	<u><b>417,589</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fixed assets	13,301	-	13,301
Current assets	597,468	22,752	620,220
Creditors less than 1 year	(27,562)	-	(27,562)
	<u>583,207</u>	<u>22,752</u>	<u>605,959</u>

### 15 Related Party Transactions

During the year, the charitable company received total donations of £42,000 (2022: £12,000) from The Vardy Foundation (England and Wales charity no. 328415; Scotland SC051152). The Vardy Foundation is a related party of trustee Richard Vardy who resigned in July 2023.

There are no other related party transactions to disclose.

# The Junction 42 Foundation

Year Ended 31st March 2023

## Notes to the Financial Statements

### 16 Prior Year Statement of Financial Activities

	Unrestricted Funds £	2022 Restricted Funds £	Total Funds £
<b>Income</b>			
Donations and legacies	295,805	136,509	<b>432,314</b>
Charitable activities	529,283	-	<b>529,283</b>
Other trading activities	-	150	<b>150</b>
Other income	1,316	-	<b>1,316</b>
<b>Total Income</b>	<b>826,404</b>	<b>136,659</b>	<b>963,063</b>
<b>Expenditure</b>			
Raising funds	783	-	<b>783</b>
Charitable activities	733,132	178,872	<b>912,004</b>
<b>Total Expenditure</b>	<b>733,915</b>	<b>178,872</b>	<b>912,787</b>
<b>Net Income / (Expenditure)</b>	<b>92,489</b>	<b>(42,213)</b>	<b>50,276</b>