

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.

Ways to Wellness Foundation

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Trustees' report (continued)
Year ended 31 March 2022

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 Star™ 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.

Ways to Wellness Foundation

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Trustees' report (continued)

Year ended 31 March 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.

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

● 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.

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

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.

Ways to Wellness Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 31 March 2022

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:

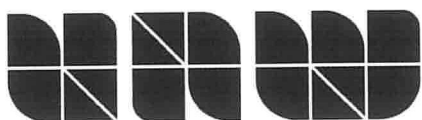
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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

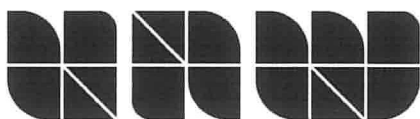
We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements section' of our report. We are independent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

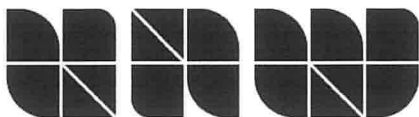
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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:

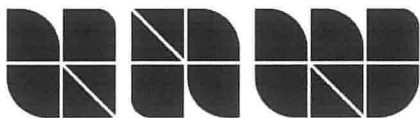
We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by auditing standards) and from inspection of the company's 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

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
		<u>1,251,832</u>	<u>1,251,832</u>	<u>1,325,063</u>
Total income				
Expenditure on:				
Raising funds		2,850	2,850	43,975
Charitable activities	5	720,500	720,500	943,198
		<u>723,350</u>	<u>723,350</u>	<u>987,173</u>
Total expenditure				
		<u>528,482</u>	<u>528,482</u>	<u>337,890</u>
Net movement in funds				
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
		<u>2,191,566</u>	<u>2,191,566</u>	<u>1,663,084</u>
Total funds carried forward				

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

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

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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

Ways to Wellness Foundation

(A company limited by guarantee)

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.

Ways to Wellness Foundation

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Notes to the financial statements

Year ended 31 March 2022

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.

Ways to Wellness Foundation

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Notes to the financial statements Year ended 31 March 2022

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.

Ways to Wellness Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

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.

Ways to Wellness Foundation

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Notes to the financial statements

Year ended 31 March 2022

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

Ways to Wellness Foundation

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Notes to the financial statements Year ended 31 March 2022

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
	<u>471,438</u>	<u>471,438</u>	<u>745,177</u>

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
	<u>249,062</u>	<u>249,062</u>	<u>198,021</u>

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

Ways to Wellness Foundation

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Notes to the financial statements

Year ended 31 March 2022

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).

Ways to Wellness Foundation

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Notes to the financial statements

Year ended 31 March 2022

8. Tangible fixed assets

Group and Charity

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

Ways to Wellness Foundation

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Notes to the financial statements

Year ended 31 March 2022

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

Ways to Wellness Foundation

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Notes to the financial statements Year ended 31 March 2022

10. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Prepayments and accrued income	414,674	318,896	9,600	-
	<u>414,674</u>	<u>318,896</u>	<u>9,600</u>	<u>-</u>

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
	<u>123,414</u>	<u>394,872</u>	<u>15,902</u>	<u>2,736</u>

12. Deferred taxation

	2022 £
Group and company	
At the beginning of the year	542
Movement in provisions	(542)
	<u>-</u>

The deferred tax balance is made up as follows:

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

Ways to Wellness Foundation

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Notes to the financial statements Year ended 31 March 2022

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	<u>1,663,084</u>	<u>1,251,832</u>	<u>(723,350)</u>	<u>2,191,566</u>

Statement of funds - prior year

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

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)	<u>528,482</u>	<u>337,890</u>
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	<u><u>163,554</u></u>	<u><u>451,379</u></u>

Ways to Wellness Foundation

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Notes to the financial statements Year ended 31 March 2022

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.

