WAYS TO WELLNESS FOUNDATION

England & Wales · Charity number 1161123

Details

Status	Registered
Legal form	Charitable company
Company number	09183805
Registered	2015-03-31
Register	View on the Charity Commission register

Contact

Address	2nd Floor Forth Banks House Skinnerburn Road Newcastle upon Tyne NE1 3RH
Phone	01918163540
Email	info@waystowellness.org.uk
Website	www.waystowellness.org.uk

Activities

Objects: The preservation and protection of health, and the relief of poverty, by advancing social interventions, for individuals primarily in North Cumbria and North East England with health conditions, in particular but not exclusively by:- Developing and testing social interventions, and working with other sectors to do this;- Providing information and prescribing social interventions to individuals to improve public health; - Advancing the education of general public, medical practitioners and others in relation to social prescribing and other social interventions; and - Such other exclusively charitable purpose(s) as the Trustees may from time to time determine in accordance with the law of charity For the purpose of this article ‘social interventions’ means non-medical interventions to achieve sustained healthy behaviour change and improved self-care. Social prescribing supplements the support a patient gets from their healthcare professional. A doctor or healthcare professional can prescribe an intervention, as they would medicine. Typically, the interventions include physical activity, health eating/cooking, social interaction and support with positive relationships.

Activities: To preserve & protect the health of people & to improve the quality of life of people with long term health conditions by promoting access to social prescribing services. To advance education of the general public & medical practitioners in relation to social prescribing services & other similar interventions. Such other exclusively charitable purposes as the Trustees may determine.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,554,539	£1,225,845	£3,573,083	18
2024-03-31	£1,734,780	£1,125,751	£3,244,389	15
2023-03-31	£1,526,017	£1,082,223	£2,635,360	9
2022-03-31	£1,251,832	£723,350	£2,191,566	5
2021-03-31	£1,325,063	£987,173	£1,663,084	4

Trustees

Name	Role	Appointed
BRENDAN TEMPLE HILL		2022-10-03
Dr Guy Stephen Pilkington		2021-08-18
Dr Leahan Cristi Garratt		2025-04-29
Dr Robert Westgate		2025-04-29
Dr Ruth Cordelia Garnet Briel		2024-10-29
Emeritus Professor David Hunter		2023-10-12
John Duncan Spurr		2018-09-13
MARY MADELEINE JORDAN		2015-03-30

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WAYS TO WELLNESS FOUNDATION

England & Wales - Charity number 1161123

Accounts

Registered number: 09183805
Charity number: 1161123

Ways to Wellness Foundation

(A company limited by guarantee)

Annual Report

31 March 2025

Ways to Wellness Foundation

(A company limited by guarantee)

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Ways to Wellness Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 31 March 2025

Trustees

Brendan Temple Hill
Robert Westgate (appointed 29 April 2025)
David Hunter
Guy Pilkington, Chair
Ian Dodds (resigned 25 October 2024)
John Spurr
Mary Jordan
Ruth Briel (appointed 29 October 2024)
Leahan Garratt (appointed 29 April 2025)

Company registered number

09183805

Charity registered number

1161123

Registered office

2nd Floor Forth Banks House
Skinnerburn Road
Newcastle Upon Tyne
NE1 3RH

Chief executive officer

Sandra Mitchell-Phillips

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report
Year ended 31 March 2025

The trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2024 to 31 March 2025. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

The Foundation's objects for the period of this report are:

The preservation and protection of health, and the relief of poverty, by advancing social interventions, for individuals in North Cumbria and North East England with health conditions, in particular but not exclusively by:

- Developing and testing social interventions, and working with other sectors to do this;
- Providing information and prescribing social interventions to individuals to improve public health;
- Advancing the education of general public, medical practitioners and others in relation to social prescribing and other social interventions; and
- Such other exclusively charitable purpose(s) as the trustees may from time to time determine in accordance with the law of charity.

Social interventions means non-medical interventions to achieve sustained healthy behaviour change and improved self-care. Social prescribing supplements the support a patient gets from their healthcare professional. A doctor or healthcare professional can prescribe an intervention, as they would medicine. Typically, the interventions include physical activity, health eating/cooking, social interaction and support with positive relationships.

Strategies for achieving objectives

The Ways to Wellness Foundation ('the parent charity') is the beneficial owner of and sole shareholder of its trading subsidiary, Ways to Wellness Limited, which together are referred to as 'the group'. Ways to Wellness was created in 2015 to test and evaluate the impact of intensive social prescribing support to patients with long term conditions on a large scale, in the west end of Newcastle. Social prescribing is the use of non medical interventions to achieve sustained lifestyle change and improved self care among people with long term health conditions such as diabetes and heart disease. Ways to Wellness Limited aimed to reach approximately 10,000 patients over seven years, supporting up to 3,000 patients at any one time and significantly improving health and wellbeing outcomes for people living with long term health conditions. This target was achieved and the service was continually commissioned through to the end of July 2025.

In recognising the Foundation's ability both to develop and prototype innovative solutions to health inequalities, since 2021 we have taken this learning and applied it to innovative new projects. In September 2022 Ways to Wellness acquired Bluestone Collaborative, a charity with similar aims and objectives, to strengthen its presence outside of the Newcastle Upon Tyne area. With both charities operating under the Ways to Wellness banner, the organisation's reach now stretches across the Integrated Care System geography.

Objectives and activities (continued)

The Foundation has now become the main operating vehicle, holding service level agreements, grant agreements and appropriate contracts where required including employee contracts. The operating company, Ways to Wellness Limited, is able to also hold contracts if that is the best option.

The Foundation now runs a number of prototypes. These include supporting families who have a child with a diagnosis of a neurodisability, patients waiting for hip and knee replacements who are on high levels of chronic pain medication, a maternal mental health service and supporting those with persistent physical symptoms. A number of other potential prototypes are in the very early development stage with the hope that these will come on stream in the near future.

The public benefits generated from the work of Ways to Wellness are set out below under 'Achievements and performance'. The trustees continue to consider the wider impact of the organisation and have started developing a new strategy to ensure that the organisation's objectives are achieved. As part of the new strategy, the trustees have undertaken an organisational review to ensure that the skills needed to achieve the objectives are in place as part of the staffing structure and where gaps have emerged, a recruitment process has been undertaken. The trustees have also given due consideration to the Charity Commission guidance relating to public benefit, and are satisfied that the activities of the group continue to deliver substantial benefits in line with the charity's objects.

Achievements and performance

Main achievements of the charity

Patient Engagement
Across the range of protypes and programmes that we are either testing or delivering, we have engaged with over 11,000 patients to date. The Ways to Wellness approach has been focussed on a more intensive intervention in order to encourage sustained behavioural change and therefore the number of patients on the programmes are relative to that intensity. As would be expected, our newer protypes tend to involve a far smaller number of patients while we refine and test the model.

Patient Wellbeing Improvements
Patient wellbeing is measured across all of the Ways to Wellness programmes, largely using the Wellbeing StarTM specific to the patient group. On average, Ways to Wellness looks for a wellbeing improvement score of more than 2.5 points in the most recent assessment as a measure of success. Along with the quantitative data collected, qualitative data is also collected and patients' views and opinions about the programmes help to ensure that the intervention remains focussed, relevant and within expected outcomes.

Research
Ways to Wellness collaborates with local universities to evaluate and measure the impact of our prototypes. We have a strong commitment to research and evaluation and have excellent relationships with local academics who are involved with our evaluation of prototypes. Newcastle and Durham Universities, in collaboration with Ways to Wellness and funded by National Institute for Health Research (NIHR), have completed their extensive research and evaluation into the impact of the social prescribing programme on patients diagnosed with diabetes. The research published in early 2023 has highlighted some surprising and unexpected results including a reduction in the HBA1C measurement.

The research into the Space Pilot programme undertaken by Newcastle and Northumbria University, to evaluate a Social Return on investment of the prototype was published in January 2025. It found that, for every £1 spent on the whole service (supporting 49 families), it generated £2.75 in social benefit even though the benefit was calculated only for the 18 families studied in detail. The evaluation was highlighted across NIHR's social media platforms April 2025 generating additional interest in the project. A full evaluation is also underway in relation to the maternal mental health service, early indications are that the impact has been significant both for the mothers and the wider family. This service operated in four areas of the North East and North Cumbria ICB

Achievements and performance (continued)

geography and Ways to Wellness subcontracts the delivery of the service to four locally based VCSE organisations.

Review of activities

The Ways to Wellness group has eight trustees of the Foundation, three non executive directors of the limited company and 13.6 full time equivalent staff (head count of 17). The trustees are currently recruiting to the Board in order to support achievement of the new strategic objectives.

Across our prototypes, Ways to Wellness tests different methods of delivery and referral mechanisms to understand how best to ensure sustained success of the intervention.

The major contract held by Ways to Wellness is the Long Term Conditions Social Prescribing service which has been delivered by Ways to Wellness since 2015. In January 2025 the ICB, who commissioned the service, gave notice of their intention to decommission the service from July 2025 as a result of financial constraints. The final quarter of the 2024/25 year was focused largely on the close down of the service and the safe discharge of all patients. Redundancy consultations commenced in March 2025 due to the need to reduce staff as a result of the closure of the service.

The board have considered the future impact of the loss of the contract and are satisfied that the financial position of the organisation is strong and therefore they have no immediate concerns.

The SPACE Pilot programme which supports families with a child with a diagnosis of a neurodisability, has been widened to encompass children with complex needs. Further external financial support has been applied for to ensure the project is sustained for a further two / three years in order to collect additional data to evaluate effectiveness of the approach. The project has gained national recognition for its innovative approach. Throughout the year, the perioperative programme (Prosper) tested a new referral mechanism moving from a central hub working with Newcastle Hospitals to a referral directly from GP's to assess which method was more effective. The prototype also commenced working with patients on high levels of chronic pain medication in order to support a deprescribing process.

During the year, the Maternal Mental Health programme came to a close with a very positive evaluation of the impact of non medical support delivered by the VCSE sector to women experiencing mental health concerns during the maternity period. The programme has gained national recognition and in some areas the service has been sustained.

The Persistent Physical Symptoms prototype commenced delivery in 2024/5 and early indications are very positive. The service will continue to be evaluated throughout the coming year.

Ways to Wellness Limited continues to receive and respond to dozens of requests annually from external organisations. The requests largely relate to information about social prescribing and/or social impact bond funding and originate from charities and social enterprises, commissioners and intermediaries.

Financial review

Financial performance

Over the year the programmes have generated a surplus but are expected to create a deficit going forward following the expiry of the Long-Term Conditions contract in July 2025.

Going concern

Any retained reserves generated by Ways to Wellness Limited will be used to achieve Ways to Wellness Foundation's charitable objectives in due course.

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The Ways to Wellness group has demonstrated that the 'link worker longer term support' model is successful and a larger surplus than expected was achieved from the original contract. In looking to the future of the organisation and to build on its success, the trustees are committed to developing and supporting innovative programmes and prototypes that improve health and wellbeing, and tackle health inequalities. Two projects are already under way, for which the Foundation is providing the initial seed funding.

The trustees intend to invest the surplus prudently over the coming years into projects which achieve the aims of the charity, whilst ensuring that 12 months' administrative costs (currently £640k) are held back to ensure the ongoing operation of the projects in the event of a reduction in expected income. Currently the reserves are significantly more than this target. The trustees are developing an ambitious strategy for applying this excess. The strengthened capability and capacity of the staff and refocused aims and objectives will allow the trustees to invest the surplus prudently over the next few years. To reflect this ambition, the trustees have agreed to designate part of the reserves into two designated development funds, from which they expect to make significant allocations to projects in the coming year:

a) £1m towards the cost of one significant project

b) £300k towards the cost of multiple smaller projects

Subject to the success of these initiatives the trustees expect to invest future surplus reserves over the next few years.

Structure, governance and management

Constitution

Ways to Wellness Foundation registered as a charitable company limited by guarantee and was set up under a Memorandum of Association dated 12 August 2014. It is a registered charity number 1161123.

Structure, governance and management (continued)

Methods of appointment or election of trustees

No formal policy is in place for the appointment or election of trustees. Trustees and non executive directors are recruited and appointed based upon the knowledge, skills and experience judged to be necessary and appropriate to the best interests of the group and the Foundation's objects. New appointments are approved at Board level.

The Senior Management Team comprises:

Sandra Mitchell Phillips – Chief Executive Officer
Mike Bareham – Head of Finance
Simon Broomhead – Head of Development
Ang Broadbridge - Head of Implementation
Jule Coulson - Head of Communications and Marketing
Sonia Townend - Head of Digital Systems

Organisational structure and decision-making policies

The management of the charity is the responsibility of the trustees who are elected and co opted under the terms of the constitution but effective day to day management is delegated to the Chief Executive and staff within the charity.

Policies adopted for the induction and training of trustees

No formal policies are in place for the induction and training of trustees. New trustees and non executive directors are provided with key documents and policies, including terms of reference and expectations. New trustees and non executive directors have one to one induction meeting with the Chair and Chief Executive (and, as indicated, Finance Manager) to review the remit and expectations of the role as well as key areas of focus.

Risk management

The trustees review the Risk Register periodically and are satisfied that systems and procedures are in place to mitigate the group's exposure to the major risks, including regular monitoring and analysis of service delivery metrics, patient experience and impact measures.

Plans for future periods

The trustees of the Foundation intend to develop and test further models of delivering services to communities experiencing health inequalities working with statutory organisations and using the VCSE sector as delivery agents over the coming years, effectively transforming the Foundation into a hub of innovation.

Throughout the coming year, the trustees and senior team are reviewing and revising the strategic direction in order to ensure that the organisation remains responsive and relevant.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 21 October 2025 and signed on their behalf by:

Guy Pilkington

Statement of trustees' responsibilities
Year ended 31 March 2025

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees on 21 October 2025 and signed on its behalf by:

Guy Pilkington

Independent auditor's report to the trustees of Ways to Wellness Foundation

Opinion

We have audited the financial statements of Ways to Wellness Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated 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 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, 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 group's or the parent charitable company'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.

Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

Other information

The other information comprises the information included in the trustees 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 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.

Matters on which we are required to report by exception

In the light of knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatement in the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received frm branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the trustee's 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 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 of the charitable company 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 group's and the parent charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtain and update our understanding of the charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charitable company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, pension legislation and UK tax legislation. In addition, the charitable company is subject to many 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 and litigation. We considered the extent to which non compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to manipulate financial results, management bias in accounting estimates, as well as improper revenue recognition which includes fraudulent posting of journal entries to revenue.

Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations;
- Identifying journal entries based on risk criteria and testing the identified entries to supporting documentation, in particular journal entries with unusual account combinations; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

21 October 2025

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
Year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Donations and legacies	4	**91,733**	**91,733**	30,129
Charitable activities	5	**1,320,016**	**1,320,016**	1,517,913
Investments	6	**142,790**	**142,790**	186,738
Total income		**1,554,539**	**1,554,539**	1,734,780
Expenditure on:				
Raising funds		**2,492**	**2,492**	2,351
Charitable activities	7	**1,223,353**	**1,223,353**	1,123,400
Total expenditure		**1,225,845**	**1,225,845**	1,125,751
Net movement in funds		**328,694**	**328,694**	609,029
Reconciliation of funds:				
Total funds brought forward		**3,244,389**	**3,244,389**	2,635,360
Net movement in funds		**328,694**	**328,694**	609,029
Total funds carried forward		**3,573,083**	**3,573,083**	3,244,389

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 30 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated balance sheet
At 31 March 2025

	Note		2025 £		2024 (as restated) £
Tangible assets	10		**17,224**		19,843
			17,224		19,843
Current assets					
Debtors	12	**483,298**		164,816	
Investments	13	**2,598,214**		1,504,716	
Cash at bank and in hand		**1,147,981**		1,792,121	
		4,229,493		3,461,653	
Creditors: amounts falling due within one year	14	**(673,634)**		(237,107)	
Net current assets			**3,555,859**		3,224,546
Total assets less current liabilities			**3,573,083**		3,244,389
Total net assets			**3,573,083**		3,244,389
Charity funds					
Unrestricted funds	15		**3,573,083**		3,244,389
Total funds			**3,573,083**		3,244,389

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 21 October 2025 and signed on their behalf by:

Guy Pilkington

The notes on pages 17 to 30 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Balance sheet
At 31 March 2025

	Note		2025 £		2024 (as restated) £
Fixed assets					
Tangible assets	10		**17,224**		19,843
Investments	11		**1**		1
			17,225		19,844
Current assets					
Debtors	12	**50,342**		167,778	
Investments	13	**2,598,214**		1,504,716	
Cash at bank and in hand		**1,001,903**		1,354,907	
		3,650,459		3,027,401	
Creditors: amounts falling due within one year	14	**(144,294)**		(151,962)	
Net current assets			**3,506,165**		2,875,439
Total net assets			**3,523,390**		2,895,283
Charity funds					
Unrestricted funds	15		**3,523,390**		2,895,283
Total funds			**3,523,390**		2,895,283

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 21 October 2025 and signed on their behalf by:

Guy Pilkington

Company registered number: 09183805

The notes on pages 17 to 30 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated statement of cash flows
Year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities	16	**449,358**	552,030
Purchase of tangible fixed assets		**-**	(1,643)
Change in cash and cash equivalents in the year		**449,358**	**550,387**
Cash and cash equivalents at the beginning of the year		**3,296,837**	2,746,450
Cash and cash equivalents at the end of the year	17	**3,746,195**	3,296,837

The notes on pages 17 to 30 form part of these financial statements

1. General information

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2. Prior year restatement

The comparative figures, within the statement of financial position, have been restated to increase current investments and reduce cash and cash equivalents by £1,504,716. This restatement is to correctly show cash deposit accounts with terms over 90 days as current asset investments. This restatement has no effect on either the reported result or net assets for the prior year.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ways to Wellness Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charitable company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The total profit for the year dealt with in the accounts of the charitable company was £628,107 (2024: £864,737).

The financial statements are presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

3.2 Going concern

The group meets its working capital requirements through its operating cash flows. The trustees have considered the group wide assessment of financial forecasts which show that the group expects to retain sufficient financial resources to continue meeting its liabilities as they fall due for a least 12 months following approval of these financial statements.

After making enquiries, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Consequently, they consider that the preparation of these financial statements on a going concern basis remains appropriate.

3. Accounting policies (continued)

3.3 Income

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grant income is recognised in full on receipt, or when receipt is certain, with the exception of programme related grant income which is recognised in the period in which the related activity takes place, with appropriate amounts accrued or deferred.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

3.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Royalty payments and management fees in respect of the loan are recognised within direct costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Expenditure on raising funds includes all expenditure incurred by the group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

3. Accounting policies (continued)

3.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less their estimated residual value, over their estimated useful lives as follows:

Long-term leasehold improvements	-	10% straight line basis
Office equipment	-	10% straight line basis
Computer equipment for Link Worker	-	Depreciated over the remaining life of the contract

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

3.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

3.8 Cash at bank and in hand

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

3.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

3. Accounting policies (continued)

3.10 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

3.11 Deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

3.12 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

3. Accounting policies (continued)

3.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

4. Income from donations and legacies

	Unrestricted funds 2025 £	**Total funds 2025 £**	Total funds 2024 £
Donations and grants	91,733	**91,733**	30,129

5. Income from charitable activities

	Unrestricted funds 2025 £	**Total funds 2025 £**	Total funds 2024 £
Contracted service delivery	1,320,016	**1,320,016**	1,517,913

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Negative goodwill on acquisition	-	-	78,515
Short term deposit interest	142,790	**142,790**	108,223
Total 2025	142,790	**142,790**	186,738

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Provision of services	703,590	519,763	**1,223,353**

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Provision of services	666,598	456,802	1,123,400

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2025 £	Total funds 2025 £	Total funds 2024 £
Wages and salaries (note 9)	337,291	**337,291**	313,740
IT costs	23,659	**23,659**	16,971
Legal and professional fees	15,220	**15,220**	15,971
Other support costs	143,593	**143,593**	110,120
	519,763	**519,763**	456,802

8. Auditor's remuneration

	2025 £	2024 £
Fees payable to the group's auditor for the audit of the consolidated annual accounts	**13,000**	11,500

9. Staff costs

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Wages and salaries	**597,096**	421,337	**399,428**	285,056
Social security costs	**46,877**	35,867	**31,613**	27,613
Contribution to defined contribution pension schemes	**26,622**	20,685	**18,093**	14,638
	670,595	477,889	**449,134**	327,307

All staff within the group are employed under the parent entity, with costs for staff utilised by the subsidiary company recharged. The charity only figures above represent the staff costs which are not recharged to the subsidiary.

The average number of persons employed by the charity during the year was as follows:

	Group 2025 No.	Group 2024 No.	**Charity 2025 No.**	Charity 2024 No.
	18	15	**18**	15

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £80,001 - £90,000	**1**	1

The key management personnel of the charity comprise the Chief Executive Officer, Head of Finance, Head of Development, Head of Digital Systems, Head of Implementation and Head of Communications and Marketing. The employee benefits total £287,087 (2024: £167,931).

10. Tangible fixed assets

Group and Charity

	Long-term leasehold improvements £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2024	**8,183**	**15,703**	**4,752**	**28,638**
Disposals	**-**	**-**	**(4,752)**	**(4,752)**
At 31 March 2025	**8,183**	**15,703**	**-**	**23,886**
Depreciation				
At 1 April 2024	**1,500**	**2,543**	**4,752**	**8,795**
Charge for the year	**828**	**1,791**	**-**	**2,619**
On disposals	**-**	**-**	**(4,752)**	**(4,752)**
At 31 March 2025	**2,328**	**4,334**	**-**	**6,662**
Net book value				
At 31 March 2025	**5,855**	**11,369**	**-**	**17,224**
At 31 March 2024	6,683	13,160	-	19,843

11. Investments

Charity	Shares in group undertaking £
Cost or valuation	
At 1 April 2024	1
At 31 March 2025	1

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Country of incorporation	Class of shares	Holding
Ways to Wellness Limited	08798423	England	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ways to Wellness Limited	**1,216,762**	**(615,719)**	**601,042**	**50,149**

12. Debtors

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Trade debtors	**439,179**	114,731	**198**	114,731
Amounts owed by group undertakings	**-**	-	**9,787**	9,375
Other debtors	**3,115**	3,505	**3,115**	3,505
Prepayments and accrued income	**41,004**	46,580	**37,242**	40,167
	483,298	164,816	**50,342**	167,778

13. Current asset investments

	Group 2025 £	Group 2024 (as restated) £	**Charity 2025 £**	Charity 2024 (as restated) £
Short term investments	**2,598,214**	1,504,716	**2,598,214**	1,504,716

14. Creditors: amounts falling due within one year

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Trade creditors	**29,059**	31,638	**1,100**	6,897
Amounts owed to group undertakings	**-**	-	**7,696**	9,073
Other taxation and social security	**142,955**	67,869	**11,744**	9,481
Accruals and deferred income	**501,620**	137,600	**123,754**	126,511
	673,634	237,107	**144,294**	151,962

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
Unrestricted funds				
Designated funds				
Designated Funds	**1,300,000**	**-**	**-**	**1,300,000**
General funds				
General funds	**1,944,389**	**1,554,539**	**(1,225,845)**	**2,273,083**
Total Unrestricted funds	**3,244,389**	**1,554,539**	**(1,225,845)**	**3,573,083**

Designated funds relate to projects for secondary prevention and are expected to be used over the coming 24 months.

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
Unrestricted funds				
Designated funds				
Designated Funds	1,300,000	-	-	1,300,000
General funds				
General Funds	1,335,360	1,734,780	(1,125,751)	1,944,389
Total Unrestricted funds	2,635,360	1,734,780	(1,125,751)	3,244,389

16. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £
Net income for the year (as per Statement of Financial Activities)	**328,694**	609,029
Adjustments for:		
Depreciation charges	**2,619**	2,351
Amortisation charges	**-**	(78,515)
Decrease/(increase) in debtors	**(318,482)**	245,245
Increase/(decrease) in creditors and other provisions	**436,527**	(226,080)
Net cash provided by operating activities	**449,358**	552,030

17. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash in hand	**3,746,195**	3,296,837
Total cash and cash equivalents	**3,746,195**	3,296,837

18. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**1,792,121**	**(644,140)**	**1,147,981**

19. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charged represents contributions payable by the group to the fund and amounted to £26,622 (2024: £20,685).

As at 31 March 2024 there were no contributions payable to the scheme (2024: £nil).

20. Operating lease commitments

At 31 March 2025 the group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Not later than 1 year	**21,693**	28,924	**21,693**	28,924
Later than 1 year and not later than 5 years	**127,987**	116,418	**127,987**	116,418
Later than 5 years	**72,068**	105,330	**72,068**	105,330
	221,748	250,672	**221,748**	250,672

21. Related party transactions

The charitable company has received donations of £900,000 (2024: £904,881) from its subsidiary undertaking, Ways to Wellness Limited, in the year. No amounts remain outstanding in respect of these donations at the balance sheet date.

The charitable company recharged costs of £493,970 (2024: £453,046) to Ways to Wellness Limited. There was £9,787 (2024: £9,375) outstanding as at the balance sheet date, included in the charity only debtors balance.

Ways to Wellness Limited recharged costs of £23,745 (2024: £25,155) to the charitable company. There was £7,696 (2024: £9,073) outstanding as at the balance sheet date, included in the charity only creditor balance.

The key management personnel of the charitable company comprise the Chief Executive Officer, Head of Finance, Head of Development, Head of Digital Systems, Head of Implementation and Head of Communications and Marketing. The total employee benefits for key management personnel are disclosed in note 9.

22. Post balance sheet events

On 19 July 2025, the contract with the ICB ceased and as a result the subsidiary company ceased to trade. Remaining profits generated will be gift aided up to the parent charity in due course.

WAYS TO WELLNESS FOUNDATION

England & Wales - Charity number 1161123

Accounts

Registered number: 09183805
Charity number: 1161123

Ways to Wellness Foundation

(A company limited by guarantee)

Annual Report

31 March 2024

Ways to Wellness Foundation

(A company limited by guarantee)

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Ways to Wellness Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 31 March 2024

Trustees

Brendan Temple Hill
Brigid Joughin
David Hunter (appointed 12 October 2023)
Guy Pilkington, Chair
Ian Dodds (resigned 25 October 2024)
John Spurr
Mary Jordan
Sir Paul Ennals, Vice Chair (resigned 13 July 2023)

Company registered number

09183805

Charity registered number

1161123

Registered office

2nd Floor Forth Banks House
Skinnerburn Road
Newcastle Upon Tyne
NE1 3RH

Chief executive officer

Sandra Mitchell-Phillips

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report
Year ended 31 March 2024

The trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2023 to 31 March 2024. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

The Foundation's objects for the period of this report are:

The preservation and protection of health, and the relief of poverty, by advancing social interventions, for individuals in North Cumbria and North East England with health conditions, in particular but not exclusively by:

- Developing and testing social interventions, and working with other sectors to do this;
- Providing information and prescribing social interventions to individuals to improve public health;
- Advancing the education of general public, medical practitioners and others in relation to social prescribing and other social interventions; and
- Such other exclusively charitable purpose(s) as the trustees may from time to time determine in accordance with the law of charity.

Social interventions means non-medical interventions to achieve sustained healthy behaviour change and improved self-care. Social prescribing supplements the support a patient gets from their healthcare professional. A doctor or healthcare professional can prescribe an intervention, as they would medicine. Typically, the interventions include physical activity, health eating/cooking, social interaction and support with positive relationships.

Strategies for achieving objectives

The Ways to Wellness Foundation ('the parent charity') is the beneficial owner of and sole shareholder of its trading subsidiary, Ways to Wellness Limited, which together are referred to as 'the group'. Ways to Wellness was created in 2015 to test and evaluate the impact of intensive social prescribing support to patients with long term conditions on a large scale, i.e. the west end of Newcastle. Social prescribing is the use of non medical interventions to achieve sustained lifestyle change and improved self care among people with long term health conditions such as diabetes and heart disease. Ways to Wellness Limited aimed to reach approximately 10,000 patients over seven years, supporting up to 3,000 patients at any one time and significantly improving health and wellbeing outcomes for people living with long term health conditions. This target was achieved and the service continues to be commissioned by the ICB.

In recognising the Foundation's ability both to develop and prototype innovative solutions to health inequalities, since 2021 we have taken this learning and applied it to innovative new projects. In September 2022 Ways to Wellness acquired Bluestone Collaborative, a charity with similar aims and objectives, to strengthen its presence outside of the Newcastle Upon Tyne area. With both charities operating under the Ways to Wellness banner, the organisation's reach now stretches across the Integrated Care System geography.

Objectives and activities (continued)

The Foundation has now become the main operating vehicle, holding service level agreements, grant agreements and appropriate contracts where required. The operating company, Ways to Wellness Limited, is able to also hold contracts if that is the best option.

The Foundation now runs a number of prototypes in addition to the original Long Terms Conditions service. These include supporting families who have a child with a diagnosis of a neurodisability, patients waiting for hip and knee replacements who are on high levels of chronic pain medication, a maternal mental health service and supporting those with persistent physical symptoms. A number of other potential prototypes are in the very early development stage with the hope that these will come on stream in the near future.

The public benefits generated from the work of Ways to Wellness are set out below under 'Achievements and performance'. The trustees continue to consider the wider impact of the organisation and have started developing a new strategy to ensure that the organisation's objectives are achieved. As part of the new strategy, the trustees have undertaken an organisational review to ensure that the skills needed to achieve the objectives are in place as part of the staffing structure and where gaps have emerged, a recruitment process has been undertaken. The trustees have also given due consideration to the Charity Commission guidance relating to public benefit, the Trustees are satisfied that the activities of the group continue to deliver substantial benefits in line with the charity's objects.

Achievements and performance

Main achievements of the charity

Patient Engagement
Across the range of protypes and programmes that we are either testing or delivering, we have engaged with over 11,000 patients to date. The Ways to Wellness approach has been focussed on a more intensive intervention in order to encourage sustained behavioural change and therefore the number of patients on the programmes are relative to that intensity. As would be expected, our newer protypes tend to involve a far smaller number of patients while we refine and test the model.

Patient Wellbeing Improvements
Patient wellbeing is measured across all of the Ways to Wellness programmes, largely using the Wellbeing StarTM specific to the patient group. On average, Ways to Wellness looks for a wellbeing improvement score of more than 2.5 points in the most recent assessment as a measure of success. Along with the quantitative data collected, qualitative data is also collected and patients' views and opinions about the programmes help to ensure that the intervention remains focussed, relevant and within expected outcomes.

Research
Ways to Wellness collaborates with local universities to evaluate and measure the impact of our prototypes. We have a strong commitment to research and evaluation and have excellent relationships with local academics who are involved with our evaluation of prototypes. Newcastle and Durham Universities, in collaboration with Ways to Wellness and funded by National Institute for Health Research (NIHR), have completed their extensive research and evaluation into the impact of the social prescribing programme on patients diagnosed with diabetes. The research published in early 2023 has highlighted some surprising and unexpected results including a reduction in the HBA1C measurement.

Research is also currently being undertaken with Newcastle University and the Great North Children's Hospital in relation to our prototype supporting families who have a child with a diagnosis of a neurodisability and the results are expected in late 2024. A full evaluation is also underway in relation to the maternal mental health service, early indications are that the impact has been significant both for the mothers and the wider family. This service operates in four areas of the North East and North Cumbria ICB geography and Ways to Wellness subcontracts the delivery of the service to four locally based VCSE organisations.

Achievements and performance (continued)

Review of activities

The Ways to Wellness group has six trustees of the Foundation, three non executive directors of the limited company and 14.6 full time equivalent staff. The trustees are currently recruiting to the Board in order to support achievement of the new strategic objectives.

Across our prototypes, Ways to Wellness tests different methods of delivery and referral mechanisms to understand how best to ensure sustained success of the intervention.

Two local/regional sub contracted charity and social enterprise delivery partners delivered the Ways to Wellness long term conditions service and employed approximately 19 full time equivalent Link Workers at the end of 2023/24. The majority of referrals to this programme are generated from GP practices. During 2024 one of the providers decided to move into other areas and gave notice of their intent to withdraw from the contract. Ways to Wellness took on some direct delivery and the Link workers from that provider were transferred to Ways to Wellness under TUPE in addition a Team Leader and additional staff members were recruited to support the service.

Referrals to the child neurodisability programme are via the Great North Children's Hospital while referrals to the perioperative programme are moving from a central hub working with Newcastle Hospitals to a referral directly from GP's. The prototype is delivered directly by Ways to Wellness.

The Maternal Mental Health programme generates its referrals via a wide range of sources. These include maternity services – perinatal, community midwives and wellbeing midwives, and also VCSE referrals and directly via the Primary Care Network.

Ways to Wellness Limited continues to receive and respond to dozens of requests annually from external organisations. The requests largely relate to information about social prescribing and/or social impact bond funding and originate from charities and social enterprises, commissioners and intermediaries.

Financial review

Financial performance

Over the year the programmes have generated a surplus and is expected to continue to do so during 2024/25 as referrals increase due to expansion of age range/GP practices.

Going concern

Any retained reserves generated by Ways to Wellness Limited will be used to achieve Ways to Wellness Foundation's charitable objectives in due course.

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The Ways to Wellness group has demonstrated that the 'link worker longer term support' model is successful and a larger surplus than expected was achieved from the original contract. In looking to the future of the organisation and to build on its success, the trustees are committed to developing and supporting innovative programmes and prototypes that improve health and wellbeing, and tackle health inequalities. Two projects are already under way, for which the Foundation is providing the initial seed funding.

The trustees intend to invest the surplus prudently over the coming years into projects which achieve the aims of the charity, whilst ensuring that 12 months' operating costs (currently £670k) are held back to ensure the ongoing operation of the projects in the event of a reduction in expected income. Currently the reserves are significantly more than this target. The Trustees are developing an ambitious strategy for applying this excess. The strengthened capability and capacity of the staff and refocused aims and objectives will allow the trustees to invest the surplus prudently over the next few years. To reflect this ambition, the trustees have agreed to designate part of the reserves into two designated development funds, from which they expect to make significant allocations to projects in the coming year:

a) £1m towards the cost of one significant project

b) £300k towards the cost of multiple smaller projects

Subject to the success of these initiatives the trustees expect to invest future surplus reserves over the next few years.

Structure, governance and management

Constitution

Ways to Wellness Foundation registered as a charitable company limited by guarantee and was set up under a Memorandum of Association dated 12 August 2014. It is a registered charity number 1161123.

Structure, governance and management (continued)

Methods of appointment or election of trustees

No formal policy is in place for the appointment or election of trustees. Trustees and non executive directors are recruited and appointed based upon the knowledge, skills and experience judged to be necessary and appropriate to the best interests of the group and the Foundation's objects. New appointments are approved at Board level.

The Senior Management Team comprises:

Sandra Mitchell Phillips – Chief Executive Officer
Mike Bareham – Finance Manager
Simon Broomhead – Social Prescribing Development Lead

Organisational structure and decision-making policies

The management of the charity is the responsibility of the trustees who are elected and co opted under the terms of the constitution but effective day to day management is delegated to the Chief Executive and staff within the charity.

Policies adopted for the induction and training of trustees

No formal policies are in place for the induction and training of trustees. New trustees and non executive directors are provided with key documents and policies, including terms of reference and expectations. New trustees and non executive directors have one to one induction meeting with the Chair and Chief Executive (and, as indicated, Finance Manager) to review the remit and expectations of the role as well as key areas of focus.

Risk management

The trustees have high level oversight of risks, with detailed risk management of operation, contract management and finances devolved to the Board of Non Executive Directors of the trading subsidiary, which reviews the Risk Register quarterly at both Board and Finance Committee meetings. Given the outcomes based nature of the contract and the use of SIB investment, key risks relate to the potential failure to achieve target patient engagement numbers and/or target outcomes (and resulting impact on adherence to financial model). The trustees and non executive directors are satisfied that systems and procedures are in place to mitigate the group's exposure to the major risks, including regular monitoring and analysis of service delivery metrics, patient experience and impact measures.

Plans for future periods

The trustees of the Foundation intend to develop and test further models of delivering services to communities experiencing health inequalities working with statutory organisations and using the VCSE sector as delivery agents over the coming years, effectively transforming the Foundation into a hub of innovation. The limited company will remain as the contract management agent in these models.

Throughout the coming year, the trustees and senior team are reviewing and revising the strategic direction in order to ensure that the organisation remains responsive and relevant.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 29 October 2024 and signed on their behalf by:

Guy Pilkington

Ways to Wellness Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities
Year ended 31 March 2024

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees on 29 October 2024 and signed on its behalf by:

Guy Pilkington

Independent auditor's report to the trustees of Ways to Wellness Foundation

Opinion

We have audited the financial statements of Ways to Wellness Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated 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 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 group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's 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 Charities Act 2011.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, 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 group's or the parent charitable company'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 trustees 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 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.

Matters on which we are required to report by exception

In the light of knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatement in the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received frm branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the trustee's 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 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 of the charitable company 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 group's and the parent charitable company'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 group or the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures regarding compliance with the laws and regulations. We communicated identified laws and regulations within our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation's (including related companies legislation) and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many 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 and litigation. We identified the following areas as those most likely to have such an effect; data protection, employment law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance material to the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

29 October 2024

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
Year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies		**30,129**	**30,129**	-
Charitable activities	3	**1,517,913**	**1,517,913**	1,446,504
Other income		**186,738**	**186,738**	79,513
Total income		**1,734,780**	**1,734,780**	1,526,017
Expenditure on:				
Raising funds		**2,351**	**2,351**	1,691
Charitable activities	4	**1,123,400**	**1,123,400**	1,080,532
Total expenditure		**1,125,751**	**1,125,751**	1,082,223
Net movement in funds		**609,029**	**609,029**	443,794
Reconciliation of funds:				
Total funds brought forward		**2,635,360**	**2,635,360**	2,191,566
Net movement in funds		**609,029**	**609,029**	443,794
Total funds carried forward		**3,244,389**	**3,244,389**	2,635,360

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 30 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated balance sheet
At 31 March 2024

	Note		2024 £		2023 £
Negative goodwill	7		-		(78,515)
Tangible assets	8		**19,843**		20,551
			19,843		(57,964)
Current assets					
Debtors	10	**164,816**		410,061	
Cash at bank and in hand		**3,296,837**		2,746,450	
		3,461,653		3,156,511	
Creditors: amounts falling due within one year	11	**(237,107)**		(463,187)	
Net current assets			**3,224,546**		2,693,324
Total assets less current liabilities			**3,244,389**		2,635,360
Total net assets			**3,244,389**		2,635,360
Charity funds					
Unrestricted funds	12		**3,244,389**		2,635,360
Total funds			**3,244,389**		2,635,360

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 29 October 2024 and signed on their behalf by:

Guy Pilkington

The notes on pages 18 to 30 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Balance sheet
At 31 March 2024

	Note		2024 £		2023 £
Fixed assets					
Negative goodwill	7		**-**		(78,515)
Tangible assets	8		**19,843**		20,551
Investments	9		**1**		1
			19,844		(57,963)
Current assets					
Debtors	10	**167,778**		80,520	
Cash at bank and in hand		**2,859,623**		2,315,879	
		3,027,401		2,396,399	
Creditors: amounts falling due within one year	11	**(151,962)**		(307,890)	
Net current assets			**2,875,439**		2,088,509
Total net assets			**2,895,283**		2,030,546
Charity funds					
Unrestricted funds	12		**2,895,283**		2,030,546
Total funds			**2,895,283**		2,030,546

Balance sheet (continued)
At 31 March 2024

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 29 October 2024 and signed on their behalf by:

Guy Pilkington
(Chair of Trustees)

Company registered number: 09183805

The notes on pages 18 to 30 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated statement of cash flows
Year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	13	**552,030**	742,561
Purchase of tangible fixed assets		**(1,643)**	(22,243)
Net cash inflow on acquisition		**-**	125,826
Change in cash and cash equivalents in the year		**550,387**	**846,144**
Cash and cash equivalents at the beginning of the year		**2,746,450**	1,900,306
Cash and cash equivalents at the end of the year	14	**3,296,837**	2,746,450

The notes on pages 18 to 30 form part of these financial statements

1. General information

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ways to Wellness Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charitable company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The total profit for the year dealt with in the accounts of the charitable company was £864,737 (2023: £453,843).

The financial statements are presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

2.2 Going concern

The group meets its working capital requirements through its operating cash flows. The trustees have considered the group wide assessment of financial forecasts which show that the group expects to retain sufficient financial resources to continue meeting its liabilities as they fall due for a least 12 months following approval of these financial statements.

After making enquiries, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Consequently, they consider that the preparation of these financial statements on a going concern basis remains appropriate.

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grant income is recognised in full on receipt, or when receipt is certain, with the exception of programme related grant income which is recognised in the period in which the related activity takes place, with appropriate amounts accrued or deferred.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Royalty payments and management fees in respect of the loan are recognised within direct costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Expenditure on raising funds includes all expenditure incurred by the group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

2.5 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided on all intangible assets so as to write off the cost of an asset over its estimated useful life as follows:

Negative goodwill	-	Amortised over the life of the contracts

Assets residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less their estimated residual value, over their estimated useful lives as follows:

Long-term leasehold property	-	10% straight line basis
Office equipment	-	10% straight line basis
Computer equipment for Link Worker	-	Depreciated over the remaining life of the contract

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

2.12 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Contracted service delivery	1,517,913	**1,517,913**	1,446,504

4. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Provision of services	666,598	456,802	**1,123,400**

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of services	646,611	433,921	1,080,532

Analysis of support costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Wages and salaries (note 7)	313,740	**313,740**	257,279
IT costs	16,971	**16,971**	31,032
Legal and professional fees	15,971	**15,971**	12,770
Other support costs	110,120	**110,120**	132,840
	456,802	**456,802**	433,921

5. Auditor's remuneration

	2024	2023
	£	£
Fees payable to the company's auditor for the audit of the charitable company's annual accounts	**8,500**	9,000

6. Staff costs

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Wages and salaries	**399,137**	240,340	**269,516**	201,334
Social security costs	**35,867**	16,982	**27,613**	14,482
Contribution to defined contribution pension schemes	**42,885**	33,054	**30,178**	16,026
	477,889	290,376	**327,307**	231,842

The average number of persons employed by the charity during the year was as follows:

	Group 2024	Group 2023	Charity 2024	Charity 2023
	No.	No.	No.	No.
	15	9	**12**	1

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024	Group 2023
	No.	No.
In the band £70,001 - £80,000	**-**	1
In the band £80,001 - £90,000	**1**	-

The key management personnel of the charity comprise the chief executive officer, finance manager and social prescribing development lead. The employee benefits total £167,931 (2023: £102,532).

7. Negative goodwill

Group and charity

	Negative goodwill £
At 1 April 2023	**(125,826)**
At 31 March 2024	**(125,826)**
At 1 April 2023	**(47,311)**
Credit for the year	**(78,515)**
At 31 March 2024	**(125,826)**
Net book value	
At 31 March 2024	-
At 31 March 2023	(78,515)

8. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2023	8,183	14,060	4,752	26,995
Additions	-	1,643	-	1,643
At 31 March 2024	8,183	15,703	4,752	28,638
Depreciation				
At 1 April 2023	672	1,020	4,752	6,444
Charge for the year	828	1,523	-	2,351
At 31 March 2024	1,500	2,543	4,752	8,795
Net book value				
At 31 March 2024	6,683	13,160	-	19,843
At 31 March 2023	7,511	13,040	-	20,551

9. Investments

Charity	Shares in group undertaking £
Cost or valuation	
At 1 April 2023	**1**
At 31 March 2024	**1**

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Country of incorporation	Class of shares	Holding
Ways to Wellness Limited	08798423	England	Ordinary	100% -%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ways to Wellness Limited	**1,214,765**	**(565,662)**	**649,103**	**349,107**

10. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	**114,731**	321,000	**114,731**	-
Amounts owed by group undertakings	**-**	4,564	**9,375**	2,174
Other debtors	**3,505**	-	**3,505**	-
Prepayments and accrued income	**46,580**	84,497	**40,167**	78,346
	164,816	410,061	**167,778**	80,520

11. Creditors: amounts falling due within one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	**31,638**	48,778	**6,897**	22,319
Amounts owed to group undertakings	**-**	4,564	**9,073**	-
Other taxation and social security	**67,869**	102,153	**9,481**	776
Accruals and deferred income	**137,600**	307,692	**126,511**	284,795
	237,107	463,187	**151,962**	307,890

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
Unrestricted funds				
Designated funds				
Designated Funds	**1,300,000**	**-**	**-**	**1,300,000**
General funds				
General funds	**1,335,360**	**1,734,780**	**(1,125,751)**	**1,944,389**
Total Unrestricted funds	**2,635,360**	**1,734,780**	**(1,125,751)**	**3,244,389**

Designated funds relate to projects for secondary prevention and are expected to be used over the coming year.

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Designated Funds	-	-	-	1,300,000	1,300,000
General funds					
General Funds	2,191,566	1,526,017	(1,082,223)	(1,300,000)	1,335,360
Total Unrestricted funds	2,191,566	1,526,017	(1,082,223)	-	2,635,360

13. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income for the period (as per Statement of Financial Activities)	**609,029**	443,794
Adjustments for:		
Depreciation charges	**2,351**	1,692
Amortisation charges	**(78,515)**	(47,311)
Decrease in debtors	**245,245**	9,177
Increase/(decrease) in creditors and other provisions	**(226,080)**	335,209
Net cash provided by operating activities	**552,030**	742,561

14. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	**3,296,837**	2,746,450
Total cash and cash equivalents	**3,296,837**	2,746,450

15. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	**2,746,450**	**550,387**	**3,296,837**

16. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charged represents contributions payable by the group to the fund and amounted to £42,885 (2023: £33,054).

As at 31 March 2024 there were no contributions payable to the scheme (2023: £nil).

17. Related party transactions

The charitable company has received donations of £904,881 (2023: £614,863) from its subsidiary undertaking, Ways to Wellness Limited, in the year. No amounts remain outstanding in respect of these donations at the balance sheet date.

The key management personnel of the charitable company comprise the chief executive officer, finance manager and social prescribing development lead. The total employee benefits for key management personnel are disclosed in note 7.

WAYS TO WELLNESS FOUNDATION

England & Wales - Charity number 1161123

Accounts

Registered number: 09183805
Charity number: 1161123

Ways to Wellness Foundation

(A company limited by guarantee)

Annual report

Year ended 31 March 2023

Ways to Wellness Foundation

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Ways to Wellness Foundation

Reference and administrative details
Year ended 31 March 2023

Trustees

Christopher Drinkwater (resigned 16 July 2022)
Sir Paul Ennals, Vice Chair (resigned 13 July 2023)
Ian Dodds
Mary Jordan
John Spurr
Guy Stephen Pilkington, Chair
Brigid Margot Joughin
Brendan Temple Hill (appointed 3 October 2022)

Company registered number

09183805

Charity registered number

1161123

Registered office

2nd Floor Forth Banks House
Skinnerburn Road
Newcastle Upon Tyne
NE1 3RH

Chief executive officer

Sandra Mitchell-Phillips

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Ways to Wellness Foundation

Trustees' report
Year ended 31 March 2023

The trustees present their annual report together with the audited financial statements of the charity for the 1 April 2022 to 31 March 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

The Foundation's objects for the period of this report are:

The preservation and protection of health, and the relief of poverty, by advancing social interventions, for individuals in North Cumbria and North East England with health conditions, in particular but not exclusively by:

- Developing and testing social interventions, and working with other sectors to do this;
- Providing information and prescribing social interventions to individuals to improve public health;
- Advancing the education of general public, medical practitioners and others in relation to social prescribing and other social interventions; and
- Such other exclusively charitable purpose(s) as the Trustees may from time to time determine in accordance with the law of charity.

Social interventions means non-medical interventions to achieve sustained healthy behaviour change and improved self-care. Social prescribing supplements the support a patient gets from their healthcare professional. A doctor or healthcare professional can prescribe an intervention, as they would medicine. Typically, the interventions include physical activity, health eating/cooking, social interaction and support with positive relationships.

Strategies for achieving objectives

The Ways to Wellness Foundation ('the parent charity') is the beneficial owner of and sole shareholder of its trading subsidiary, Ways to Wellness Limited, which together are referred to as 'the group'. Ways to Wellness was created in 2015 to test and evaluate the impact of intensive social prescribing support to patients with long term conditions on a large scale, i.e. the west end of Newcastle. Social prescribing is the use of non-medical interventions to achieve sustained lifestyle change and improved self-care among people with long term health conditions such as diabetes and heart disease. Ways to Wellness Limited aimed to reach approximately 10,000 patients over seven years, supporting up to 3,000 patients at any one time and significantly improving health and wellbeing outcomes for people living with long term health conditions. This target was achieved and the service continues to be commissioned by the ICB.

In recognising the Foundation's ability both to develop and prototype innovative solutions to health inequalities, since 2021 we have taken this learning and applied it to innovative new projects. We are supporting families with children requiring hospital treatment for neurodisability, and people on the waiting list for hip and knee operations.

Objectives and activities (continued)

In September 2022 Ways to Wellness acquired Bluestone Collaborative, a charity with similar aims and objectives, to strengthen its presence outside of the Newcastle Upon Tyne area. With both charities operating under the Ways to Wellness banner, the organisation's reach now stretches across the Integrated Care System geography. As part of the acquisition, Ways to Wellness added a maternal mental health service to its portfolio of services which operates in Northumberland, Middlesbrough, Sunderland and North Cumbria.

The Foundation has now become the main operating vehicle, holding service level agreements, grant agreement and appropriate contracts where required. The operating company, Ways to Wellness Limited, is able to also hold contracts if that is the best option.

The public benefits generated from the work of Ways to Wellness are set out below under 'achievements and performance'. The trustees continue to consider the wider legacy that will follow this initial contract, as set out in plans for future periods. Having also given due consideration to the Charity Commission guidance relating to public benefit, the trustees are satisfied that the activities of the group continue to deliver substantial benefits in line with the charity's objects.

Achievements and performance

Main achievements of the charity

Patient Engagement
Across the range of protypes and programmes that we are either testing or delivering, we have engaged with over 10,000 patients to date. The Ways to Wellness approach has been focussed on a more intensive intervention in order to encourage sustained behavioural change and therefore the number of patients on the programmes are relative to that intensity. As would be expected, our newer protypes tend to involve a far smaller number of patients while we refine and test the model.

Patient Wellbeing Improvements
Patient wellbeing is measured across all of the Ways to Wellness programmes, largely using the Wellbeing StarTM specific to the patient group. On average, Ways to Wellness looks for a wellbeing improvement score of more than 2.5 points in the most recent assessment as a measure of success. Along with the quantitive data collected, qualitative data is also collected and patients' views and opinions about the programmes help to ensure that the intervention remains focussed, relevant and within expected outcomes.

Research
Ways to Wellness collaborates with local universities to evaluate and measure the impact of our prototypes. We have a strong commitment to research and evaluation and have excellent relationships with local academics who are involved with our evaluation of prototypes. Newcastle and Durham Universities, in collaboration with Ways to Wellness and funded by National Institute for Health Research (NIHR), have completed their extensive research and evaluation into the impact of the social prescribing programme on patients diagnosed with diabetes. The research published in early 2023 has highlighted some surprising and unexpected results including a reduction in the HBA1C measurement.

Research is also currently being undertaken with Newcastle University and the Great North Childrens Hospital in relation to our prototype supporting families who have a child with a diagnosis of a neurodisability and the results are expected in early 2024. A full evaluation is also underway in relation to the maternal mental health service. This service operates in four areas of the North East and North Cumbria ICB geography and Ways to Wellness subcontracts the delivery of the service to four locally based VCSE organisations.

Achievements and performance (continued)

Review of activities

The Ways to Wellness group has seven trustees of the Foundation, three Non-Executive Directors of the Limited Company and 13 full time equivalent staff.

Across our prototypes, Ways to Wellness tests different methods of delivery and referral mechanisms to understand how best to ensure sustained success of the intervention.

Two local/regional sub-contracted charity and social enterprise delivery partners delivered the Ways to Wellness long term conditions service and employed approximately 19 full time equivalent Link Workers at the end of 2022/23. The majority of referrals to this programme are generated from GP practices.

Referrals to the child neurodisability programme are via the Great North Childrens Hospital while referrals to the perioperative programme are via a central hub working with Newcastle Hospitals and the prototype is delivered directly by Ways to Wellness.

The Maternal Mental Health programme generates its referrals via a wide range of sources. These include maternity services – perinatal, community midwives and wellbeing midwives, and also VCSE referrals and directly via the Primary Care Network.

Ways to Wellness Limited continues to receive and respond to dozens of requests annually from external organisations. The requests largely relate to information about social prescribing and/or social impact bond funding and originate from charities and social enterprises, commissioners and intermediaries.

Financial review

Financial performance

Over the year the programmes have generated a surplus and is expected to continue to do so during 2023/24 as referrals increase due to expansion of age range/GP practices.

Going concern

Any retained reserves generated by Ways to Wellness Limited will be used to achieve Ways to Wellness Foundation's charitable objectives in due course.

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The Ways to Wellness group has demonstrated that the 'link worker longer term support' model is successful and a larger surplus than expected has been achieved. In looking to the future of the organisation and to build on its success, the trustees are committed to developing and supporting innovative programmes and prototypes that improve health and wellbeing, and tackle health inequalities. Two projects are already under way, for which the Foundation is providing the initial seed funding. A third project was taken on through the acquisition of Blue Stone Collaborative in September 2022.

The trustees intend to invest the surplus prudently over the coming years into projects which achieve the aims of the Charity, whilst ensuring that 12 months' operating costs (currently £670k) are held back to ensure the ongoing operation of the projects in the event of a reduction in expected income. Currently the reserves are significantly more than this target. The trustees are developing an ambitious strategy for applying this excess. The strengthened capability and capacity of the staff and refocused aims and objectives will allow the trustees to invest the surplus prudently over the next few years. To reflect this ambition, the trustees have agreed to designate part of the reserves into two designated development funds, from which they expect to make significant allocations to projects in the coming year:

a) £1m towards the cost of one significant project
b) £300k towards the cost of multiple smaller projects

Subject to the success of these initiatives the trustees expect to invest future surplus reserves over the next few years

Structure, governance and management

Constitution

Ways to Wellness Foundation registered as a charitable company limited by guarantee and was set up under a Memorandum of Association dated 12 August 2014. It is a registered charity number 1161123.

Methods of appointment or election of trustees

No formal policy is in place for the appointment or election of trustees. Trustees and Non-Executive Directors are recruited and appointed based upon the knowledge, skills and experience judged to be necessary and appropriate to the best interests of the group and the Foundation's objects. New appointments are approved at Board level. Due to the relatively short-term (seven-year) contracts governing the current Ways to Wellness service terms, the group has not implemented time limitations or rotations for trustees or Non-Executive Directors.

The Senior Management Team comprises:

Sandra Mitchell-Phillips – Chief Executive Officer
Mike Bareham – Finance Manager
Simon Bromhead – Social Prescribing Development Lead

Organisational structure and decision-making policies

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the constitution but effective day-to-day management is delegated to the Chief Executive and staff within the charity.

Structure, governance and management (continued)

Policies adopted for the induction and training of trustees

No formal policies are in place for the induction and training of trustees. New trustees and Non-Executive Directors are provided with key documents and policies, including terms of reference and expectations. New trustees and Non-Executive Directors have one-to-one induction meeting with the Chair and Chief Executive (and, as indicated, Finance Manager) to review the remit and expectations of the role as well as key areas of focus.

Risk management

The trustees have high level oversight of risks, with detailed risk management of operation, contract management and finances devolved to the Board of Non-Executive Directors of the trading subsidiary, which reviews the Risk Register quarterly at both Board and Finance Committee meetings. Given the outcomes-based nature of the contract and the use of SIB investment, key risks relate to the potential failure to achieve target patient engagement numbers and/or target outcomes (and resulting impact on adherence to financial model). The trustees and Non-Executive Directors are satisfied that systems and procedures are in place to mitigate the group's exposure to the major risks, including regular monitoring and analysis of service delivery metrics, patient experience and impact measures.

Plans for future periods

Service Developments
The trustees of the Foundation intend to develop and test further models of delivering services to communities experiencing health inequalities working with statutory organisations and using the VCSE sector as delivery agents over the coming years, effectively transforming the Foundation into a hub of innovation. The limited company will remain as the contract management agent in these models.
Throughout the coming year, the trustees and senior team are reviewing and revising the strategic direction in order to ensure that the organisation remains responsive and relevant.

Trustees' report (continued)
Year ended 31 March 2023

Plans for future periods (continued)

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 12 October 2023 and signed on their behalf by:

Guy Stephen Pilkington

Statement of trustees' responsibilities
Year ended 31 March 2023

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees on 12 October 2023 and signed on its behalf by:

Guy Stephen Pilkington

Independent Auditor's Report to the trustees of Ways to Wellness Foundation

Opinion

We have audited the financial statements of Ways to Wellness Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's 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 Charities Act 2011.

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 group and parent charitable company 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 group's or parent charitable company'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 trustees 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 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 group's and the parent charitable company'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 group or the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures regarding compliance with the laws and regulations. We communicated identified laws and regulations within our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation's (including related companies legislation) and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many 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 and litigation. We identified the following areas as those most likely to have such an effect; data protection, employment law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance material to the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

12 October 2023

Ways to Wellness Foundation

Consolidated Statement of financial activities (incorporating income and expenditure account)
Year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	4	**1,446,504**	**1,446,504**	1,250,903
Other income		**79,513**	**79,513**	929
Total income		**1,526,017**	**1,526,017**	1,251,832
Expenditure on:				
Raising funds		**1,691**	**1,691**	2,850
Charitable activities	5	**1,080,532**	**1,080,532**	720,500
Total expenditure		**1,082,223**	**1,082,223**	723,350
Net movement in funds		**443,794**	**443,794**	528,482
Reconciliation of funds:				
Total funds brought forward		**2,191,566**	**2,191,566**	1,663,084
Net movement in funds		**443,794**	**443,794**	528,482
Total funds carried forward		**2,635,360**	**2,635,360**	2,191,566

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 31 form part of these financial statements.

Ways to Wellness Foundation

Consolidated balance sheet as at 31 March 2023

	Note		2023 £		2022 £
Intangible assets	8		**(78,515)**		-
Tangible assets	9		**20,551**		-
			(57,964)		-
Current assets					
Debtors	11	**410,061**		414,674	
Cash at bank and in hand		**2,746,450**		1,900,306	
		3,156,511		2,314,980	
Creditors: amounts falling due within one year	12	**(463,187)**		(123,414)	
Net current assets			**2,693,324**		2,191,566
Total assets less current liabilities			**2,635,360**		2,191,566
Total net assets			**2,635,360**		2,191,566
Charity funds					
Unrestricted funds	14		**2,635,360**		2,191,566
Total funds			**2,635,360**		2,191,566

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 12 October 2023 and signed on their behalf by:

Guy Stephen Pilkington

The notes on pages 18 to 31 form part of these financial statements.

Ways to Wellness Foundation

Balance sheet
as at 31 March 2023

	Note		2023 £		2022 £
Fixed assets					
Negative goodwill	8		**(78,515)**		-
Tangible assets	9		**20,551**		-
Investments	10		**1**		1
			(57,963)		1
Current assets					
Debtors	11	**80,520**		9,600	
Cash at bank and in hand		**2,315,879**		1,583,004	
		2,396,399		1,592,604	
Creditors: amounts falling due within one year	12	**(307,890)**		(15,902)	
Net current assets			**2,088,509**		1,576,702
Total net assets			**2,030,546**		1,576,703
Charity funds					
Unrestricted funds	14		**2,030,546**		1,576,703
Total funds			**2,030,546**		1,576,703

Balance sheet (continued)
as at 31 March 2023

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 12 October 2023 and signed on their behalf by:

Guy Stephen Pilkington

Company registered number: 09183805

The notes on pages 18 to 31 form part of these financial statements.

Ways to Wellness Foundation

Consolidated statement of cash flows
Year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	15	**742,561**	163,554
Purchase of tangible fixed assets		**(22,243)**	-
Net cash inflow on acquisition		**125,826**	-
Change in cash and cash equivalents in the year		**846,144**	**163,554**
Cash and cash equivalents at the beginning of the year		**1,900,306**	1,736,752
Cash and cash equivalents at the end of the year	16	**2,746,450**	1,900,306

The notes on pages 18 to 31 form part of these financial statements

Notes to the financial statements
Year ended 31 March 2023

1. General information

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ways to Wellness Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charitable company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The total profit for the year dealt with in the accounts of the charitable company was £453,843 (2022: £282,927).

The financial statements are presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

2.2 Going concern

The group meets its working capital requirements through its operating cash flows. The trustees have considered the group wide assessment of financial forecasts which show that the group expects to retain sufficient financial resources to continue meeting its liabilities as they fall due for a least 12 months following approval of these financial statements.

After making enquiries, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Consequently, they consider that the preparation of these financial statements on a going concern basis remains appropriate.

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grant income is recognised in full on receipt, or when receipt is certain, with the exception of programme related grant income which is recognised in the period in which the related activity takes place, with appropriate amounts accrued or deferred.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Royalty payments and management fees in respect of the loan are recognised within direct costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

2.5 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided on all intangible assets so as to write off the cost of an asset over its estimated useful life as follows:

Negative goodwill	-	Amortised over the life of the contracts

Assets residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less their estimated residual value, over their estimated useful lives as follows:

Long-term leasehold property	-	10% straight line basis
Office equipment	-	10% straight line basis
Computer equipment for Link Worker	-	Depreciated over the remaining life of the contract

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

2.12 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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 group's accounting policy for the recognition of income is detailed in note 2.3. Management consider that the main judgement and source of estimation uncertainty arises from the assessment of contract outcomes. Amounts receivable in connection with its contract are recognised in the statement of financial activities to the extent that the amounts can be quantified and the trustees have reasonable assurance that the outcomes have been completed.

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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from charitable activities

	Unrestricted funds 2023	**Total funds 2023**	Total funds 2022
	£	**£**	£
Contracted service delivery	1,446,504	**1,446,504**	1,250,903

5. Analysis of expenditure by activities

	Activities undertaken directly 2023	**Support costs 2023**	**Total funds 2023**
	£	**£**	**£**
Provision of services	646,611	433,921	**1,080,532**

	Activities undertaken directly 2022	Support costs 2022	Total funds 2022
	£	£	£
Provision of services	471,438	249,062	720,500

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Wages and salaries (note 7)	257,279	**257,279**	189,268
IT costs	31,032	**31,032**	15,974
Legal and professional fees	12,770	**12,770**	5,560
Other support costs	132,840	**132,840**	38,260
	433,921	**433,921**	249,062

6. Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor for the audit of the charitable company's annual accounts	**9,000**	8,000

7. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	**240,340**	153,635	**201,334**	61,624
Social security costs	**16,982**	6,918	**14,482**	3,171
Contribution to defined contribution pension schemes	**33,054**	28,715	**16,026**	3,093
	290,376	189,268	**231,842**	67,888

The average number of persons employed by the charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
	9	5	**1**	3

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

7. Staff costs (continued)

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

The key management personnel of the charity comprise the chief executive officer and finance manager. The employee benefits total £102,532 (2022: £90,608).

8. Intangible assets

Group and charity

	Negative goodwill £
At 1 April 2022	-
Additions (note 13)	(125,826)
At 31 March 2023	(125,826)
Credit for the year	(47,311)
At 31 March 2023	(47,311)
Net book value	
At 31 March 2023	(78,515)
At 31 March 2022	-

9. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2022	-	-	4,752	4,752
Additions	8,183	14,060	-	22,243
At 31 March 2023	8,183	14,060	4,752	26,995
Depreciation				
At 1 April 2022	-	-	4,752	4,752
Charge for the year	672	1,020	-	1,692
At 31 March 2023	672	1,020	4,752	6,444
Net book value				
At 31 March 2023	7,511	13,040	-	20,551
At 31 March 2022	-	-	-	-

10. Investments

Charity	Shares in group undertaking £
Cost or valuation	
At 1 April 2022	1
At 31 March 2023	1

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Country of incorporation	Class of shares	Holding
Ways to Wellness Limited	08798423	England	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ways to Wellness Limited	**1,217,322**	**(612,508)**	**604,814**	**604,815**

11. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	**321,000**	-	**-**	-
Amounts owed by group undertakings	**4,564**	-	**2,174**	-
Prepayments and accrued income	**84,497**	414,674	**78,346**	9,600
	410,061	414,674	**80,520**	9,600

12. Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	**48,778**	22,765	**22,319**	-
Amounts owed to group undertakings	**4,564**	-	**-**	750
Corporation tax	**-**	365	**-**	-
Other taxation and social security	**102,153**	48,736	**776**	-
Accruals and deferred income	**307,692**	51,548	**284,795**	15,152
	463,187	123,414	**307,890**	15,902

13. Business combinations

On 1 September 2022, the charity acquired the entire trade and assets of Bluestone Collaborative for a consideration of £nil. Acquisitions are accounted for under the purchase method. The following table sets out the fair value to the group of the identifiable net assets and liabilities acquired.

	Book value £	Fair value adjustments £	Fair value £
Current Assets			
Debtors	**9,480**	**10,132**	**19,612**
Cash at bank and in hand	**557,087**	**-**	**557,087**
Total Assets	**566,567**	**10,132**	**576,699**
Creditors			
Due within one year	**(437,198)**	**(13,675)**	**(450,873)**
Total Identifiable net assets	**129,369**	**(3,543)**	**125,826**
Negative goodwill			**(125,826)**
Total purchase consideration			**-**

The negative goodwill arising on acquisition is attributable to cash received in advance for contracts that are to be delivered over the next 2 years.

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Designated Funds	-	-	-	1,300,000	1,300,000

Designated funds comprise amounts set aside by the trustees for future projects in development.

General funds					
General funds	2,191,566	1,526,017	(1,082,223)	(1,300,000)	1,335,360
Total Unrestricted funds	2,191,566	1,526,017	(1,082,223)	-	2,635,360

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
General funds	1,663,084	1,251,832	(723,350)	2,191,566

15. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	**443,794**	528,482
Adjustments for:		
Depreciation charges	**1,692**	2,850
Amortisation charges	**(47,311)**	-
Decrease/(increase) in debtors	**9,177**	(96,528)
Increase/(decrease) in creditors and other provisions	**335,209**	(271,250)
Net cash provided by operating activities	**742,561**	163,554

16. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	**2,746,450**	1,900,306
Total cash and cash equivalents	**2,746,450**	1,900,306

17. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	Acquisition £	At 31 March 2023 £
Cash at bank and in hand	**1,900,306**	**289,057**	**557,087**	**2,746,450**

18. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charged represents contributions payable by the group to the fund and amounted to £33,054 (2022: £28,715).

As at 31 March 2023 there were no contributions payable to the scheme (2022: £nil).

19. Related party transactions

The charitable company has received donations of £614,863 (2022: £369,307) from its subsidiary undertaking, Ways to Wellness Limited, in the year. No amounts remain outstanding in respect of these donations at the balance sheet date.

The key management personnel of the charitable company comprise the chief executive officer and finance manager. The total employee benefits for key management personnel are disclosed in note 7.

WAYS TO WELLNESS FOUNDATION

England & Wales - Charity number 1161123

Accounts

Registered number: 09183805
Charity number: 1161123

Ways to Wellness Foundation

(A company limited by guarantee)

Annual report

31 March 2022

Ways to Wellness Foundation

(A company limited by guarantee)

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Ways to Wellness Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 31 March 2022

Trustees

Christopher Drinkwater, Chair (resigned 16 July 2022)
Sir Paul Ennals, Vice Chair
Ian Dodds
Mary Jordan
John Spurr
Guy Stephen Pilkington (appointed 17 August 2021)
Brigid Margot Joughin (appointed 17 August 2021)

Company registered number

09183805

Charity registered number

1161123

Registered office

2nd Floor Forth Banks House
Skinnerburn Road
Newcastle Upon Tyne
NE1 3RH

Chief executive officer

Sandra Mitchell-Phillips (appointed 1 May 2021)

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report
Year ended 31 March 2022

The trustees present their annual report together with the audited financial statements of the charity for the 1 April 2021 to 31 March 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

- **Policies and objectives**

The Foundation's objects are:

- to preserve and protect the health of people and to improve the quality of life of people with long term health conditions by promoting access to social prescribing services; and
- to advance education of the general public and medical practitioners in relation to social prescribing services and other similar interventions; and
- such other exclusively charitable purpose(s) as the trustees may from time to time determine in accordance with the law of charity.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

- **Strategies for achieving objectives**

The Ways to Wellness Foundation ('the parent charity') is the beneficial owner of and sole shareholder of its trading subsidiary, Ways to Wellness Limited, which together are referred to as the 'group'. Ways to Wellness Limited hosts and delivers social prescribing services to patients living with long term health conditions, holding and managing contracts with service providers, social investors and commissioners. Ways to Wellness began working with people living with long term health conditions in the West of Newcastle upon Tyne in April 2015. Ways to Wellness has an innovative funding and contracting structure, developed to deliver social prescribing 'at scale' with social impact bond (SIB) investment.

This ground-breaking partnership is between local and central Government bodies, social impact investors and local social sector organisations. Bridges Social Impact Bond Fund and Bridges Social Entrepreneurs Fund, managed by specialist impact driven investor Bridges Fund Management, invested into Ways to Wellness Limited via a SIB, making it the first SIB funded healthcare service in the UK. Ways to Wellness Limited holds a seven-year NHS contract with the Newcastle Gateshead Clinical Commissioning Group (CCG), through which Ways to Wellness Limited receives outcome-based payments from the CCG, The National Lottery Community Fund (Commissioning Better Outcomes Fund) and the Cabinet Office (Social Outcomes Fund) when agreed outcomes are achieved for patients. Ways to Wellness Limited has sub-contracted two local voluntary, community and social enterprise (VCSE) providers to deliver the social prescribing service – First Contact Clinical and Mental Health Concern.

Objectives and activities (continued)

Social prescribing is the use of non medical interventions to achieve sustained lifestyle change and improved self care among people with long term health conditions such as diabetes and heart disease. Ways to Wellness Limited aims to reach approximately 10,000 patients over seven years, supporting up to 3,000 patients at any one time and significantly improving health and wellbeing outcomes for people living with long term health conditions.

This long term, comprehensive social prescribing service is offered to all patients who meet the eligibility criteria, many of whom are patients who live with multiple health conditions and/or experience deprivation. Ways to Wellness Limited Link Workers, trained in behaviour change methods, work with patients on a one to one basis to identify health and wellness goals that are meaningful to them. Clients are supported to develop sustainable healthy behaviours and learn to confidently self manage their conditions to live healthier and more fulfilling lives, while reducing their dependency on traditional health services. Link Workers work with clients for an average of approximately 18 months with the aim of supporting them to maintain their behavioural changes, manage potential setbacks and build their resiliency over the longer term.

The public benefits generated from the work of Ways to Wellness Limited are set out below under 'achievements and performance'. The trustees continue to consider the wider legacy that will follow this initial contract, as set out in plans for future periods. Having also given due consideration to the Charity Commission guidance relating to public benefit the trustees are satisfied that the activities of the group continue to deliver substantial benefits in line with the charity's objects.

Achievements and performance

- **Main achievements of the charity**

Patient Engagement
Since the long-term conditions social prescribing commenced in April 2015, Ways to Wellness Limited has received 8,813 referrals, of which 6,606 have thus far engaged with the service.

Patient Wellbeing Improvements
Patient wellbeing is measured using the Wellbeing StarTM and showed an average wellbeing improvement of more than double target at an average of over 3.9 points in their most recent assessment during 2021/22 across the 1,869 patients who completed an outcome assessment in that year.

Research
Newcastle and Durham Universities, in collaboration with Ways to Wellness and funded by National Institute for Health Research (NIHR) have completed their extensive research and evaluation into the impact of the social prescribing programme on patients diagnosed with diabetes. The research has highlighted some surprising and unexpected results and is due to be published in late 2022.

Achievements and performance (continued)

- **Review of activities**

The Ways to Wellness group has six trustees of the Foundation, two Non-Executive Directors of the Limited company and 3.2 full time equivalent staff.

Two local/regional sub-contracted charity and social enterprise delivery partners delivered the Ways to Wellness service and employed approximately 19 full time equivalent Link Workers at the end of 2021/22. The majority of referrals to the programme are generated from GP practices. Ways to Wellness continues to employ various approaches to support and build relationships and engagement with GP practices. Link Workers signpost or refer clients to other services or groups to help clients in the achievement of their goals.

Ways to Wellness Limited continues to receive and respond to dozens of requests annually from external organisations. The requests largely relate to information about social prescribing and/or social impact bond funding and originate from charities and social enterprises, commissioners and intermediaries.

Financial review

- **Financial performance**

Over the year the programme has generated a surplus and is expected continue to do so during 2022/23 as referrals increase due to expansion of age range/GP practices.

- **Going concern**

Any retained reserves generated by Ways to Wellness Limited will be used to achieve Ways to Wellness Foundation's charitable objectives in due course.

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

- **Reserves policy**

The Foundation trustees approved a reserve policy for the Foundation in May 2020 and agreed to hold reserves of £30,000 in order to retain sufficient reserves to cover any future funding shortfall. Since then, the Ways to Wellness group has demonstrated that the 'link worker longer term support' model is successful and a larger surplus than expected has been achieved. In looking to the future of the organisation and to build on its success, the trustees are developing and testing further pilot projects based on the link worker model. Two projects have already been initiated for which the Foundation are providing the initial seed funding and there are several more projects at various stages in the evaluation and development process. The trustees intend to invest the surplus prudently over the coming years into such projects which achieve the new aims of the charity, whilst ensuring that 12 months' operating costs (currently £380k) are held back to ensure the ongoing operation of the projects in the event of a reduction in expected income. Currently the reserves are significantly in excess of this target. The trustees are developing an ambitious strategy for applying this excess. The strengthened capability and capacity of the staff and refocused aims and objectives will allow the Trustees to invest the surplus prudently in new pilots over the next few years.

The performance of Ways to Wellness Limited has been consistently strong. If the performance continues as projected over the remaining year of the existing contract, Ways to Wellness Limited will donate any surplus funds to the Foundation by way of a corporate Gift Aid donation. Sufficient retention of reserves is required in the limited company to ensure adequate cashflow for service provision. As the variables reduce and the size and timing of any surplus becomes clearer to the Foundation trustees, a plan will be developed to continue to meet the objectives of the Foundation.

Structure, governance and management

- **Constitution**

Ways to Wellness Foundation registered as a charitable company limited by guarantee and was set up under a Memorandum of Association dated 12 August 2014. It is a registered charity number 1161123.

- **Methods of appointment or election of trustees**

No formal policy is in place for the appointment or election of trustees. Trustees and Non-Executive Directors are recruited and appointed based upon the knowledge, skills and experience judged to be necessary and appropriate to the best interests of the group and the Foundation's objects. New appointments are approved at Board level. Due to the relatively short-term (seven-year) contracts governing the current Ways to Wellness service terms, the group has not implemented time imitations or rotations for trustees or Non-Executive Directors.

The Senior Management Team comprises:

Sandra Mitchell-Phillips – Chief Executive Officer
Mike Bareham – Finance Manager
Simon Bromhead – Social Prescribing Development Lead

- **Organisational structure and decision-making policies**

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the constitution but effective day-to-day management is delegated to the Chief Executive and staff within the charity.

Structure, governance and management (continued)

- **Policies adopted for the induction and training of trustees**

No formal policies are in place for the induction and training of trustees. New trustees and Non-Executive Directors are provided with key documents and policies, including terms of reference and expectations. New trustees and Non-Executive Directors have one-to-one induction meeting with the Chair and Chief Executive (and, as indicated, Finance Manager) to review the remit and expectations of the role as well as key areas of focus.

- **Risk management**

The trustees have high level oversight of risks, with detailed risk management of operation, contract management and finances devolved to the Board of Non-Executive Directors of the trading subsidiary, which reviews the Risk Register quarterly at both Board and Finance Committee meetings. Given the outcomes-based nature of the contract and the use of SIB investment, key risks relate to the potential failure to achieve target patient engagement numbers and/or target outcomes (and resulting impact on adherence to financial model). The trustees and Non-Executive Directors are satisfied that systems and procedures are in place to mitigate the group's exposure to the major risks, including regular monitoring and analysis of service delivery metrics, patient experience and impact measures.

Plans for future periods

Service developments
Following on from the success of the Long Term Conditions service, the Board of Ways to Wellness Foundation have expressed a desire to test the expansion of the Link Worker model into other areas of care with a focus on tackling health inequalities. Two new programmes are under development in the areas of families with a child who has a diagnosis of a neurodisability and in supporting those who have a diagnosis of chronic pain. It is anticipated that these programmes will progress to the delivery stage in mid-2022 with the limited company responsible for the delivery beyond the initial pilot stage.

The Trustees of the Foundation intend to develop and test further models of delivering services to communities experiencing health inequalities working with statutory organisations and using the VCSE sector as delivery agents over the coming years, effectively transforming the Foundation into a hub of innovation. The limited company will remain as the contract management agent in these models.

Geographical area of operation
In addition to the expansion of its services model, the Board of Ways to Wellness Foundation has agreed to expand the geographic area in which it operates to align with the newly formed Integrated Care Board. This means the operational reach of the organisation will extend significantly to match the North East and North Cumbria ICB footprint rather than its previous focus of Newcastle Upon Tyne.

Plans for future periods (continued)

Merger
In order to pursue these new objectives, the Board of Ways to Wellness Foundation have explored the possibility of merging with a like-minded organisation with experience of working in an extended geographical area. After a rigorous due diligence procedure, and a number of inter-board discussions, a merger with Blue Stone Collaborative and Ways to Wellness has been approved and will take effect from 1st September 2022. The new organisation will retain the Ways to Wellness name and branding.

The focus of the group's activity over the next twelve to eighteen months will be:
- To support the continued success of the Long Term Conditions social prescribing programme being delivered by its trading subsidiary, Ways to Wellness Limited, as a model of best practice of such services delivered at scale.
- To explore the expansion of the Long Term Conditions programmes to areas outwith the current delivery area.
- Create a space for people in different sectors to work together, having innovative and challenging conversations. We will proactively enable and support collaboration, involving the people we want to help.
- Be an independent organisation that demonstrates and supports the essential role the voluntary and community sector can play in delivering ground-breaking services and pioneering health and care transformation.

The merged organisation's **objectives** will be to:
- Use our capacity and expertise to support and develop innovative programmes and prototypes that improve health and wellbeing.
- Support place-based working, building on existing local assets and enabling Voluntary, Community and Social Enterprise (VCSE) organisations to take advantage of the opportunities offered by the creation of the North East and North Cumbria Integrated Care System.
- Use data and clear reporting to demonstrate impact and outcomes.
- Utilise our knowledge and experience to deal with non-standard funding and contractual arrangements, to support and risk manage innovative pro

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 6 October 2022 and signed on their behalf by:

Guy Stephen Pilkington

Ways to Wellness Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities
Year ended 31 March 2022

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees on 6 October 2022 and signed on its behalf by:

Guy Stephen Pilkington

Independent auditor's report to the trustees of Ways to Wellness Foundation

Opinion

We have audited the financial statements of Ways to Wellness Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's 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 Charities Act 2011.

Basis for opinion

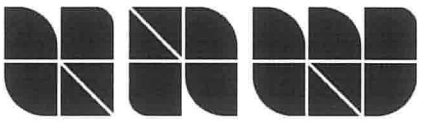
We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements section' of our report. We are independent of the group and parent charitable company 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 group's or parent charitable company'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.



Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

Other information

The other information comprises the information included in the trustees 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 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.

Matters on which we are required to report by exception

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

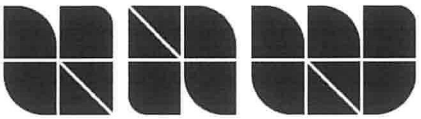
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 group's and the parent charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by auditing standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures regarding compliance with the laws and regulations. We communicated identified laws and regulations within our audit team and remained alert to any indications of non compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation's (including related companies legislation) and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many 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 and litigation. We identified the following areas as those most likely to have such an effect; data protection, employment law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance material to the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the trustees of Ways to Wellness Foundation (continued)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

6 October 2022

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
Year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies		-	-	500
Charitable activities	4	1,250,903	1,250,903	1,324,196
Other income		929	929	367
Total income		1,251,832	1,251,832	1,325,063
Expenditure on:				
Raising funds		2,850	2,850	43,975
Charitable activities	5	720,500	720,500	943,198
Total expenditure		723,350	723,350	987,173
Net movement in funds		528,482	528,482	337,890
Reconciliation of funds:				
Total funds brought forward		1,663,084	1,663,084	1,325,194
Net movement in funds		528,482	528,482	337,890
Total funds carried forward		2,191,566	2,191,566	1,663,084

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 28 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated balance sheet as at 31 March 2022

	Note		2022 £		2021 £
Tangible assets	8		-		2,850
			-		2,850
Current assets					
Debtors	10	**414,674**		318,896	
Cash at bank and in hand		**1,900,306**		1,736,752	
		2,314,980		2,055,648	
Creditors: amounts falling due within one year	11	**(123,414)**		(394,872)	
Net current assets			**2,191,566**		1,660,776
Total assets less current liabilities			**2,191,566**		1,663,626
Provisions for liabilities	12		-		(542)
Total net assets			**2,191,566**		1,663,084
Charity funds					
Unrestricted funds	13		**2,191,566**		1,663,084
Total funds			**2,191,566**		1,663,084

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 06 October 2022 and signed on their behalf by:

Guy Stephen Pilkington

The notes on pages 17 to 28 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Company balance sheet

as at 31 March 2022

	Note		2022 £		2021 £
Fixed assets					
Investments	9		**1**		1
			1		1
Current assets					
Debtors	10	**9,600**		-	
Cash at bank and in hand		**1,583,004**		1,296,511	
		1,592,604		1,296,511	
Creditors: amounts falling due within one year	11	**(15,902)**		(2,736)	
Net current assets			**1,576,702**		1,293,775
Total net assets			**1,576,703**		1,293,776
Charity funds					
Unrestricted funds	13		**1,576,703**		1,293,776
Total funds			**1,576,703**		1,293,776

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 06 October 2022 and signed on their behalf by:

Guy Stephen Pilkington

Company registered number: 09183805

The notes on pages 17 to 28 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated statement of cash flows
Year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	14	**163,554**	451,379
Purchase of tangible fixed assets		**-**	(4,752)
Repayments of borrowing		**-**	(108,411)
Change in cash and cash equivalents in the year		**163,554**	**338,216**
Cash and cash equivalents at the beginning of the year		**1,736,752**	1,398,536
Cash and cash equivalents at the end of the year	15	**1,900,306**	1,736,752

The notes on pages 17 to 28 form part of these financial statements

Notes to the financial statements
Year ended 31 March 2022

1. General information

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ways to Wellness Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charitable company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The total profit for the year dealt with in the accounts of the charitable company was £282,927 (2021: £622,978).

The financial statements are presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

2.2 Going concern

Whilst the impact of the COVID-19 pandemic initially resulted in a reduction in new referrals this has picked up in 2021/22 and from July 2021 the programme was extended to eight new practices and the age range expanded from 40 - 74 to 30 - 74, increasing the number of referrals. Link workers continue to support patients effectively by telephone and other remote methods, enabling assessment of wellbeing, patient goal setting, and achievement of goals through action planning and sign-posting. Therefore, income is likely to continue at levels more than adequate to cover ongoing costs.

The trustees have considered the group wide assessment of financial forecasts which show that the group expects to retain sufficient financial resources to continue meeting its liabilities as they fall due for at least the next 12 months following approval of these financial statements.

After making enquiries, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Consequently, they consider that the preparation of these financial statements on a going concern basis remains appropriate.

2. Accounting policies (continued)

2.3 Income

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grant income is recognised in full on receipt, or when receipt is certain, with the exception of programme related grant income which is recognised in the period in which the related activity takes place, with appropriate amounts accrued or deferred.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Royalty payments and management fees in respect of the loan are recognised within direct costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less their estimated residual value, over their estimated useful lives as follows:

Computer equipment for Link Worker	-	Depreciated over the remaining life of the contract

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2. Accounting policies (continued)

2.10 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

2.11 Deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

2.12 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

2.13 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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 group's accounting policy for the recognition of income is detailed in note 2.3. Management consider that the main judgement and source of estimation uncertainty arises from the assessment of contract outcomes. Amounts receivable in connection with its contract are recognised in the statement of financial activities to the extent that the amounts can be quantified and the trustees have reasonable assurance that the outcomes have been completed.

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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from charitable activities

	Unrestricted funds 2022 £	**Total funds 2022 £**	Total funds 2021 £
Income from charitable activities	1,250,903	**1,250,903**	1,324,196

5. Analysis of expenditure by activities

	Direct costs 2022 £	**Support costs 2022 £**	**Total funds 2022 £**
Provision of services	471,438	249,062	**720,500**

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £
Provision of services	745,177	198,021	943,198

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Provision of contract services	471,438	**471,438**	495,133
Finance costs	-	**-**	250,044
	471,438	**471,438**	745,177

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Wages and salaries (note 7)	189,268	**189,268**	157,096
Consultancy fees	-	**-**	5,978
IT costs	15,974	**15,974**	12,153
Legal and professional fees	5,560	**5,560**	6,310
Other support costs	38,260	**38,260**	16,484
	249,062	**249,062**	198,021

6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the charitable company's annual accounts	**8,000**	7,500

7. Staff costs

	Group 2022 £	Group 2021 £	**Charity 2022 £**	Charity 2021 £
Wages and salaries	**153,635**	127,347	**61,624**	23,212
Social security costs	**6,918**	9,424	**3,171**	-
Contribution to defined contribution pension schemes	**28,715**	20,325	**3,093**	-
	189,268	157,096	**67,888**	23,212

The average number of persons employed by the charity during the year was as follows:

	Group 2022 No.	Group 2021 No.	**Charity 2022 No.**	Charity 2021 No.
	5	4	**3**	1

Employees receiving remuneration amounting to more than £60,000 was 1 (2021 - 0).

The key management personnel of the charity comprise the chief executive officer and finance manager. The employee benefits total £108,883 (2021: £101,877).

During the year, 2 trustees received remuneration of £1,000 for their role as directors of Ways to Wellness Limited (2021: £nil).

8. Tangible fixed assets

Group and Charity

	Computer equipment £
Cost	
At 1 April 2021	**4,752**
At 31 March 2022	**4,752**
Depreciation	
At 1 April 2021	**1,902**
Charge for the year	**2,850**
At 31 March 2022	**4,752**
Net book value	
At 31 March 2022	**-**
At 31 March 2021	2,850

9. Investments

Company	Shares in group undertaking £
Cost or valuation	
At 1 April 2021	1
At 31 March 2022	1

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Country of incorporation	Class of shares	Holding
Ways to Wellness Limited	08798423	England	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ways to Wellness Limited	**1,250,903**	**(636,040)**	**614,863**	**614,864**

10. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Prepayments and accrued income	**414,674**	318,896	**9,600**	-
	414,674	318,896	**9,600**	-

11. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	**22,765**	54,811	**-**	-
Amounts owed to group undertakings	**-**	-	**750**	-
Corporation tax	**365**	-	**-**	-
Other taxation and social security	**48,736**	116,408	**-**	-
Accruals and deferred income	**51,548**	223,653	**15,152**	2,736
	123,414	394,872	**15,902**	2,736

12. Deferred taxation

	2022 £
Group and company	
At the beginning of the year	**542**
Movement in provisions	**(542)**
	-

The deferred tax balance is made up as follows:

	Group 2022 £	Group 2021 £
Fixed asset timing differences	**-**	542

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
General funds	**1,663,084**	**1,251,832**	**(723,350)**	**2,191,566**

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General funds	1,325,194	1,325,063	(987,173)	1,663,084

14. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	**528,482**	337,890
Adjustments for:		
Depreciation charges	**2,850**	1,902
(Increase)/decrease in debtors	**(96,528)**	222,383
Decrease in creditors and other provisions	**(271,250)**	(110,796)
Net cash provided by operating activities	**163,554**	451,379

15. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	**1,900,306**	1,736,752
Total cash and cash equivalents	**1,900,306**	1,736,752

16. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	**1,736,752**	**163,554**	**1,900,306**
	1,736,752	**163,554**	**1,900,306**

17. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charged represents contributions payable by the group to the fund and amounted to £28,715 (2021: £20,325).

As at 31 March 2022 there were no contributions payable to the scheme (2021: £nil).

18. Related party transactions

The charitable company has received donations of £369,307 (2021: £645,396) from its subsidiary undertaking, Ways to Wellness Limited, in the year. No amounts remain outstanding in respect of these donations at the balance sheet date.

The key management personnel of the charitable company comprise the chief executive officer and finance manager. The total employee benefits for key management personnel are disclosed in note 7.

19. Post balance sheet events

On 1st September 2022 the group, via Ways to Wellness Foundation, acquired the trade and assets of Blue Stone Collaborative. For further information please refer to the trustees report.

WAYS TO WELLNESS FOUNDATION

England & Wales - Charity number 1161123

Accounts

Registered number: 09183805
Charity number: 1161123

Ways to Wellness Foundation

(A company limited by guarantee)

Annual report

31 March 2021

Ways to Wellness Foundation

(A company limited by guarantee)

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Ways to Wellness Foundation

(A company limited by guarantee)

Reference and administrative details

Year ended 31 March 2021

Trustees

Christopher Drinkwater, Chair
Sir Paul Ennals, Vice Chair
Ian Dodds
Mary Jordan
John Spurr

Company registered number

09183805

Charity registered number

1161123

Registered office

UNW LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Chief executive officer

Tara Case (resigned 23/02/21)
Sandra Mitchell-Phillips (appointed (01/05/21)

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report

Year ended 31 March 2021

The trustees present their annual report together with the audited financial statements of the company for the 1 April 2020 to 31 March 2021. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

- **Policies and objectives**

The Foundation's objects are:

- to preserve and protect the health of people and to improve the quality of life of people with long term health conditions by promoting access to social prescribing services; and
- to advance education of the general public and medical practitioners in relation to social prescribing services and other similar interventions; and
- such other exclusively charitable purpose(s) as the trustees may from time to time determine in accordance with the law of charity.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

- **Strategies for achieving objectives**

The Ways to Wellness Foundation ('the parent charity') is the beneficial owner of and sole shareholder of its trading subsidiary, Ways to Wellness Limited, which together are referred to as the 'group'. Ways to Wellness Limited hosts and delivers social prescribing services to patients living with long term health conditions, holding and managing contracts with service providers, social investors and commissioners. Ways to Wellness began working with people living with long term health conditions in the West of Newcastle upon Tyne in April 2015. Ways to Wellness has an innovative funding and contracting structure, developed to deliver social prescribing 'at scale' with social impact bond (SIB) investment.

This ground-breaking partnership is between local and central Government bodies, social impact investors and local social sector organisations. Bridges Social Impact Bond Fund and Bridges Social Entrepreneurs Fund, managed by specialist impact driven investor Bridges Fund Management, invested into Ways to Wellness Limited via a SIB, making it the first SIB funded healthcare service in the UK. Ways to Wellness Limited holds a seven-year NHS contract with the Newcastle Gateshead Clinical Commissioning Group (CCG), through which Ways to Wellness Limited receives outcome-based payments from the CCG, The National Lottery Community Fund (Commissioning Better Outcomes Fund) and the Cabinet Office (Social Outcomes Fund) when agreed outcomes are achieved for patients. Ways to Wellness Limited has sub-contracted two local voluntary, community and social enterprise (VCSE) providers to deliver the social prescribing service – First Contact Clinical and Mental Health Concern.

Objectives and activities (continued)

Social prescribing is the use of non medical interventions to achieve sustained lifestyle change and improved self care among people with long term health conditions such as diabetes and heart disease. Ways to Wellness Limited aims to reach approximately 10,000 patients over seven years, supporting up to 3,000 patients at any one time and significantly improving health and wellbeing outcomes for people living with long term health conditions.

This long term, comprehensive social prescribing service is offered to all patients who meet the eligibility criteria, many of whom are patients who live with multiple health conditions and/or experience deprivation. Ways to Wellness Limited Link Workers, trained in behaviour change methods, work with patients on a one to one basis to identify health and wellness goals that are meaningful to them. Clients are supported to develop sustainable healthy behaviours and learn to confidently self manage their conditions to live healthier and more fulfilling lives, while reducing their dependency on traditional health services. Link Workers work with clients for an average of approximately 18 months with the aim of supporting them to maintain their behavioural changes, manage potential setbacks and build their resiliency over the longer term.

The public benefits generated from the work of Ways to Wellness Limited are set out below under 'achievements and performance'. The trustees continue to consider the wider legacy that will follow this initial contract, as set out in plans for future periods. Having also given due consideration to the Charity Commission guidance relating to public benefit the trustees are satisfied that the activities of the group continue to deliver substantial benefits in line with the charity's objects.

Achievements and performance

- **Main achievements of the charity**

Patient Engagement
In the first six years of operation (April 2015 to March 2021), Ways to Wellness Limited received 7,734 referrals, of which 5,848 have thus far engaged with the service. In 2020/21, 535 patients were referred to the service, of whom 414 patients engaged on the service.

Impact Measurement
Ways to Wellness Limited measures impact in two key ways, which are both linked to outcome payments from commissioners: (a) improvements in patient reported wellbeing; and (b) reduction in secondary care (hospital) costs in the full cohort compared to a similarly matched cohort in the other half of Newcastle upon Tyne. Ways to Wellness Limited was above target in (a) in 2020 21, but fell below target in (b) due to the disproportionate impact of COVID-19 on the control group in the other half of Newcastle upon Tyne.

Patient Wellbeing Improvements
Patient wellbeing is measured using the Wellbeing StarTM and showed an average wellbeing improvement of more than double target at an average of over 3.6 points in their most recent assessment during 2020/21 across the 2,202 patients who completed an outcome assessment in that year.

Savings in secondary care (hospital) costs
Reduction to secondary care (hospital) costs was below target, with Ways to Wellness measuring an average of 3.4% lower hospital costs than the comparison cohort in 2020/21 due to the impact of COVID-19 .

Research
Newcastle and Durham Universities, in collaboration with Ways to Wellness and funded by National Institute for Health Research (NIHR) continue their extensive quantitative and qualitative evaluation with expected completion later in 2021.

Achievements and performance (continued)

- **Review of activities**

The Ways to Wellness group has five trustees of the Foundation, seven Non Executive Directors of the Limited Company and 3.2 full time equivalent staff.

Two local/regional sub-contracted charity and social enterprise delivery partners delivered the Ways to Wellness service and employed approximately 18 full time equivalent Link Workers at the end of 2020/21. The majority of referrals to the programme are generated from GP practices. Ways to Wellness continues to employ various approaches to support and build relationships and engagement with GP practices. Link Workers signpost or refer clients to other services or groups to help clients in the achievement of their goals. In 2020/21, aligned to client goals, Link Workers signposted clients to 94 different organisations.

Ways to Wellness Limited continues to receive and respond to dozens of requests annually from external organisations. The requests largely relate to information about social prescribing and/or social impact bond funding and originate from charities and social enterprises, commissioners and intermediaries.

Financial review

- **Financial performance**

During the financial year of 2020/21, Ways to Wellness Limited continued to be profitable, enabling final repayment of the SIB loan alongside the royalty fees and a success payment for the prior year (totalling £480,560) to Bridges Social Entrepreneurs Fund and Social Impact Bond Fund, plus a corporate Gift Aided donation of £654,396 to Ways to Wellness Foundation.

The COVID-19 pandemic has impacted adversely on both referral numbers and an outcome tariff determined by savings in hospital costs. However, over the year the programme has generated a surplus and is expected continue to do so during 2021/22 as referrals increase due to expansion of age range/GP practices and loan costs are avoided following full repayment at the end of March 2021.

Any retained reserves generated by Ways to Wellness Limited will be used to achieve Ways to Wellness Foundation's charitable objectives in due course.

- **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

The COVID-19 pandemic has resulted in a reduction in new eligible referrals since March 2020 and it is anticipated that this will continue to have an adverse effect during 2021. However, from July 2021 the programme has been extended to eight new practices and the age range expanded from 40 – 74 to 30 – 74, which will increase the number of referrals.

- **Reserves policy**

The Foundation trustees approved a reserve policy for the Foundation in May 2020, and agreed to hold reserves of £30,000 in order to retain sufficient reserves to cover any future funding shortfall. This policy will be reviewed annually, or more frequently if circumstances change. At 31 March 2021, consolidated reserves stood at £1.79 million. The trustees are currently considering a number of options that would see a minority proportion of these funds applied for charitable purposes, namely in the form of investing developing and delivering pilot projects to test the feasibility of future larger-scale and longer-term work, over the coming 12 months and beyond, as the group moves towards the end of the initial 7 year contract with its partner organisations. The trustees have agreed a strategy to identify additional new projects that will utilise the remaining reserves over the coming years.

The performance of Ways to Wellness Limited has been consistently strong. If the performance continues as projected over the remaining year of existing contracts the Ways to Wellness Limited business will donate any surplus funds to the Foundation by way of a corporate gift aid donation. Sufficient retention of reserves is required in the limited company in order to ensure sufficient cashflow for service provision. As the variables reduce and the size and timing of any surplus becomes clearer to the Foundation trustees, a plan will be developed to continue to meet the objectives of the Foundation.

Structure, governance and management

- **Constitution**

Ways to Wellness Foundation registered as a charitable company limited by guarantee and was set up under a Memorandum of Association dated 12 August 2014. It is a registered charity number 1161123.

- **Methods of appointment or election of trustees**

No formal policy is in place for the appointment or election of trustees. Trustees and Non-Executive Directors are recruited and appointed based upon the knowledge, skills and experience judged to be necessary and appropriate to the best interests of the group and the Foundation's objects. New appointments are approved at Board level. Due to the relatively short-term (seven-year) contracts governing the current Ways to Wellness service terms, the group has not implemented time imitations or rotations for trustees or Non-Executive Directors.

The Senior Management Team comprises:

Sandra Mitchell-Phillips – Chief Executive Officer
Mike Bareham – Finance Manager
Simon Bromhead – Social Prescribing Development Lead

- **Organisational structure and decision-making policies**

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the constitution but effective day-to-day management is delegated to the Chief Executive and staff within the charity.

Structure, governance and management (continued)

- **Policies adopted for the induction and training of trustees**

No formal policies are in place for the induction and training of trustees. New trustees and Non-Executive Directors are provided with key documents and policies, including terms of reference and expectations. New trustees and Non-Executive Directors have one-to-one induction meeting with the Chair and Chief Executive (and, as indicated, Finance Manager) to review the remit and expectations of the role as well as key areas of focus.

- **Risk management**

The trustees have high level oversight of risks, with detailed risk management of operation, contract management and finances devolved to the Board of Non-Executive Directors of the trading subsidiary, which reviews the Risk Register quarterly at both Board and Finance Committee meetings. Given the outcomes-based nature of the contract and the use of SIB investment, key risks relate to the potential failure to achieve target patient engagement numbers and/or target outcomes (and resulting impact on adherence to financial model). The trustees and Non-Executive Directors are satisfied that systems and procedures are in place to mitigate the group's exposure to the major risks, including regular monitoring and analysis of service delivery metrics, patient experience and impact measures.

Plans for future periods

The Ways to Wellness group sets a budget for each financial year and refreshes its strategic plans approximately six monthly. The focus of the group's activity over the next twelve to eighteen months will be:

1) to support the continued success of the social prescribing programme in the west of Newcastle being delivered by its trading subsidiary, Ways to Wellness Limited, as a model of best practice of such services delivered at scale.

2) to seek and respond to opportunities to share lessons learned and the application of best practice in supporting patients with long term health conditions and in the field of social prescribing

3) to refresh the strategic plan and continue to progress an options analysis process currently underway, prioritising strategic areas to explore and building business cases and proposals for investment aligned to charitable objectives.

4) to test strategic proposals with initial investments, as agreed by Board and aligned with charitable objectives

The trustees and Non Executive Directors will seek to generate funding through outcome achievement to support these aims, and will take care not to commit resources beyond the level of the group's secure income.

After discussion with board members of both the Ways to Wellness Foundation and the operating company, the Foundation Board, as the parent organisation has made the decision to allow Ways to Wellness Ltd to become dormant from 1st April 2022. The existing CCG contract will remain with the operating company until its completion on 31st March 2022, but no further new activity will take place within the limited company after that date. The Foundation has taken over employment responsibilities of the staff team from 1st August 2021 and will recharge activity related to Ways to Wellness Ltd. Once all of Ways to Wellness Ltd's creditors have been paid and the auditors have completed their annual audit, the limited company will enter a dormant state, which is expected to be in Autumn 2022.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 23 November 2021 and signed on their behalf by:

Christopher Drinkwater

Ways to Wellness Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities

Year ended 31 March 2021

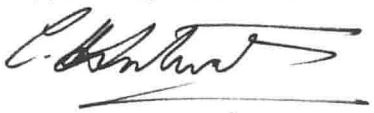
The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees on 23 November 2021 and signed on its behalf by:



Christopher Drinkwater

UNW

Independent auditor's report to the Members of Ways to Wellness Foundation

Opinion

We have audited the financial statements of Ways to Wellness Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's 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 Charities Act 2011.

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 group and parent charitable company 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 group's or parent charitable company'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 trustees 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 of the charitable company 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 group's and the parent charitable company'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 group or the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by auditing standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures regarding compliance with the laws and regulations. We communicated identified laws and regulations within our team and remained alert to any indications of non compliance throughout the audit.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation's (including related companies legislation) and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many 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 and litigation. We identified the following areas as those most likely to have such an effect; data protection, employment law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the Members of Ways to Wellness Foundation (continued)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

23 November 2021

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
Year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies		**500**	**500**	-
Charitable activities		**1,324,196**	**1,324,196**	1,985,932
Other income	4	**367**	**367**	891
Total income		**1,325,063**	**1,325,063**	1,986,823
Expenditure on:				
Raising funds		**43,975**	**43,975**	-
Charitable activities	5	**943,198**	**943,198**	1,351,597
Total expenditure		**987,173**	**987,173**	1,351,597
Net movement in funds		**337,890**	**337,890**	635,226
Reconciliation of funds:				
Total funds brought forward		**1,325,194**	**1,325,194**	689,968
Net movement in funds		**337,890**	**337,890**	635,226
Total funds carried forward		**1,663,084**	**1,663,084**	1,325,194

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 29 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated balance sheet as at 31 March 2021

	Note		2021 £		2020 £
Tangible assets	8		**2,850**		-
			2,850		-
Current assets					
Debtors	10	**318,896**		541,279	
Cash at bank and in hand		**1,736,752**		1,398,536	
		2,055,648		1,939,815	
Creditors: amounts falling due within one year	11	**(394,872)**		(614,621)	
Net current assets			**1,660,776**		1,325,194
Total assets less current liabilities			**1,663,626**		1,325,194
Provisions for liabilities	12		**(542)**		-
Total net assets			**1,663,084**		1,325,194
Charity funds					
Unrestricted funds	13		**1,663,084**		1,325,194
Total funds			**1,663,084**		1,325,194

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 23 November 2021 and signed on their behalf by:

Christopher Drinkwater

The notes on pages 17 to 29 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Company balance sheet

as at 31 March 2021

	Note		2021 £		2020 £
Fixed assets					
Investments	9		**1**		1
			1		1
Current assets					
Cash at bank and in hand		**1,296,511**		673,077	
		1,296,511		673,077	
Creditors: amounts falling due within one year	11	**(2,736)**		(2,280)	
Net current assets			**1,293,775**		670,797
Total net assets			**1,293,776**		670,798
Charity funds					
Unrestricted funds	13		**1,293,776**		670,798
Total funds			**1,293,776**		670,798

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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Christopher Drinkwater

Company registered number: 09183805

The notes on pages 17 to 29 form part of these financial statements.

Ways to Wellness Foundation

(A company limited by guarantee)

Consolidated statement of cash flows
Year ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	15	**451,379**	432,156
Purchase of tangible fixed assets		**(4,752)**	-
Repayments of borrowing		**(108,411)**	(1,000,000)
Change in cash and cash equivalents in the year		**338,216**	**(567,844)**
Cash and cash equivalents at the beginning of the year		**1,398,536**	1,966,380
Cash and cash equivalents at the end of the year	16	**1,736,752**	1,398,536

The notes on pages 17 to 29 form part of these financial statements

1. General information

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ways to Wellness Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charitable company has taken advantage of the exemption contained within section 408 of the Companies
Act 2006 not to present its own income and expenditure account.

The total profit for the year dealt with in the accounts of the charitable company was £622,978 (2020: £650,470).

The financial statements are presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

2.2 Going concern

The group is operating a Social Impact Bond model, seeking to ascertain that long term savings can be made through non clinical social prescribing. The model is a 7 year model based on the contract for services with the Clinical Commissioning Group which anticipated that the payments by results will flow through in the latter part of the contract. This loan was repaid in full during the period.

Whilst the impact of the COVID-19 pandemic has resulted in a reduction in new referrals since March 2020, it is anticipated that this will pick up later in 2021/22. However, from July 2021 the programme has been extended to eight new practices and the age range expanded from 40 - 74 to 30 - 74, which will increase the number of referrals. Link workers continue to support patients effectively by telephone and other remote methods, enabling assessment of wellbeing, patient goal setting, and achievement of goals through action planning and sign-posting. Therefore, income is likely to continue at levels more than adequate to cover costs throughout the remainder of the contract.

As such the trustees consider that the group has sufficient finance in place at the present time to allow it to continue as a going concern for at least the coming 12 months.

2. Accounting policies (continued)

2.3 Income

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grant income is recognised in full on receipt, or when receipt is certain, with the exception of programme related grant income which is recognised in the period in which the related activity takes place, with appropriate amounts accrued or deferred.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Royalty payments and management fees in respect of the loan are recognised within direct costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less their estimated residual value, over their estimated useful lives as follows:

Computer equipment for Link Worker	-	Depreciated over the remaining life of the contract

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Cash at bank and in hand

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

2.8 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2. Accounting policies (continued)

2.10 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

2.11 Deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

2.12 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

2.13 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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 group's accounting policy for the recognition of income is detailed in note 2.3. Management consider that the main judgement and source of estimation uncertainty arises from the assessment of contract outcomes. Amounts receivable in connection with its contract are recognised in the statement of financial activities to the extent that the amounts can be quantified and the trustees have reasonable assurance that the outcomes have been completed.

The company 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Other incoming resources

	Unrestricted funds 2021 £	**Total funds 2021** £	Total funds 2020 £
Interest income	367	**367**	891

5. Analysis of expenditure by activities

	Direct costs 2021 £	**Support costs 2021** £	**Total funds 2021** £
Provision of services	745,177	198,021	**943,198**

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £
Provision of services	1,136,055	215,542	1,351,597

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Provision of contract services	495,133	**495,133**	711,651
Finance costs	250,044	**250,044**	424,404
	745,177	**745,177**	1,136,055

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Wages and salaries (note 7)	151,596	**151,596**	154,985
Consultancy fees	5,978	**5,978**	1,519
IT costs	12,153	**12,153**	10,355
Legal and professional fees	6,310	**6,310**	6,808
Other support costs	21,984	**21,984**	41,875
	198,021	**198,021**	215,542

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**7,500**	7,500

7. Staff costs

	Group 2021 £	Group 2020 £	**Company 2021 £**	Company 2020 £
Wages and salaries	**121,847**	123,432	**23,212**	13,857
Social security costs	**9,424**	11,966	**-**	-
Contribution to defined contribution pension schemes	**20,325**	19,587	**-**	-
	151,596	154,985	**23,212**	13,857

The average number of persons employed by the company during the year was as follows:

	Group 2021 No.	Group 2020 No.	**Company 2021 No.**	Company 2020 No.
	4	4	**1**	1

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the chief executive officer and finance manager. The employee benefits total £101,877 (2020: £110,123).

During the year, no trustees received any remuneration or reimbursement of expenses (2020: £nil).

8. Tangible fixed assets

Group and Company

	Computer equipment £
Cost	
Additions	4,752
At 31 March 2021	4,752
Depreciation	
Charge for the year	1,902
At 31 March 2021	1,902
Net book value	
At 31 March 2021	2,850
At 31 March 2020	-

9. Investments

Company	Shares in group undertaking £
Valuation	
At 1 April 2020	1
At 31 March 2021	1

Principal subsidiaries

The following was a subsidiary undertaking of the company:

Name	Company number	Country of incorporation	Class of shares	Holding
Ways to Wellness Limited	08798423	England	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Ways to Wellness Limited	**1,291,763**	**(943,796)**	**347,967**	**347,967**

10. Debtors

	Group 2021 £	Group 2020 £
Prepayments and accrued income	**318,896**	541,279
	318,896	541,279

11. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Other loans	-	108,411	-	-
Trade creditors	**54,811**	45,289	-	-
Other taxation and social security	**116,408**	90,702	-	-
Accruals and deferred income	**223,653**	370,219	**2,736**	2,280
	394,872	614,621	**2,736**	2,280

The group is in receipt of loans totalling £923,677 (2020: £923,677) from Bridges Social Impact Bond Fund and £184,734 (2020: £184,734) from Bridges Social Entrepreneurs Fund. The loans are unsecured and were repayable in three instalments on 1 April 2019, 1 April 2020 and the balance on 31 March 2021. Royalties at 6% of income receivable on the contract with the Clinical Commissioning Group are payable under the terms of the loan agreement.

12. Deferred taxation

	2021 £
Group and company	
Charge for the year	**542**
	542

The deferred tax balance is made up as follows:

	Group 2021 £	Group 2020 £
Fixed asset timing differences	**542**	-

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General funds	**1,325,194**	**1,325,063**	**(987,173)**	**1,663,084**

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
Unrestricted funds				
General funds	689,968	1,986,823	(1,351,597)	1,325,194

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,850	**2,850**
Current assets	2,055,648	**2,055,648**
Creditors due within one year	(394,872)	**(394,872)**
Provisions for liabilities and charges	(542)	**(542)**
Total	1,663,084	**1,663,084**

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Current assets	1,939,815	1,939,815
Creditors due within one year	(614,621)	(614,621)
Total	1,325,194	1,325,194

15. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	**337,890**	635,226
Adjustments for:		
Depreciation charges	**1,902**	-
Decrease in debtors	**222,383**	242,374
Decrease in creditors	**(110,796)**	(445,444)
Net cash provided by operating activities	**451,379**	432,156

16. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	**1,736,752**	1,398,536
Total cash and cash equivalents	**1,736,752**	1,398,536

17. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	1,398,536	338,216	1,736,752
Debt due within 1 year	(108,411)	108,411	-
	1,290,125	446,627	1,736,752

18. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charged represents contributions payable by the group to the fund and amounted to £20,325 (2020: £19,587).

As at 31 March 2021 there were no contributions payable to the scheme (2020: £nil).

19. Related party transactions

The ultimate control of the charity rests with the board of trustees.

The charity has taken the exemption contained within FRS 102 for disclosing any transactions with entities wholly owned by Ways to Wellness Foundation.