

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 2025

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The Junction 42 Foundation

Year Ended 31st March 2025

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The Junction 42 Foundation

Year Ended 31st March 2025

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).

Registered Charity Numbers	1149813 SCO47781	England and Wales Scotland
Registered Company Number	8139367	
Registered Office	Brunswick Methodist Church Brunswick Place Newcastle upon Tyne NE1 7BJ	
Website	www.junction42.org	
Trustees	Bishop Francis White Dr Paul Cassidy Mrs Alison Edwards Mr Mark Simpson Mrs Elizabeth Miller Mr Ryan Longmuir Mr Stuart Mains Mrs Jennifer Chan	<i>Resigned January 2025</i> <i>Resigned May 2024</i> <i>Appointed April 2025</i>
Chief Executive Officer	Joanne O'Connor	
Primary Bankers	HSBC Bank plc Bamburgh House Forum Way Cramlington NE23 6QE	
Independent Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne NE2 1TJ	

The Junction 42 Foundation

Year Ended 31st March 2025

Trustees' Annual Report (Incorporating the Directors' Report)

The trustees present their report and the financial statements for the year ended 31 March 2025. 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 strategic aims for the Chief Executive Officer (CEO). 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

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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 13th 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 continued to deliver specialist creative engagement services in HMP Northumberland and HMP Low Newton. These services include using creativity and lived experience inspiration to encourage engagement with regime on induction and community support on release. This work includes engaging with the prisoners not in work or education using an in-cell creative curriculum and resources designed by Junction 42 to increase engagement in regime.

Junction 42 have rolled these in cell resources out in 4 other prisons, where it doesn't have directly employed staff. Prison staff are given mobilisation training and the in-cell resources needed.

Koestler Awards 2024

Men and women on our Creative arts courses in HMP Northumberland and HMP Low Newton won 37 awards at the 2024 Koestler Awards for Arts in Criminal Justice. We were delighted to see their talents acknowledged and for them to receive such positive feedback with 2 platinum awards for Low Newton.

The Koestler Arts North East exhibition showcased work facilitated by Junction 42.

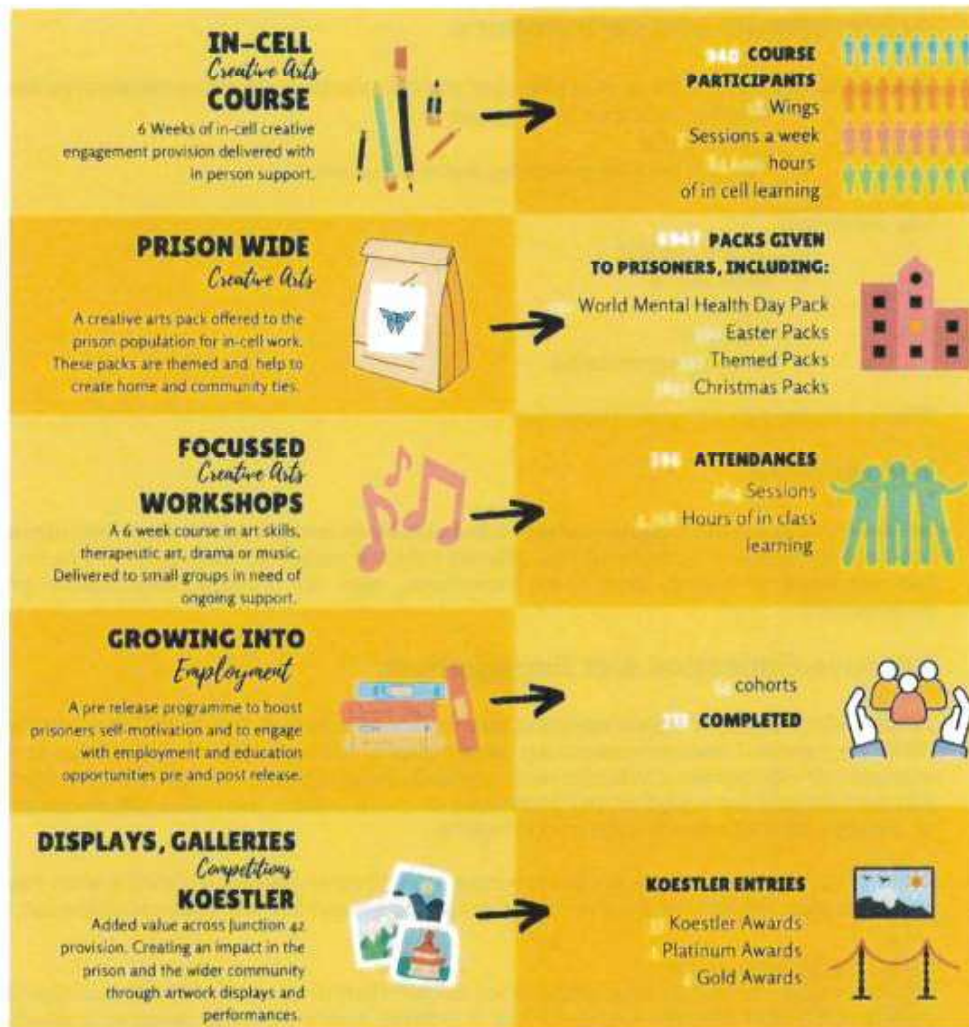
"Attending the private view of Almost Home, the Koestler Arts exhibition at Baltic, was a profoundly moving experience. Surrounded by the creative expressions of those in secure settings—poetry, illustration, sculpture—I found myself immersed in a world where art becomes both an act of defiance and an offering of hope. As I left, I carried with me not only admiration for the artists but also a renewed belief in the role of art as a force for change and human connection." **Exhibition Attendee**

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I've learnt new skills and techniques like watercolours and using a grid system to enlarge images. I enjoyed doing the pen and ink drawings of the Angel for the Energy Board I have been asked to do which I was able to continue working on in my cell. My mental health and confidence have improved massively since doing art along with my technical skills." **Prisoner**



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Faith

National resources

Stories of Hope packs -

Our Stories of Hope packs provide chaplains with highly engaging resources which utilise tactile, kinaesthetic, and visual learning to support prisoners explore faith in their prison cell. This year, we worked with chaplaincy teams in 131 prisons (92% of all prisons in the UK) to distribute a pack to 23% of the prison population each quarter. In 2024-25, Junction 42 created, packed and distributed over 90000 Stories of Hope.

"I am hugely grateful to the work of Junction 42 and the packs they provide to prisoners throughout England and Wales. Wherever I travel I hear how grateful both prisoners and chaplains are for the packs and all that they contain. As a chaplain it is tremendously helpful to have things to hand to give to prisoners. When you're going to see a prisoner who is struggling or isolated, to take a pack with you can make a huge difference. Often the prisoners we visited spend a lot of time on their own. These items – things to do, things to read, things which assure them that somebody cares can be a rare source of light in the darkness of imprisonment." **James Ridge, National Prison Chaplaincy HQ**

"While in prison in May this year, I was in a desperate place and wrote a suicide note. I noticed a J42 pack in my cell and read the testimony. I got on my knees and cried out to God for forgiveness.... I went on Alpha and started going to chapel in the prison. My life has changed 100%. I'm currently living in a bail hostel and am volunteering for a Christian organisation that works with homeless people. I love Jesus and want to do His work." **Prisoner**

We are grateful to those who have partnered with us 2024-2025 on this programme. Partners included UCB, Prison Fellowship England, Prison Chaplaincy HQ, Word for Word Bible Comic, Prisons Week, Prisoners Week Scotland, Hope, Josh Abrahams, Philo Trust, Revelation Daze and The4Points.

Training/ Connect Network

Junction 42 oversees the Connect Network. The Connect Network trains and supports the local church to provide a space where those from the margins can flourish in their faith. Connect communities continuing this year were in Newcastle, Stockton, Edinburgh, Middlesborough, Gateshead and Carlisle with Workington due to start in May 25.

"Over the past few weeks, we've seen remarkable progress with employment—approximately five people have secured jobs and are actively working. What's particularly encouraging is that two of these individuals had been unemployed long-term. Recently, they've been expressing genuine desire to find work and contribute, and witnessing their transformation has been incredible. Beyond the spiritual renewal in their lives, we're seeing tangible changes—shifts in their physical circumstances and, perhaps most significantly, in their mindset. They're beginning to believe they're capable of more. It's been genuinely encouraging to watch these lives transform". **Lisa, Connect Leader**

We partnered with The Message Trust to run the Rebuild Conference for all our faith communities to come together with over 190 attending.

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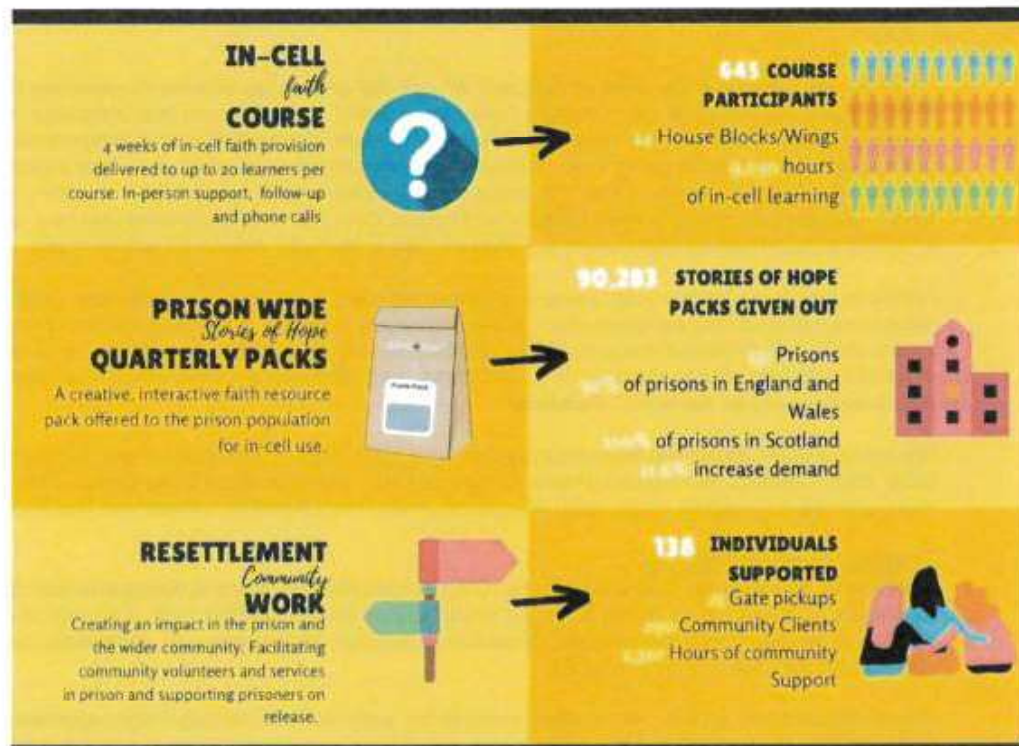
Year Ended 31st March 2025

Trustees' Annual Report (Incorporating the Directors' Report)

In-person faith delivery

Faith support

Our support continued in delivering alongside the prison chaplaincy teams in HMP Northumberland, HMP Holme House, HMP Low Newton and HMP Edinburgh. Delivering whole prison initiatives and weekly group work, supporting prisoners to grow in their faith and connecting them in with a local church/ connect communities upon release. We launched our Connect Sunday Services bringing members of our Connect Communities to deliver Sunday Services in HMP Northumberland.



Seasonal Responses

With the Christmas period being a time of reduced regimes and isolation we provided 5,897 Christmas themed packs to all prisoners in the Northeast of England and HMP Edinburgh and HMP Shotts.

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Trustees' Annual Report (Incorporating the Directors' Report)

Through the gate and Employability



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

This year we participated in a partnership project with the Recruitment junction. In the community, we supported 138 individuals with a criminal conviction, in their journey into employment, training and purposeful activity.

We also launched a peer mentoring programme, providing the opportunity for previous clients to work alongside outreach workers, providing valuable lived experience. As part of the programme we partnered with

Ingeus, who delivered the training. Over 60% of the peer mentors moved into employment, after completion of the training.

In total we helped a total of 38 individuals get a photo ID, 70 individuals get birth certificates, 20 individuals to open a bank , 20 individuals access debt support and delivered 170 Christmas Gifts.



S worked with Junction 42 in prison, and we supported him through the gate. On the day of release we provided immediate support with food and hygiene supplies and access to a SIM card. One of our partners the Oswin Project, gave him 3 days a week's work and we helped him get his ID documents and stabilise his accommodation when he was at risk of being made homeless. (Newcastle Workout Client)

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Financial review

The charity's total income for the financial year was £920,685 (2024 - £711,256), and the total expenditure was £754,430 (2024 - £698,698), giving a surplus of £166,255 (2024 - £12,558) and retained funds carried forward of £596,402 (2024 - £430,147).

The funds of the charity are £44,080 in restricted funds and £552,322 in unrestricted funds carried forward. Unrestricted funds include £16,591 of fixed assets and £40,217 of designated funds, leaving £495,514 as free reserves. 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 free reserves which is equivalent to no less than 32-weeks operating costs. It has become common practice across the sector for contracts to be short term and with uncertainty and gaps between renewals, for Junction 42 this has meant periods of unfunded provision. This reserves policy was put in place to mitigate this risk to our financial stability.

The charity's projected total expenditure for the year ending 31 March 2026 is **£835,807**. In line with our reserves policy, we assess our free reserves against a target range of **12 to 32 weeks** of operating costs.

Based on this expenditure level:

- 32 weeks of operating costs equates to **£514,343**
- 12 weeks equates to **£192,879**

As of 31 March 2025, unrestricted free reserves were **£495,514**, calculated as total unrestricted funds less fixed assets and designated funds. This represents approximately **31 weeks** of operating expenditure.

The current level is very close to what the trustees consider a healthy and appropriate reserve level and provides helpful flexibility to support future sustainability, project development, and financial resilience.

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:

- Develop a 3 year model for Stories of Hope with associated media
- Support and train local churches to launch Connect Communities in Leith and Darlington
- Development of digital assets for Chaplains and use in HMPPS and SPS.
- Long overview laptop refresh over 12 months and improvements to IT infrastructure in Head Office
- Creating additional space for client facing services

In 2024-2025, we successfully secured both grants and contracted services in prisons and the community. However, contracted services remain volatile due to gaps and short contracted periods. The multi-year grants have helped stabilize the organisation and somewhat reduce these impacts. By diversifying our income across grants and contracts, we've been able to lessen the volatility.

While continuing to operate in a volatile sector, we recognize the challenges posed by short-term contracts, gaps, and the specialised nature of the work, which requires staff with specific clearance and

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expertise. We acknowledge the flexible nature of our work and in 25-26, we continue to diversify our funding model and grow individual and partner donations.

Alongside this, we are investing in infrastructure to support growth and resilience—this includes a phased refresh of staff IT equipment over a 12-month period and improvements to the head office IT systems. We are also working to create additional space for client-facing services, allowing us to better meet the needs of the individuals we support.

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

and is signed on its behalf by:

Paul Cassidy

Trustee



The Junction 42 Foundation

Year Ended 31st March 2025

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 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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Year Ended 31st March 2025

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 our audit:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-

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

compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Cunningham MSc BSc FCCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited, Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ
England

Date: 18-12-2025

The Junction 42 Foundation

Year Ended 31st March 2025

Statement of Financial Activities

		Unrestricted Funds	2025 Restricted Funds	Total Funds	2024 Total Funds
	Note	£	£	£	£
Income					
Donations and legacies		169,640	371,749	541,389	517,775
Charitable activities		373,801	-	373,801	186,835
Other trading activities		-	-	-	-
Other income		5,495	-	5,495	6,646
Total Income	2	<u>548,936</u>	<u>371,749</u>	<u>920,685</u>	<u>711,256</u>
Expenditure					
Raising funds	3	1,424	-	1,424	3,630
Charitable activities	4, 5	359,145	393,861	753,006	695,068
Total Expenditure		<u>360,569</u>	<u>393,861</u>	<u>754,430</u>	<u>698,698</u>
Net Income / (Expenditure)		<u>188,367</u>	<u>(22,112)</u>	<u>166,255</u>	<u>12,558</u>
Net Income and Net Movement in Funds					
Total funds brought forward	15	363,955	66,192	430,147	417,589
Transfers	15	-	-	-	-
Total Funds Carried Forward	15	<u>552,322</u>	<u>44,080</u>	<u>596,402</u>	<u>430,147</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 32 form part of the financial statements.

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Year Ended 31st March 2025

Statement of Financial Position

	Note	2025 £	2024 £
Fixed Assets			
Tangible fixed assets	10	16,590	5,841
Investments	11	1	1
		<u>16,591</u>	<u>5,842</u>
Current Assets			
Stock		5,723	20,000
Debtors	12	83,712	52,258
Cash at bank and in hand		527,371	392,630
		<u>616,806</u>	<u>464,888</u>
Creditors: Amounts Falling Due Within One Year	13	<u>36,995</u>	<u>40,583</u>
Net Current Assets		<u>579,811</u>	<u>424,305</u>
Total Assets less Current Liabilities		<u>596,402</u>	<u>430,147</u>
Net Assets	16	<u>596,402</u>	<u>430,147</u>
Funds of the Charity			
Restricted funds	15	44,080	66,192
Unrestricted funds	15		
Unrestricted funds		512,105	361,079
Designated funds		40,217	2,876
		<u>552,322</u>	<u>363,955</u>
Total Charity Funds		<u>596,402</u>	<u>430,147</u>

These financial statements for The Junction 42 Foundation (**England and Wales 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 32 form part of the financial statements.

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

Name of Trustee:

Paul Cassidy

Signed on behalf of the Trustees:

[Signature]

Date of Approval:

17-12-2025

The Junction 42 Foundation

Year Ended 31st March 2025

Statement of Cash Flows

	2025 £	2024 £
Cash Flows from Operating Activities		
Net cash provided by (used in) operating activities	152,493	3,649
	<u>152,493</u>	<u>3,649</u>
Cash Flows from Investing Activities		
Dividends and interest	2,247	2,012
Purchase of tangible fixed assets	(19,999)	(1,333)
Net cash provided by (used in) investing activities	<u>(17,752)</u>	<u>679</u>
Change in cash and cash equivalents in the reporting period	134,741	4,328
Cash and cash equivalents at the beginning of the reporting period	<u>392,630</u>	<u>388,302</u>
Cash and Cash Equivalents at the end of the Reporting Period	<u>527,371</u>	<u>392,630</u>

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

	2025 £	2024 £
Net movement in funds for the reporting period (as per the statement of financial activities)	166,255	12,558
Adjustments for:		
Depreciation charges	9,249	4,441
Dividends and interest from investments	(2,247)	(2,012)
(Increase) / decrease in stock	14,277	(20,000)
(Increase) / decrease in debtors	(31,453)	14,426
Increase / (decrease) in creditors	(3,588)	(5,764)
Net cash provided by (used in) operating activities	<u>152,493</u>	<u>3,649</u>

Analysis of Cash and Cash Equivalents

	2025 £	2024 £
Cash at bank	527,371	392,630
Total cash and cash equivalents	<u>527,371</u>	<u>392,630</u>

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Year Ended 31st March 2025

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 15 of the financial statements.

The Junction 42 Foundation

Year Ended 31st March 2025

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.

1.8 Stocks

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

1.9 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 and fittings	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.

1.10 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.

1.11 Operating Leases

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

1.12 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.

1.13 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.

1.14 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 2025

Notes to the Financial Statements

2 Analysis of Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Donations and Legacies			
Donations and grants	147,190	325,753	472,943
Donations in respect of salaries	-	45,996	45,996
Gift aid tax reclaims	22,450	-	22,450
	169,640	371,749	541,389
Charitable Activities			
Prison and community outreach services	299,627	-	299,627
In-cell creative education	74,174	-	74,174
In-cell Stories of Hope	-	-	-
	373,801	-	373,801
Other Trading Activities			
Fundraising events and sales	-	-	-
	-	-	-
Other Income			
Reimbursed expenses	3,248	-	3,248
Bank interest	2,247	-	2,247
	5,495	-	5,495
Total Income	548,936	371,749	920,685

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

2 Analysis of Income (Continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations and Legacies			
Donations and grants	181,772	271,770	453,542
Donations in respect of salaries	46,081	-	46,081
Gift aid tax reclaims	18,152	-	18,152
	<u>246,005</u>	<u>271,770</u>	<u>517,775</u>
Charitable Activities			
Prison and community outreach services	166,530	-	166,530
In-cell creative education	-	-	-
In-cell Stories of Hope	20,305	-	20,305
	<u>186,835</u>	<u>-</u>	<u>186,835</u>
Other Trading Activities			
Fundraising events and sales	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Other Income			
Reimbursed expenses	4,099	535	4,634
Bank interest	2,012	-	2,012
	<u>6,111</u>	<u>535</u>	<u>6,646</u>
Total Income	<u>438,951</u>	<u>272,305</u>	<u>711,256</u>

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

3 Cost of Fundraising

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Expenditure on raising funds:	1,424	-	1,424
	<u>1,424</u>	<u>-</u>	<u>1,424</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Expenditure on raising funds:	3,630	-	3,630
	<u>3,630</u>	<u>-</u>	<u>3,630</u>

4 Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Prison and community outreach services	189,951	180,411	370,362
In-cell Stories of Hope	18,780	116,981	135,761
	<u>210,964</u>	<u>325,314</u>	<u>536,278</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Prison and community outreach services	159,018	138,700	297,718
In-cell Stories of Hope	75,340	106,182	181,522
	<u>234,358</u>	<u>244,882</u>	<u>479,240</u>

Charitable activities are analysed by internal department, with each department aligned to a specific area of the charity's work. Staff costs and direct costs are allocated based on the actual time spent and services delivered by each team.

Support and overhead costs are apportioned proportionally across departments, using time allocation and usage to reflect the resources required to deliver each activity.

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

5 Expenditure on Charitable Activities Support Costs

	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£
Donations and contractual giving	600	-	600
Admin management staff costs	74,516	62,662	137,178
Office rent and rates	6,148	5,885	12,033
Insurance	9,678	-	9,678
Staff travel costs and subsistence	2,998	-	2,998
Office costs - telephone, printing, computers	14,994	-	14,994
Motor and travel costs	2,474	-	2,474
Depreciation	9,249	-	9,249
Staff training	9,609	-	9,609
Consultancy – media and publicity	467	-	467
Subscriptions and volunteer costs	208	-	208
Accountancy charges	5,064	-	5,064
Audit fees	8,000	-	8,000
Cleaning and Covid PPE	635	-	635
Other costs – legal and consultancy	3,541	-	3,541
	<u>148,181</u>	<u>68,547</u>	<u>216,728</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Donations and contractual giving	320	-	320
Admin management staff costs	94,991	40,861	135,852
Office rent and rates	10,147	1,307	11,454
Insurance	8,977	-	8,977
Staff travel costs and subsistence	5,237	-	5,237
Office costs - telephone, printing, computers	13,624	-	13,624
Motor and travel costs	2,533	-	2,533
Depreciation	4,441	-	4,441
Staff training	12,680	-	12,680
Consultancy – media and publicity	900	-	900
Subscriptions and volunteer costs	656	-	656
Accountancy charges	9,536	-	9,536
Audit fees	3,040	-	3,040
Cleaning and Covid PPE	161	-	161
Other costs – legal and consultancy	6,417	-	6,417
	<u>173,660</u>	<u>42,168</u>	<u>215,828</u>

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

6 Grant-making Activities

During the year, the charity acted as a lead partner in a Lottery and North of Tyne funded project and received funding for the delivery of services under these grant programmes. As part of this arrangement the charity was responsible for the overall coordination and delivery of the project and engaged The Recruitment Junction as a second specialist delivery partner.

A grant totalling £122,062 was made to The Recruitment Junction, a partner organisation, to deliver their agreed share of services under this partnership. The expenditure has been included within the Charitable Activities expenditure heading, under Prison and Community education and employability services, in the Statement of Financial Activities.

The grant was made in accordance with the terms of the funding agreement and subject to appropriate oversight and monitoring procedures. The charity retains responsibility for the full delivery and reporting of the funded project to the original grant provider.

7 Statutory Auditor Fees

Fees payable to the statutory auditor for:

	2025	2024
	£	£
Statutory audit fee	8,000	2,820

8 Staff Costs

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

	2025	2024
	£	£
Wages and salaries	426,571	393,011
Social security costs	29,046	24,279
Employer contributions to pension plans	14,759	13,027
	<u>470,376</u>	<u>430,317</u>

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

	2025	2024
Average headcount		
Direct charitable activities	18	17
Management and administration	3	4
	<u>21</u>	<u>21</u>

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

	2025	2024
More than £60,000	1	-

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

Key Management Personnel

The trustees, CEO and head of operations 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 £82,918 (2024: £69,979). The increase in remuneration is due in part to vacancies in the prior year in the head of operations position.

9 Trustee Remuneration, Expenses and Donations

The trustees received no remuneration in the year (2024: £Nil).

During the year ended 31 March 2025, the charity received donations totalling £11,745 from individuals related to trustees (2024: £4,500).

10 Tangible Fixed Assets

	Fixtures and Fittings	Motor Vehicles	Total
		£	£
Cost as at 1st April 2024	34,175	16,994	51,169
Additions	-	19,999	19,999
Disposal	-	(9,494)	(9,494)
Cost as at 31st March 2025	<u>34,175</u>	<u>27,499</u>	<u>61,674</u>
Depreciation as at 1st April 2024	29,924	15,404	45,328
Depreciation charge	3,451	5,798	9,249
Disposal	-	(9,493)	(9,493)
Depreciation as at 31st March 2025	<u>33,375</u>	<u>11,709</u>	<u>45,084</u>
Net book value as at 31st March 2025	<u>800</u>	<u>15,790</u>	<u>16,590</u>
Net book value as at 31st March 2024	<u>4,251</u>	<u>1,590</u>	<u>5,841</u>

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

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

11 Investments

	Unlisted investments £
Cost	
31 March 2025 and 31 March 2024	1
	<u>1</u>

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.

12 Debtors

	2025 £	2024 £
Trade debtors	54,365	49,743
Prepayments	29,347	2,515
	<u>83,712</u>	<u>52,258</u>

13 Creditors: Amounts Falling Due Within One Year

	2025 £	2024 £
Trade creditors	3,611	25,123
Amounts due to subsidiary undertaking	1	1
Accruals and deferred income	14,868	6,066
Other taxes and social security	18,515	9,393
	<u>36,995</u>	<u>40,583</u>

14 Deferred Income

	2025 £	2024 £
Balance at the beginning of the reporting period	-	10,000
Amount released to income	-	-
Amount deferred in year	-	(10,000)
Balance at the end of the reporting period	<u>-</u>	<u>-</u>

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

15 Analysis of Charitable Funds

	1 Apr 2024 £	Income £	Expenditure £	Transfers £	31 Mar 2025 £
Unrestricted Funds					
Unrestricted					
General funds	361,079	548,936	(360,569)	(37,341)	512,105
	<u>361,079</u>	<u>548,936</u>	<u>(360,569)</u>	<u>(37,341)</u>	<u>512,105</u>
Designated					
Giving fund	2,876	-	-	711	3,587
Building and IT Development	-	-	-	36,630	36,630
	<u>2,876</u>	<u>-</u>	<u>-</u>	<u>37,341</u>	<u>40,217</u>
Total Unrestricted	<u>363,955</u>	<u>548,936</u>	<u>(360,569)</u>	<u>-</u>	<u>552,322</u>
Restricted Funds					
Acts 435	-	947	(947)	-	-
Seedfield Trust	-	5,000	(5,000)	-	-
Sir James Knott Trust	5,000	-	(5,000)	-	-
The Benefact Trust	17,499	30,000	(47,499)	-	-
Vardy Foundation	-	30,000	(30,000)	-	-
Fyrish	6,715	30,000	(30,000)	-	6,715
William Charitable Trust	3,333	-	(3,333)	-	-
Tees Valley Foundation	708	-	(708)	-	-
Lottery	-	96,250	(96,250)	-	-
The Big Give	14,137	18,878	(14,137)	-	18,878
Pentonville & Drake Hall	18,800	-	(18,800)	-	-
Bishop Radford	-	5,000	(5,000)	-	-
North of Tyne Combined Authority	-	47,441	(47,441)	-	-
Monument	-	1,500	(1,500)	-	-
Community Foundation	-	1,000	(1,000)	-	-
Pattinsons	-	-	-	-	-
Just Sow	-	10,000	(8,333)	-	1,667
Micah	-	5,400	(5,200)	-	200
Lloyds Bank	-	8,333	(8,333)	-	-
Salary support fund	-	45,996	(45,996)	-	-
Regis Banqueting	-	6,545	(6,545)	-	-
Stenhouse Baptist Church	-	2,000	(2,000)	-	-

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

Restricted Funds (Continued)

	1 Apr 2024	Income	Expenditure	Transfers 31 Mar 2025	
	£	£	£	£	£
Davidson's Mains Parish Church	-	1,750	(1,750)	-	-
Walk to Freedom Fundraiser	-	5,765	(5,765)	-	-
National Lottery Awards For all	-	19,944	(3,324)	-	16,620
Total Restricted	66,192	371,749	(393,861)	-	44,080
Total Funds	430,147	920,685	(754,430)	-	596,402

Fund Transfers

During the year, the trustees designated funds of £36,630 towards building and IT future development and £711 to the Giving fund.

Prior Year Analysis of Charitable Funds

	1 Apr 2023	Income	Expenditure	Transfers 31 Mar 2024	
	£	£	£	£	£
Unrestricted Funds					
Unrestricted					
General funds	334,181	438,951	(409,823)	(2,230)	361,079
	334,181	438,951	(409,823)	(2,230)	361,079
Designated					
Giving fund	2,833	-	(1,825)	1,868	2,876
	2,833	-	(1,825)	1,868	2,876
Total Unrestricted	337,014	438,951	(411,648)	(362)	363,955

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

	1 Apr 2023	Income	Expenditure	Transfers	31 Mar 2024
	£	£	£	£	£
Restricted Funds					
Acts 435	89	1,925	(2,376)	362	-
Agnes Hunter Trusts	7,500	-	(7,500)	-	-
Childs Charitable Trust	2,917	-	(2,917)	-	-
Community Foundation Pattinsons	3,000	-	(3,000)	-	-
Fiftyfour Two Foundation	15,000	-	(15,000)	-	-
JustSow	1,757	-	(1,757)	-	-
Methodist Church	7,500	-	(7,500)	-	-
National Lottery Awards for All	-	9,999	(9,999)	-	-
Nepacs	914	50	(964)	-	-
Rank Foundation	14,622	-	(14,622)	-	-
Salary Support fund	-	-	-	-	-
Seedfield Trust	4,000	-	(4,000)	-	-
Sir James Knott Trust	5,000	10,000	(10,000)	-	5,000
Sport England	777	-	(777)	-	-
The Benefact Trust	17,499	30,000	(30,000)	-	17,499
Vardy Foundation	-	30,000	(30,000)	-	-
Fyrish	-	30,000	(23,285)	-	6,715
Willan Charitable	-	10,000	(6,667)	-	3,333
Tees Valley Foundation	-	2,500	(1,792)	-	708
Graham Belford	-	2,500	(2,500)	-	-
TBFT Trust	-	2,500	(2,500)	-	-
Community Foundation	-	1,000	(1,000)	-	-
North of Tyne Combined Authority	-	6,757	(6,757)	-	-
Lottery	-	94,994	(94,994)	-	-
The Big Give	-	21,280	(7,143)	-	14,137
Pentonville & Drake Hall	-	18,800	-	-	18,800
Total Restricted	80,575	272,305	(287,050)	362	66,192
Total Funds	417,589	711,256	(698,698)	-	430,147

Fund Transfers

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

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

Fund Descriptions

Designated Funds

Building and IT Development	Money designated for the future IT and building development.
Giving fund	Money designated to give to other related charities.

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.
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 Benefact Trust	The Benefact grant is for the national stories of Hope resource packs and media sent into prisons. They have committed to giving for 3 years.
Sir James Knott Trust	This is a grant to support the core costs and operational development. It is awarded annually for 2 years.
National Lottery Awards for All	During 2023/24 funding to support the networking and partnership working in Edinburgh. During 2024/25 funding to develop the in-cell creative curriculum
Fyrish	To support the stories of hope program in Scotland and faith resettlement work in HMP Edinburgh
William Charitable Trust	Resettlement of women across the North East
Tees Valley Foundation	To support the employability work in Teesside
Graham Belford	Resettlement of prisoners across the North East
TBFT Trust	To support the in cell Stories of Hope program across the UK
Community Foundation Pattinsons	To support the employability work in Newcastle

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

Fund Descriptions (Continued)

North of Tyne Combined Authority	To support the employability work for residents North of Tyne
Lottery	To support the employability and resettlement work across the North east
The Big Give	To support the in cell Stories of Hope program across the UK in 2024 and funds to support the growth of the Connect Network in
Pentonville & Drake Hall	For delivery of in cell creative curriculum
Bishop Radford	To support the Connect network and in cell Stories of Hope program across the UK
Monument	To support the employability work in Newcastle
Micah	To enable development of the Stories of Hope specific to Scotland
Lloyds Bank	To support the employability work in Newcastle. Grant provided through lead funding partner The Recruitment Junction.
Regis Banqueting	Funds given towards Stories of Hope Christmas gifts.
Stenhouse Baptist Church	Funds received to support the work carried out in Edinburgh
Davidson's Mains Parish Church	Funds received to support the work carried out in Edinburgh
Walk to Freedom Fundraiser	Funds received to support the work carried out in Edinburgh
Seedfield Trust	To support the in cell Stories of Hope program across the UK

16 Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Fixed assets	16,591	-	16,591
Current assets	572,726	44,080	616,806
Creditors less than 1 year	(36,995)	-	(36,995)
	<u>552,322</u>	<u>44,080</u>	<u>596,402</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Fixed assets	5,842	-	5,842
Current assets	398,696	66,192	464,888
Creditors less than 1 year	(40,583)	-	(40,583)
	<u>363,955</u>	<u>66,192</u>	<u>430,147</u>

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

17 Related Party Transactions

In the prior year ending 31st March 2024 the Vardy Foundation (England and Wales charity no. 328415; Scotland SC051152) was a related party with trustee Richard Vardy who resigned in July 2023 and was a mutual trustee of both organisations. The total donations during the 2024 financial year was £42,000.

During the year, The Junction 42 Foundation provided partnership funding of £122,062 (2024: £72,205) to The Recruitment Junction as part of a two grant-funded project where The Junction 42 Foundation acted as the lead organisation. The funding was originally received from external grant providers and allocated to The Recruitment Junction in line with project delivery responsibilities. The Junction 42 Foundation received funding through The Recruitment Junction as a lead provider providing partnership funding totalling £8,333 (2024: nil) from a Lloyds Bank Foundation grant.

The Recruitment Junction is considered a related party due to the fact that Mark Simpson serves as a trustee of both The Junction 42 Foundation and The Recruitment Junction during the year.

There are no other related party transactions to disclose.

18 Operating Lease Commitments

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

	2025	2024
	£	£
Within one year	828	-
Between two and five years	1,725	-
	<u>2,553</u>	<u>-</u>

The Junction 42 Foundation

Year Ended 31st March 2025

Notes to the Financial Statements

19 Prior Year Statement of Financial Activities

	Unrestricted Funds	2024 Restricted Funds	Total Funds
	£	£	£
Income			
Donations and legacies	246,005	271,770	517,775
Charitable activities	186,835	-	186,835
Other income	6,111	535	6,646
Total Income	<u>438,951</u>	<u>272,305</u>	<u>711,256</u>
Expenditure			
Raising funds	3,630	-	3,630
Charitable activities	408,018	287,050	695,068
Total Expenditure	<u>411,648</u>	<u>287,050</u>	<u>698,698</u>
Net Income / (Expenditure)	<u>27,303</u>	<u>(14,745)</u>	<u>12,558</u>
Net Income and Net Movement in Funds			
Total funds brought forward	337,014	80,575	417,589
Transfers	(362)	362	-
Total Funds Carried Forward	<u>363,955</u>	<u>66,192</u>	<u>430,147</u>