

Charity number: 1179472

Living Well UK

Report and consolidated financial statements

For the year ended 31 March 2025

Living Well UK

For the year ended 31 March 2025

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Reference and administrative information

Charity number	1179472
Country of registration	England & Wales
Registered office	Avoca Court 23 Moseley Road Birmingham B12 0HJ
Trustees	R Hadley D Hay L K Masiane L D McKiernan (Chair) J Jones-Rigby (appointed 25 April 2024)
Key management personnel	
Chief Executive Officer	B Howells
Executive Clinical Director	P Kwesiga
Operations Director	L Squire
Finance Director	J De Couter
Bankers	Unity Trust Bank 4 Brindley Place Birmingham B1 2JB
Solicitors	Hempsons Solicitors 100 Wood Street London EC2V 7AN
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG

Trustees' annual report

The trustees present their report and the audited financial statements for the year ended 31 March 2025. Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the Charity's constitution, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims.

The objects of Living Well UK, the Charitable Incorporated Organisation (CIO), are the relief of sickness and preservation of health, with particular emphasis on mental health, principally (but not exclusively) in the Midlands, by:

Providing psychological therapies and counselling;
Providing education for organisations and professionals in the mental health field;
Promoting research for the public benefit and publishing the useful results of it.

The trustees review the aims, objectives, and activities of the Charity each year. This report sets out what the charitable group has achieved and the outcomes of its work in the reporting period. The group comprises Living Well UK – the CIO – and Living Well Consortium Ltd. (LWC) – the trading subsidiary.

LWC generates income from government contracts in fulfilment of counselling services under the NHS Talking Therapies pathways and incurs costs in relation to the delivery of this commissioned service. The trustees report the success of each key activity and the benefits the organisation has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. In particular, the trustees have considered how planned activities will contribute to the achievement of the Charity's stated aims and objectives.

Objectives and Activities for the Public Benefit.

During the year, the Charity worked to achieve its aims through a range of strategies and services, including:

- Collaborative delivery with over 40 VCFSE organisations to provide accessible, culturally competent mental health support.
- Prevention and early intervention initiatives, such as wellbeing cafés, group therapy for children and young people, and school-based health coaching.
- Digital innovation, including the Limbic Access chatbot, enabling 24/7 self-referrals and improving engagement.

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The trustees measure success using clinical outcomes, patient feedback, and operational metrics. For example:

- 24,678 referrals received and 18,564 clients seen under NHS Talking Therapies.
- 88% of respondents reported that services helped them understand and address their difficulties.
- Over 11,000 visitors accessed wellbeing cafés and 1,100 attendees joined online wellbeing sessions.
- 3,449 employment support sessions delivered, helping clients return to or find work.

Significant activities included:

- Delivery of NHS Talking Therapies (CBT, IPT, Couples Counselling).
- Children and Young People Services, including Dialectical Behaviour Therapy (DBT) skills groups and self-harm workshops.
- Employment Support, providing CV building, interview preparation, and transport assistance.
- Community projects, such as Healing Circles and the Green Spaces exhibition promoting mental health through nature.

All activities undertaken during the year were carried out to further the Charity's aims and deliver measurable benefits to the public, particularly those experiencing mental health challenges.

Achievements and performance

The trustees are pleased to report that during 2024/25, Living Well UK and its trading subsidiary, Living Well Consortium (LWC), delivered a wide range of services and initiatives that furthered the Charity's objects of relieving sickness and promoting mental health and wellbeing. This section reviews the significant charitable activities undertaken and assesses achievements against the objectives set for the year, demonstrating measurable impact and public benefit.

Providing psychological therapy sessions, and providing counselling and self-help solutions

NHS Talking Therapies (formerly known as IAPT or Improving Access to Psychological Therapies)

NHS Talking Therapies provision remained the cornerstone of our work, supporting adults and young people across Birmingham and Solihull. Our objective was to improve access to evidence-based psychological therapies and reduce waiting times. During the year, LWC received 24,678 referrals and provided treatment to 17,669 clients, exceeding planned activity levels. Waiting time performance surpassed national targets, with 86% of clients seen within six weeks and 97% within eighteen weeks, compared to national standards of 75% and 95%.

Patient feedback confirmed the quality and impact of services: 88% of respondents reported that the service helped them understand and address their difficulties, and overall satisfaction remained high at 82%. Recovery rates averaged 47%, broadly in line with

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national expectations, despite increasing clinical complexity. These outcomes reflect our commitment to timely, effective care and continuous improvement.

NHS Talking Therapies Highlights

Clients typically received between four and five sessions of treatment, tailored to individual needs. Alongside core therapies such as CBT, IPT and Couples Counselling, we introduced innovative delivery models to enhance engagement. Walking Therapy, launched in response to client feedback, offered sessions in green spaces and proved popular, with over 50 individuals supported during the year. Similarly, our CBT and Personal Training pilot combined psychological therapy with physical activity, addressing both mental and physical wellbeing. Early results indicate improved engagement and positive feedback, and plans are in place to expand this model in 2025/26.

Long-term Conditions (LTC)

Our integrated pathway for people with long-term conditions continued to deliver significant benefits. Nearly 1,550 clients with conditions such as diabetes and COPD accessed Talking Therapies through this service, which remains unique in the West Midlands. Outcomes demonstrate the value of integrating physical and mental health support, reducing hospital admissions and improving quality of life.

Assessment and Triage

To meet the growing demand for services, LWC expanded its in-house assessment and triage capacity during 2024/25. The team now comprises three dedicated Assessment and Triage practitioners, enabling direct referrals to LWC and significantly increasing the proportion of service users assessed internally. This development has streamlined access pathways, ensuring individuals are directed to the most appropriate service quickly and effectively. Enhanced skills within the team mean providers receive richer client information at the outset, allowing treatment to commence promptly and with greater relevance. These improvements have contributed to faster engagement, better continuity of care, and improved outcomes for service users.

Counselling/ Wellbeing and Social prescribing services

11-24 Counselling and Support

As part of the Forward Thinking Birmingham partnership, LWC provided counselling for young people aged 11–24, supporting 2,450 individuals during the year. Services included DBT skills groups and workshops addressing self-harm and low mood, creating safe spaces for young people to build resilience and coping strategies. Feedback from schools and families highlights the positive impact on attendance, confidence and emotional wellbeing.

Step 4

Step 4 continued to support complex young people with higher needs than traditional counselling can provide, working with 222 individuals during the year. This bespoke model remains in high demand and is recognised as best practice in supporting vulnerable young people. Plans are in place to expand provision in 2025/26 to meet growing need.

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Listening Service

The Listening Service offered up to twelve sessions for individuals for whom Talking Therapies were not clinically appropriate, supporting over 580 people during the year. This service has been instrumental in reducing isolation and providing emotional support for those who might otherwise fall through gaps in provision.

Healing Circles

Healing Circles provided culturally safe spaces for individuals from African and Caribbean backgrounds to discuss the impact of race on mental health. Over 790 people accessed this service during the year, and feedback highlights its role in fostering resilience and community cohesion. The model continues to attract national interest as an example of culturally competent care.

Contributing towards training and qualifications of practitioners and therapists (providing education for organisations and professionals in the mental health field)

Talking Therapies Workforce Development

Building workforce capacity remained a strategic priority. LWC supported 71 trainees during the year, maintaining one of the highest NHS Talking Therapies trainee placements in the West Midlands. Thirty-five graduates in High-Intensity CBT and eighteen Psychological Wellbeing Practitioners completed training and secured roles within Consortium organisations, strengthening the local mental health workforce. Clinical training and mentoring programmes continued to ensure service quality and support professional development, with additional investment in supervision and wellbeing support for trainees.

Promoting research for the public benefit and publishing the useful results

The Charity has continued to be represented by its involvement and work within the Voluntary, Community, Faith, and Social Enterprise (VCFSE) sector. During the year, the Charity worked to ensure the Charity is heard by a larger audience, representing, and leading the third sector, including representation at the National IAPT forum to share our best practice in clinical outcomes.

Other activities

Promotion and Partnership

The Charity maintained partnerships with organisations such as Solihull Moors Football Club, promoting mental health awareness and services to over 1,000 participants across

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Birmingham. These partnerships help to embed mental health support within community settings and reach individuals who might not otherwise engage with traditional services.

Beneficiaries of our services

The primary beneficiaries of the Charity's services are residents and workers in Birmingham and the West Midlands, as well as member organisations of LWC. In the year ended 31 March 2025, over 22,500 patients received services under NHS contracts.

The Charity also maintained a strong focus on supporting Black, Asian and Minority Ethnic communities, assisting nearly 9,800 individuals from these groups. Member organisations benefit from business support, clinical governance and operational assistance, enabling them to deliver high-quality services within a collaborative framework.

Impact and Public Benefit

These achievements have contributed directly to the Charity's aims by improving access to mental health support for adults, children and young people, reducing pressure on NHS services through community-based interventions, enhancing resilience and recovery through education and therapy, and supporting social inclusion and economic independence through employment programmes.

The trustees confirm that all activities undertaken during the year were carried out to further the Charity's aims and deliver measurable benefits to the public, in line with the Charity Commission's guidance on public benefit.

Financial review

The financial performance of the group for the year reflects total income of £9,622k and total costs of £9,864k, resulting in net outgoing resources of £242k for 2024/25. While Living Well UK (LWUK) reported net income of £134k, Living Well Consortium (LWC) reported a net loss of £377k for the same period.

As of 31 March 2025, the LWC accounts included deferred income of £458k, comprising £238k allocated to the Grounded project, £96k for VCFSE and £124k for Step4 Therapy. The balance held for Grounded recognised previously remains part of the restricted reserve, the VCFSE receipt has been recognised as income in the year, while the Step4 Therapy is a contractual obligation invoiced ahead of delivery as per instruction for the financial year 25/26, and remains in deferred income at the year end, the differing treatment of the three income streams in the consolidated group accounts for 2024/25 is in accordance with Charities SORP requirements.

At the beginning of the financial year, the group's unrestricted reserves were £251k, and restricted reserves stood at £678k. By 31 March 2025, total group funds had decreased to £687k, comprising £162k in unrestricted reserves and £525k in restricted reserves.

The group also held £280k in cash as of 31 March 2025.

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Principal sources of funds (including any fundraising)

The group's principal source of funds continues to be derived from the activities of LWC, which remained consistent in 2024/25. Efforts to diversify funding sources are ongoing and are anticipated to play a significant role in achieving the group's objectives. During 2024/25, the group successfully secured grant funding from several providers, further supporting its initiatives.

Reserves policy and going concern

The trustees have adopted a reserves policy designed to maintain a minimum of three months' operating costs in readily available cash reserves to ensure financial stability and continuity of services. Based on current staffing and overhead commitments, this equates to approximately £650k (2024: £600k), which includes salary costs of £543k for three months plus average overheads for the same period.

At 31 March 2025, the group held total funds of £686k (2024: £929k), comprising:

Unrestricted reserves of £162k (2024: £251k)

Restricted reserves of £525k (2024: £678k)

Restricted reserves are subject to donor-imposed conditions and are therefore not available for general purposes. The Charity's own unrestricted reserves were £185k (2024: £251k), this position is below the level set by the reserves policy and requires corrective action.

The trustees acknowledge this deficit and have implemented measures to restore compliance with the policy, principally recruiting the services of a finance director to improving cash flow management and engagement with commissioners to ensure timely payments, and more active management of service providers to control costs.

The trustees will review the reserves policy annually to ensure it remains appropriate for the scale and complexity of operations.

In assessing going concern, the trustees have considered the financial and operational outlook to 31 December 2026. The group's principal income source remains NHS-commissioned contracts, which provide a high level of funding certainty. The business model ensures that, should a significant contract end, the majority of associated direct costs would cease immediately, limiting financial risk. The trustees have also considered potential pressures on working capital, including delayed payments, and note that similar challenges have been successfully managed in prior periods.

Based on these considerations, the trustees are satisfied that the Charity and its subsidiary have adequate resources to continue in operational existence for the foreseeable future and have prepared the financial statements on a going concern basis

Principal risks and uncertainties

Risks are broadly classified into three areas – those related to the NHS landscape, those related to clinical complexity, and those related to members operational, financial and cashflow issues.

ICS formation (NHS landscape):	
<p>NHS commissioning continued to change dramatically during 2023/24 and on into 24/25. The Clinical Commissioning Groups (CCGs) which provided Mental Health services became Integrated Care Bodies (ICBs). This meant that LWC had a completely new set of commissioners/partners moving forward.</p> <p>The ICB delegated authority to Birmingham and Solihull Mental Health Foundation Trust (BSMHFT) to hold the mental health contracts for Birmingham and Solihull (BSOL); old CCG contracts – which now sit with BSMHFT. During 24/25 the FTB service delivered by Bham Women's and Children's Trust was transferred across to BSMHFT, this means that all our major contracts now sit with BSMHFT. LWC had a strong relationship with Bham Women's and Children's</p>	<p>Over the course of 2023/24 and 24/25 the MHPC was formed with BSMHFT at its head leading to further change and instability. Regular discussions continue with commissioners regarding the changes and where LWC fit going forward. The MHPC is now beginning to take shape to oversee the contracts and where LWC sits – this continues to be discussed. With the FTB contracts now moving across to BSMHFT, our complete commissioning now sits with the MHPC. LWC CEO sits on the Executive Steering Group (ESG) that provides oversight of the MHPC and has strong contact with the Finance Clinical Commissioning Group (FCCG) so we are well placed at senior level</p> <p>By continuing to deliver good outcomes for service users and showing good KPIs we will stay in a strong position</p>
Clinical complexity:	
<p>Presenting complexity of people needing services continues to rise, which adds risk and high need into a stretched system.</p> <p>LWC delivers services to a complex, multi-agency mental health system, and the quality of services provided by consortium members needs to reflect this. There is an increased clinical complexity – in that LWC is seeing fewer low "risk" referrals but a large increase in higher complexity for new referrals. This in turn has led to other issues such as staff retention/recruitment issues for CBT HI practitioners.</p> <p>The clinical complexity risks have continued to grow across 24/25, there is a higher percentage of HI cases presenting at assessment, and that continues to create problems, amongst low cases for PWPs to hold and having to grow a expensive HICBT staff team</p>	<p>A substantial and multi-faceted training programme and clinical guidance is provided to member organisations.</p> <p>LWC continues to grow its qualified staff and has the highest number of Trainee practitioners in its history.</p> <p>A Clinical Risk Register remains in place to track high level incidents.</p> <p>Across 24/25 we have grown our central team to ensure we can offer more clinical oversight to providers.</p> <p>LWC have developed a new support package for trainees to ensure that they are settled during the trainee period and prepared for the job once qualified. The team also offers more reassurance to NHSE central teams</p>
Members operational, financial, and general cashflow issues:	

<p>Late/ delayed payments from the NHS have been an ongoing problem across 24/25, and these can be large enough amounts to cause risk to supplier payments</p>	<p>LWC plan to build up reserves across 25/26 to enable us to have some money to cover continued late/ delayed payments. We will also be working alongside providers to ensure through audits, that they are building up reserves</p>
<p>Financial sustainability of individual consortium members may impact on delivery of contracted services.</p>	<p>Thorough annual audits of Consortium members ensuring financial sustainability is covered, including the requirement for their own reserves to be at acceptable levels.</p>
<p>Meeting KPIS. Across 24/25, LWC have struggled to meet all KPIs set for Talking Therapies (TT) as they have increased in line with national guidance</p>	<p>LWC have created specific working groups to target KPIS that are especially tough.</p>
<p>Low national NHS uplifts</p> <p>LWC was awarded 3.1% across 23/24 and only 2.15% in 24/25, this has put enormous pressure on budgets</p>	<p>We have been working tirelessly to push the national NHS team to understand the local pressures the low uplifts cause. We have also been working hard to look at other areas of funding that can support innovation and growth</p>

Fundraising

The Charity does not carry out external fundraising campaigns; during the year, costs of raising funds are related to advertising and marketing activity, promotional materials, and costs of attendance at events to promote charitable activities.

The Charity is not registered with the Fundraising Regulator and has received no complaints in relation to any fundraising activities undertaken.

Plans for the future

The group intends to:

- Continue delivering innovative and effective services, pursuing funding from grants and trusts awarding organisations.
- Invite applications from potential members to become part of the Consortium.
- Provide funding to support innovation in the sector.

The group is committed to developing a vision that allows the Charity to take the lead in enabling the system to provide quicker, easier, and simpler treatment at the point of need.

LWC intends to:

- Continue delivering Mental Health services across Birmingham and Solihull; alongside this there is a clear view to grow the delivery in other areas.
- Continue receiving funding for new trainees, with trainees confirmed for 2025/26 the group status as a key player in developing new staff for the Mental Health sector remains.
- Grow the delivery of Talking Therapies through providing more services closer to where people in communities need it.
- Grow Talking Therapies delivery in 2026/27.

Structure, governance and management

The organisation is a Charitable Incorporated Organisation (CIO) registered as a charity on 8 August 2018 in England and Wales. It is referred to within this report as the 'Charity'.

All trustees give their time voluntarily and any expenses or remuneration reclaimed from the Charity are set out in note 6 to the accounts. The total amount reimbursed to Trustees during the year was £nil (2023/24: £nil)

Appointment of trustees

Trustees are appointed by election at the Annual General Meeting (AGM) of the Charity. Member organisations are invited to nominate suitable candidates and submit a CV and nomination form. Where the number of nominations exceeds the number of vacancies, an election is held at the AGM. Trustees are normally appointed for a three-year term to ensure continuity on the Board, with periodic recruitment to maintain a balance of experience and fresh perspectives.

Changes during the year ended 31 March 2025:

New appointment: Jennifer Jones-Rigby was appointed as a trustee on 25 April 2024.

There were no other appointments or resignations during the financial year. Trustees Davy Hay, Lovemore Masiane, and Louise McKiernan continued their terms following re-election at the AGM held on 7 December 2022.

The Board regularly reviews its composition to ensure it has the appropriate skills and experience to govern effectively. Recruitment is undertaken in line with the Charity's diversity and inclusion principles, and all appointments comply with the requirements of the Charity Commission and the Charity's constitution.

Trustee induction and training

The Charity recognises that the trustee role is critical to the successful functioning of the Charity and its trading subsidiary. To achieve this, it has an induction programme for new trustees; the Chair and CEO are expected to ensure that all new trustees are inducted to their role and understand the requirements of a charity trustee (as outlined by the Charity Commission). Additionally, the CEO (through the Office Manager) organises the induction programme for the trustee and ensures that new trustees meet with appropriate staff and existing trustees and cover the items on the new trustee induction list.

Related parties and relationships with other organisations

As noted above, the Charity has a trading subsidiary, LWC which trades as Living Well Consortium Ltd (a company limited by guarantee, registered company number 07412677).

LWC is a membership body and works with and through its members to achieve its objects.

LWC delivers on contracts through services provided by various member bodies, including the provision of their staff to fulfil contracts across NHS Talking Therapies, FTB, LTC.

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A full list of the current Consortium members and their activities can be found on the website at www.livingwellconsortium.com.

Details of all other related party transactions are disclosed in Note 8 of the financial statements.

Remuneration policy for key management personnel

The Charity does not employ any staff, but LWC does.

The pay and remuneration of all LWC key management personnel has been reviewed in consultation with third party legal advisors, and appropriate salary bandings were reset in accordance with national benchmarks for clinical staff in accordance with the NHS Agenda for Change.

Statement of responsibilities of the trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the group's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP was re-appointed as the Charity's auditor at the AGM during the year and has expressed its willingness to continue in that capacity.

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The trustees' annual report has been approved by the trustees on 15th December 2025 and signed on their behalf by

L McKiernan

Trustee

Independent auditor's report to the trustees of Living Well UK

Opinion

We have audited the financial statements of Living Well UK (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the 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 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 Living Well UK'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.

For the year ended 31 March 2025

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements.
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees 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 and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud.
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities is available 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 parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity'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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities

	Note	Unrestricted £	Restricted £	2024/25 Total £	Unrestricted £	Restricted £	2023/24 Total £
Income from:							
Donations		3,142	-	3,142	1,013	-	1,013
Charitable Activities	2						
Therapy Sessions		2,635,283	-	2,635,283	2,313,915	-	2,313,915
Counselling and Self-help		3,148,547	-	3,148,547	2,426,930	-	2,426,930
Support Services		-	96,000	96,000	-	436,000	436,000
Wellbeing Services		754,843	-	754,843	615,477	-	615,477
Other Income							
Contribution towards training		2,525,357	-	2,525,357	1,987,662	-	1,987,662
Local Outreach programmes		-	277,048	277,048	-	206,736	206,736
Miscellaneous income		181,783	-	181,783	97,605	-	97,605
Total income		9,248,955	373,048	9,622,003	7,442,602	642,736	8,085,338
Expenditure on:							
Raising funds	3	199,127	-	199,127	354,558	-	354,558
Charitable Activities	3						
Therapy Sessions		2,094,276	-	2,094,276	2,011,772	-	2,011,772
Counselling and Self-help		3,204,578	-	3,204,578	2,461,432	-	2,461,432
Support Services		197,015	153,111	350,126	235,232	109,347	334,579
Wellbeing Services		1,181,787	3,524	1,185,311	887,685	49,764	937,449
Social Prescribing		-	-	-	-	-	-
Contribution towards training		2,634,031	-	2,634,031	1,901,481	-	1,901,481
Local Outreach programmes		52,278	44,624	96,902	-	5,000	5,000
Grants payable	4	-	100,000	100,000	-	89,164	89,164
Total expenditure		9,563,092	301,259	9,864,351	7,852,160	253,275	8,105,435
Net (expenditure) / income before transfers		(314,136)	71,789	(242,347)	(409,558)	389,461	(20,097)
Transfers between funds		225,236	(225,236)	-	259,929	(259,929)	-
Net movement in funds		(88,900)	(153,447)	(242,347)	(149,629)	129,532	(20,097)
Reconciliation of funds:							
Total funds brought forward	17	250,592	678,321	928,913	400,221	548,789	949,010
Total funds carried forward		161,692	524,874	686,566	250,592	678,321	928,913

All the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Living Well UK

For the year ended 31 March 2025

Balance Sheets

	Note	The Group	The charity	The Group	(Restated) The charity
		31 March 2025	31 March 2025	31 March 2024	31 March 2024
		£	£	£	£
Fixed assets:					
Tangible assets	10	271,121	-	224,412	-
Total non-current assets		271,121	-	224,412	-
Current assets:					
Debtors	13	2,911,007	224,156	2,339,443	142,540
Cash at bank and in hand		280,262	199,052	369,869	107,898
		3,191,269	423,208	2,709,312	250,438
Liabilities:					
Creditors: amounts falling due within one year	14	2,775,824	64,008	2,004,811	25,476
Net current assets		415,445	359,200	704,501	224,962
Total net assets	16	686,566	359,200	928,913	224,962
Funds:					
Restricted income funds:					
Grant funded programmes	17	524,873	174,682	678,321	125,805
Unrestricted income funds:					
General funds	18	161,693	184,518	250,592	99,157
Total funds		686,566	359,200	928,913	224,962

The surplus of the Charity for the year ended 2024/25 was £134,238 (2023/24: £36,124)

Approved by the trustees on 15 December 2025 and signed on their behalf by

L D McKiernan
Chair

For the year ended 31 March 2025

Consolidated cash flow statement

	2024/25	2024/25	2023/24	2023/24
	£	£	£	£
Cash flows from operating activities				
Net (expenditure) for the reporting period	(242,347)		(20,097)	
Depreciation charges	119,135		45,587	
(Increase) in debtors	(571,564)		(1,040,242)	
Increase in creditors	771,013		1,028,554	
Net cash provided by operating activities		<u>76,237</u>		<u>13,802</u>
Cash flows from investing activities:				
Purchase of fixed assets	(165,844)		(267,956)	
Net cash used in investing activities		<u>(165,844)</u>		<u>(267,956)</u>
Change in cash and cash equivalents in the year		(89,607)		(254,154)
Cash and cash equivalents at the beginning of the year		369,869		624,023
Cash and cash equivalents at the end of the year		<u>280,262</u>		<u>369,869</u>

Notes to the financial statements

1 Accounting policies

a) Statutory information

Living Well UK is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission for England and Wales.

The registered office address is Avoca Court, 23 Moseley Road, Birmingham, B12 0HJ.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The CIO was incorporated on 8 August 2018 and established control over its subsidiary Living Well Consortium on 3 December 2018.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary on a line-by-line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the Charity's balance sheet. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The Group has taken advantage of the exemptions allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

For the year ended 31 March 2025

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on a going concern basis. The trustees have assessed the Charity's ability to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. This assessment included consideration of the Charity's reserves position, cash flow forecasts, and the continued funding from NHS-commissioned contracts. The trustees are satisfied that the Charity has adequate resources to meet its obligations and continue operations for the foreseeable future. Further details are provided in the Going Concern Statement on page 9.

e) Income

The group's turnover arises from charitable activities and from trading undertaken by its wholly-owned subsidiary. Income is recognised in accordance with the performance obligations specified in contractual arrangements, as follows:

- **Charitable income**
Donations, grants and other voluntary income are recognised when the group has entitlement, receipt is probable, and the amount can be measured reliably.
- **Trading subsidiary income**
The trading subsidiary generates income from patient treatment services under contracts with commissioning bodies. Income from its Talking Therapy is recognised on a two-stage process:
 - Entitlement accrual – when a patient receives their second session of treatment, the subsidiary becomes contractually entitled to income. At this point, revenue is accrued.
 - Invoicing – when a patient completes their treatment, the subsidiary issues an invoice. The earlier accrual is reversed and replaced with invoiced income, ensuring receivables and cash flows are appropriately recorded.
- **Quota limitation**
The trading subsidiary's contracts for Talking Therapies impose an annual quota cap, restricting the total amount invoiceable in any financial year. While entitlement accruals may exceed the quota, invoicing is limited to the contractual maximum. Consequently, consolidated group revenue may include accrued income in excess of the amount invoiceable, reflecting the group's entitlement under the funding terms.
- **Income received in advance of specified services**
Where income is received in advance of the provision of specified services, it is deferred and recognised as a liability until the services are delivered. Revenue is then recognised in the Statement of Financial Activities as the performance obligation is satisfied.

The Trustees consider this policy provides a faithful representation of the Charity group's performance, aligning revenue recognition with service delivery, contractual entitlement, and the timing of grant conditions, while ensuring compliance with invoicing restrictions and deferral of income received in advance.

For the year ended 31 March 2025

f) Interest receivable

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

g) Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of supporting beneficiaries and undertaken to further the purposes of the group and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

i) Allocation of support costs

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area occupied by each activity.

Raising Funds	Activity	2.0%
Therapy Sessions	Activity	21.1%
Counselling & Self-help	Activity	32.3%
Support Services	Activity	3.5%
Wellbeing Services	Activity	12.3%
Training	Activity	26.6%
Local Outreach Programmes	Activity	1.2%
Grants Payable	Activity	1.0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

j) Operating leases

For the year ended 31 March 2025

Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

- Computer equipment 3 years
- Furniture and fixtures 3 years
- Leasehold Property over the term of the lease
- Software Developments 3 years

l) Investment in subsidiaries

Living Well Consortium is a company limited by guarantee and therefore there is no cost of investment.

m) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

n) Cash at bank and in hand

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

o) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

p) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement.

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For the year ended 31 March 2025

2 Analysis of Income

	Unrestricted 2024/25 £	Restricted 2024/25 £	Total 2024/25 £	Unrestricted 2023/24 £	Restricted 2023/24 £	Total 2023/24 £
Income from Charitable activities:						
Government contracts:						
Birmingham and Solihull ICB IAPT KPI4, LTC and Covid-19 situational counselling	4,860,317	120,000	4,980,317	3,618,162	120,000	3,738,162
Birmingham Women's and Children's NHS trust	2,635,283	-	2,635,283	2,313,915	-	2,313,915
Birmingham and Solihull Capital Grant		-	-		278,000	278,000
Non-government contracts:						
Grant income	-	157,048	157,048	-	86,736	86,736
VCFSE Income	-	96,000	96,000	-	158,000	158,000
Donations	3,142	-	3,142	1,013	-	1,013
Invoiced income	105,102	-	105,102	94,872	-	94,872
	<u>7,603,844</u>	<u>373,048</u>	<u>7,976,892</u>	<u>6,027,962</u>	<u>642,736</u>	<u>6,670,698</u>
	Unrestricted 2024/25 £	Restricted 2024/25 £	Total 2024/25 £	Unrestricted 2023/24 £	Restricted 2023/24 £	Total 2023/24 £
Other income:						
Government contracts:						
BSOL Funded trainees	1,563,267	-	1,563,267	1,164,612	-	1,164,612
HEE Funded trainees	-	-	-	238,396	-	238,396
Non-government contracts:						
Miscellaneous income	81,844	-	81,844	11,632	-	11,632
	<u>1,645,111</u>	<u>-</u>	<u>1,645,111</u>	<u>1,414,640</u>	<u>-</u>	<u>1,414,640</u>
Total Income	<u>9,248,955</u>	<u>373,048</u>	<u>9,622,003</u>	<u>7,442,602</u>	<u>642,736</u>	<u>8,085,338</u>

Living Well UK

For the year ended 31 March 2025

3 Analysis of expenditure

2024/25 Analysis of expenditure	Raising funds	Therapy Sessions	Counselling and Self-help	Support Services	Wellbeing Services	Training	Local Outreach programmes	Grants payable	Governance costs	Support costs	Total
	£	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 6)	-	-	-	-	-	-	-	-	-	1,248,982	1,248,982
Payments to partners	-	1,739,006	2,660,959	290,732	984,237	2,187,199	80,464	100,000	-	-	8,042,597
Advertising and marketing	123,546	-	-	-	-	-	-	-	-	-	123,546
Staff expenses	41,240	-	-	-	-	-	-	-	-	-	41,240
Office expenses	-	-	-	-	-	-	-	-	-	352,386	352,386
Audit, accountanc y & consultancy	561	-	-	-	-	-	-	-	27,151	27,888	55,600
	165,347	1,739,006	2,660,959	290,732	984,237	2,187,199	80,464	100,000	27,151	1,629,256	9,864,351
Support costs	33,227	349,446	534,708	58,421	197,778	439,508	16,169	-	-	(1,629,256)	-
Governance costs	554	5,823	8,911	974	3,296	7,324	269	-	(27,151)	-	-
Total	199,127	2,094,276	3,204,578	350,126	1,185,311	2,634,031	96,902	100,000	-	-	9,864,351

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For the year ended 31 March 2025

2023/24 Analysis of expenditure	Raising funds	Charitable Activities:								Support costs	Total
		Therapy Sessions	Counselling and Self- help	Support Services	Wellbeing Services	Training	Local Outreach programmes	Grants payable	Governance costs		
	£	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 6)	-	-	-	-	-	-	-	-	-	933,431	933,431
Payments to partners	-	1,694,281	2,072,977	290,199	789,162	1,601,397	4,211	89,164	-	-	6,541,391
Advertising and marketing	198,525	-	-	-	343	-	-	-	-	-	198,868
Staff expenses	100,077	-	-	-	-	-	-	-	-	-	100,077
Office expenses	-	-	-	-	-	-	-	-	-	269,259	269,259
Audit, accountancy & consultancy	-	-	-	-	-	-	-	-	49,311	13,098	62,409
	298,602	1,694,281	2,072,977	290,199	789,505	1,601,397	4,211	89,164	49,311	1,215,788	8,105,435
Support costs	53,774	305,115	373,313	52,261	142,178	288,389	758	-	-	(1,215,788)	-
Governance costs	2,182	12,376	15,142	2,119	5,766	11,695	31	-	(49,311)	-	-
Total	354,558	2,011,772	2,461,432	344,579	937,449	1,901,481	5,000	89,164	-	-	8,105,435

4 Grant making activities

	Grants to institutions £	Total 2024/25 £	Grants to institutions £	Total 2023/24 £
Cost				
Listening Service	65,000	65,000	60,000	60,000
Healing Circles	35,000	35,000	29,164	29,164
At the end of the year	100,000	100,000	89,164	89,164
	Total 2024/25		Total 2023/24	
Recipient of grant award	Value	Nature of award	Value	Nature of award
Karis	27,083	Listening Service	25,000	Listening Service
Bethel	37,917	Listening Service	35,000	Listening Service
Pattigift Therapy	35,000	Healing Circles	29,164	Healing Circles
	100,000		89,164	

5 Net expenditure for the reporting period

This is stated after charging/ (crediting):

	2024/25 £	2023/24 £
Depreciation	119,135	45,587
Operating lease rentals:		
Property (Avoca Court)	39,010	39,534
Property (Grounded)	70,130	34,708
Other	1,872	1,872
Auditor's remuneration (excluding VAT):		
Audit (current year)	21,000	20,000
Audit (previous year under provision)	-	26,311
Other services	1,500	3,000

For the year ended 31 March 2025

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2024/25	2023/24
	£	£
Per note 3 (Analysis of expenditure)		
Salaries and wages	1,119,876	855,979
Social security costs	108,220	66,174
Employer's pension contribution	20,886	11,278
	<u>1,248,982</u>	<u>933,431</u>
Salaries and wages included in direct costs		
Salaries and wages	830,483	636,099
Social security costs	78,076	61,239
Employer's pension contribution	15,017	13,100
	<u>923,576</u>	<u>710,438</u>
Total salaries and wages		
Salaries and wages	1,950,359	1,492,078
Social security costs	186,296	127,413
Employer's pension contribution	35,903	24,378
	<u>2,172,558</u>	<u>1,643,869</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £218,596 (2023/24: £163,709)

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

No trustees' expenses were reimbursed in either 2025 or 2024.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 66 (2023/24: 53).

8 Related party transactions

Related party transactions are all carried out at arms' length.

Amra Dautovic, (a Director of Living Well Consortium) is also Managing Director of Waythrough (formally Richmond Fellowship), which provided services to LWC during the financial year; the total amount invoiced by Waythrough to LWC during the year totalled £575,153 (2023/24: £260,458). The amount owed by LWC to Waythrough at 31 March 2025 was £282,585 (at 31 March 2024: £35,750). The amount owed by LWUK to Waythrough at 31 March 2025 was £nil (at 31 March 2024: £nil).

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For the year ended 31 March 2025

Davy Hay, (a Trustee of Living Well UK) is a Director of Pattigift Therapy CIC (Pattigift), which provided services to LWC during the financial year; the amount invoiced from Pattigift to LWC during the year totalled £341,994 (2023/24: £284,668). Pattigift Therapy CIC also received contributions paid by LWUK for Healing Circles work; the total amount paid over in 2024/25 was £35,000 (2023/24: £35,000). The amount owed by LWC to Pattigift Therapy CIC at 31 March 2025 was £6,220 (at 31 March 2024: £27,780). The amount owed by LWUK to Pattigift Therapy CIC at 31 March 2025 was £nil (at 31 March 2024: £nil).

Martin Hogg, (a Director (and Chair) of Living Well Consortium) is also CEO of Citizen Coaching, which provided services to LWC during the financial year; the total amount invoiced from Citizen Coaching to LWC during the year totalled £958,475 (2023/24: £1,041,191). The amount owed by LWC to Citizen Coaching at 31 March 2025 was £108,431 (at 31 March 2024: £156,730). The amount owed by LWUK to Citizen Coaching at 31 March 2025 was £nil (at 31 March 2024: £nil).

Lovemore Masiane, (a Trustee of Living Well UK) is Clinical Director at Our Roots, which provided services to LWC during the financial year; the total amount invoiced from Our Roots to LWC during the year totalled £2,895,210 (2023/24: £2,649,333). The amount owed by LWC to Our Roots CIC at 31 March 2025 was £384,000 (at 31 March 2024: £515,788). The amount owed by LWUK to Our Roots at 31 March 2025 was £nil (at 31 March 2024: £nil).

Louise McKiernan, (a Trustee of Living Well UK, and a Director of Living Well Consortium) is CEO of Disability Resource Centre (DRC), which provided services to LWC during the financial year; the amount invoiced from DRC to LWC during the year totalled £7,245 (2023/24: £10,520). The amount owed by LWC to DRC at 31 March 2025 was £nil (at 31 March 2024: £630).

Shahid Zaman (a Director of Living Well Consortium) was also a named director of Cognitive Wellness, which provided services to LWC during the financial year; the amount invoiced from Cognitive Wellness to LWC during the year totalled £1,021,641 (2023/24: £430,617). The amount owed by LWC to Cognitive Wellness at 31 March 2025 was £133,957 (at 31 March 2024: £nil).

Jennifer Jones-Rigby, (a Trustee of Living Well UK) is also associated with Bethel Network; the total amount funded or invoiced from Bethel to LWUK during the year totalled £35,000 (2023/24: funding of £35,000). The amount owed by LWC to Bethel at 31 March 2025 was £nil (at 31 March 2024: £nil). The amount owed by LWUK to Bethel at 31 March 2025 was £nil (at 31 March 2024: £nil).

Ronald Owttrim (a former director of Living Well Consortium) was also a named Director of Health Exchange Limited (HEX), which provided services to LWC during the financial year; the amount invoiced from HEX to LWC during the year totalled £806,269 (2023/24: £548,018). The amount owed by LWC to HEX at 31 March 2025 was £358,731 (at 31 March 2024: £117,029). The amount owed by LWUK to HEX at 31 March 2025 was £nil (at 31 March 2024: £nil).

Aftab Rahman, (former a Trustee of Living Well UK) is also associated with Legacy West Midlands; the total amount funded or invoiced from Legacy to LWUK during the year totalled £nil (2023/24: funding of £nil). The amount owed by LWC to Legacy WM at 31 March 2025 was £nil (at 31 March 2024: £nil). The amount owed by LWUK to Legacy WM at 31 March 2025 was £nil (at 31 March 2024: £nil).

David Cusack, (a former Trustee of Living Well UK) was also employed as CEO of St Paul's Community Development Trust, which provided venue space to LWUK during the financial year. The total amount invoiced from St Paul's to LWUK during the year totalled

Living Well UK

For the year ended 31 March 2025

£nil (2023/24: £nil). The amount owed by LWUK to St Paul's Community Development Trust at 31 March 2025 was £nil (at 31 March 2024: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Corporation Tax

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. LWC distributes available profits to the parent charity under Gift Aid.

10 Tangible Fixed Assets

	Computer equipment	Furniture and Fixtures	Leasehold Improvements	Software Developments	Total
	£	£	£	£	£
Cost					
At the start of the year	37,910	800	206,155	51,990	296,854
Additions in the year	4,297	-	161,547	-	165,844
At the end of the year	42,207	800	367,702	51,990	462,699
Depreciation					
At the start of the year	29,435	800	33,592	8,615	72,443
Charge for the year	4,063	-	104,678	10,398	119,135
At the end of the year	33,497	800	138,270	19,013	191,578
Net book value					
At the start of the year	8,475	-	172,563	43,375	224,412
At the end of the year	8,710	-	229,432	32,977	271,121

All fixed assets are held by the charity's trading subsidiary, LWC.

For the year ended 31 March 2025

11 Subsidiary Undertaking

The Charity has control over the activities of Living Well Consortium Limited (LWC), a company registered in England. The company number is 07412677. The registered office address is 23 Moseley Road, Birmingham, B12 0HJ.

All activities have been consolidated on a line-by-line basis in the statement of financial activities.

Available profits may be distributed under Gift Aid to the parent charity.

The trustees Louise McKiernan, and Lovemore Masiane are also directors of the subsidiary.

A summary of the results of the subsidiary for their full financial year is shown below:

	2024/25	2023/24
	£	£
Turnover	9,524,805	7,757,092
Cost of sales	(7,894,449)	(6,419,931)
Gross surplus	<u>1,630,356</u>	<u>1,337,111</u>
Administrative expenses	(1,788,273)	(1,513,880)
Loss for the reporting period	<u>(157,917)</u>	<u>(176,719)</u>
Retained earnings		
Total retained earnings brought forward	151,424	328,142
Loss for the reporting period	(157,917)	(176,719)
Distribution under Gift Aid to parent charity	-	-
Total retained earnings carried forward	<u>(6,493)</u>	<u>151,424</u>
	2024/25	2023/24
	£	£
The aggregate of the assets, liabilities and reserves was:		
Assets	3,261,036	2,822,826
Liabilities	(3,267,529)	(2,671,402)
Reserves	<u>(6,493)</u>	<u>151,424</u>

For the year ended 31 March 2025

12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024/25 £	2023/24 £
Gross income	614,977	462,493
Result for the year	<u>(134,239)</u>	<u>(36,124)</u>

13 Debtors

	The group 31 March 2025 £	The charity 31 March 2025 £	The group 31 March 2024 £	The charity 31 March 2024 £
Trade debtors	1,889,370	2,302	1,619,273	3,000
Other debtors	35,209	-	43,246	-
Prepayments	986,428	-	676,924	-
Amounts owed from group undertakings	-	221,854	-	139,540
	<u>2,911,007</u>	<u>224,156</u>	<u>2,339,443</u>	<u>142,540</u>

14 Creditors: amounts falling due within one year

	The group 31 March 2025 £	The charity 31 March 2025 £	The group 31 March 2024 £	The charity 31 March 2024 £
Trade creditors	1,673,479	37,341	1,315,486	8,926
Taxation and social security	347,790	-	120,279	-
Accruals	625,326	26,667	569,046	16,550
Other Creditors	5,269	-	-	-
Deferred Income	123,960	-	-	-
	<u>2,775,824</u>	<u>64,008</u>	<u>2,004,811</u>	<u>25,476</u>

15 Deferred income

	The group 31 March 2025 £	The charity 31 March 2025 £	The group 31 March 2024 £	The charity 31 March 2024 £
Balance at the beginning of the year	-	-	-	-
Amount released to income in the year	-	-	-	-
Amount Deferred in the year	123,960	-	-	-
Balance at the end of the year	<u>123,960</u>	<u>-</u>	<u>-</u>	<u>-</u>

Deferred income comprises contract income received in advance.

16 Analysis of group net assets between funds

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	41,689	229,432	271,121
Net current assets	120,003	295,442	415,445
Net assets at 31 March 2025	<u>161,692</u>	<u>524,874</u>	<u>686,566</u>

	General unrestricted £	Restricted funds £	Total funds £
<i>Tangible fixed assets</i>	<i>224,412</i>	<i>-</i>	<i>224,412</i>
<i>Net current assets</i>	<i>26,180</i>	<i>678,321</i>	<i>704,501</i>
<i>Net assets at 31 March 2024</i>	<u><i>250,592</i></u>	<u><i>678,321</i></u>	<u><i>928,913</i></u>

17 Movements in funds

	At 1 April 2024	Income & gains	Expenditure & losses	Transfers	At 31 March 2025
	£	£	£	£	£
Restricted funds:					
Grant awards	678,321	373,048	(301,259)	(225,236)	524,874
Unrestricted funds:					
General funds	250,592	9,248,956	(9,563,092)	225,236	161,691
Total funds	928,913	9,622,004	(9,864,351)	-	686,566

	At 1 April 2023	Income & gains	Expenditure & losses	Transfers	At 31 March 2024
	£	£	£	£	£
Restricted funds:					
Grant awards	548,789	642,736	(253,275)	(259,929)	678,321
Unrestricted funds:					
General funds	400,221	7,442,602	(7,852,160)	259,929	250,592
Total funds	949,010	8,085,338	(8,105,435)	-	928,913

Restricted funds projects: include grant funding received for projects to be delivered during the year and continuing into 2025/26.

	At 1 April 2024	Income & gains	Expenditure & losses	Transfers	At 31 March 2025
	£	£	£	£	£
Healing Circles	30,836	120,000	(100,000)	-	50,836
Cast and Good	-	-	-	-	-
Things Foundation					
Street Games	38,981	-	(1,524)	-	37,457
Wellbeing Coach at Arden Academy	23,920	27,623	-	(16,326)	35,217
Birmingham and Solihull ICB Capital Grant	469,156	-	(69,750)	(161,547)	237,859
VCFSE	83,360	96,000	(83,361)	-	95,999
The LTA Foundation	32,068	-	(2,000)	(21,114)	8,954
FUSE Project	-	8,333	-	-	8,333
Cameron Grant	-	16,000	-	(8,000)	8,000
National Lottery – Reaching Communities	-	105,092	(44,624)	(18,249)	42,219

Living Well UK

For the year ended 31 March 2025

Total funds	678,321	373,048	(301,259)	(225,236)	524,874
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Transfers were made from general to restricted funds for the following funds as staff and other costs had previously been expensed through the general fund rather than through the relevant restricted fund.

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Healing Circles	-	120,000	(89,164)	-	30,836
Cast and Good Things Foundation	2,304	-	-	(2,304)	-
Street Games	40,846	11,444	(13,309)	-	38,981
Kickstart	6,407	-	-	(6,407)	-
Digikicks	4,840	-	-	(4,840)	-
Jubilee fund	4,096	-	(3,318)	(778)	-
Breaking Boundaries	351	-	(5,000)	4,649	-
StandOut project	23,735	-	-	(23,735)	-
Wellbeing Coach at Arden Academy	34,192	34,977	(24,890)	(20,359)	23,920
Birmingham and Solihull ICB Capital Grant	432,019	278,000	(34,708)	(206,155)	469,156
VCFSE	-	158,000	(74,639)	-	83,361
The LTA Foundation	-	40,315	(8,247)	-	32,068
Total funds	548,790	642,737	(253,275)	(259,929)	678,321

Transfers were made from general to restricted funds for the following funds as staff and other costs had previously been expensed through the general fund rather than through the relevant restricted fund:

Cast and Good Things Foundation, Kickstart, Digikicks, Jubilee Fund, StandOut project and Wellbeing Coach at Arden Academy.

A transfer was made in the year between the general fund and the restricted Breaking Boundaries project to cover an overspend in costs on that project.

A transfer was made from the Birmingham and Solihull ICB Capital Grant restricted fund to general funds for the amount expended on assets capitalised under the project in that

National Lottery - Healing Circles

A form of therapeutic intervention supporting individuals from African & Caribbean background to build resilience, collective cohesion, address trauma and develop family support for an individual's mental health and wellbeing.

An alternative group option that acknowledges the importance of coming together in dedicated safe spaces to learn how to deal with the impact of racial issues and its association with ill health experienced both physically and emotionally. . Providing culturally specific strategies and resources to help discuss and heal from historical and current traumas both individually and collectively.

For the year ended 31 March 2025

Originally funded by a National Lottery funding during 2020/1 following funding from reserves in 2021/22/23, now funded by the Birmingham & Solihull Mental Health NHS.

In the last financial year 792 service users were supported.

Street Games

Also known as HAF (Holliday, Activities and Food or Bring it on Brum!), a government-funded program designed to provide children aged 4-16, who are eligible for free school meals, with healthy food, enriching activities, and a safe environment during school holidays. The program aims to address issues of unhealthy holidays, social isolation, and limited opportunities for physical activity and personal development. Birmingham City Council has appointed Street Games (the funder) to coordinate holiday club provision.

Wellbeing Coach at Arden Academy

The Charity received income to provide a health and wellbeing coach at Arden Academy from Solihull Rural in order to support students through delivery of interventions so they can identify strategies to support and manage their own health and wellbeing.

Birmingham and Solihull ICB Capital Grant

The Charity received a one-off contribution towards the cost of the Grounded projects.

VCFSE

The establishment of the Mental Health Provider Collaborative (MHPC) marks an important milestone for Voluntary, Community, Faith, and Social Enterprise (VCFSE) organisations. For the first time, it offers a formal and strategic role in shaping the leadership and delivery of mental health care across Birmingham and Solihull (BSol).

Through membership in the VCFSE Mental Health Collective, organisations have the opportunity to:

Contribute ideas and innovative approaches to improve mental health outcomes across BSol.

Raise concerns about service gaps, inequalities, or challenges in the current system.

Influence strategic conversations and ensure that the voices of the communities they serve are heard at the highest levels of the mental health system.

This collaborative approach recognises the vital role that VCFSE organisations play in delivering culturally competent, community-based mental health support – and aims to embed that expertise within the wider system

The LTA Foundation

In 2023, we were fortunate to receive funding from the LTA Tennis Foundation for our "**Tennis Got Served**" project. This initiative aims to enhance the physical health and mental well-being of children and young people, while fostering confidence, reducing social isolation, and building bridges between individuals from diverse backgrounds living in temporary accommodation.

FUSE Project

This programme is a partnership between Health Innovation West Midlands (HIWM), iSE, and the Living Well Consortium. Fostering innovation and social impact for emerging leaders and social value organisations in the health care sector Overall the Inclusive Health offers a support system, includes: Business Support & Mentorship: Access to expert guidance, workshops, and networking opportunities. Funding Opportunities: Grants and potential partnerships to help you grow your enterprise. Ideation, Incubation, and Acceleration. The purpose is to bridge gaps in health disparities by supporting innovation through social enterprise

Diatomic Project

For the year ended 31 March 2025

The Programme was designed to support organisations operating within the mental health and wellbeing sector, with a particular focus on empowering those led by ethnic minorities, women, and individuals with disabilities. The initiative placed a strong emphasis on driving innovation and economic growth, especially within the East Birmingham area. Wherever possible, the programme aimed to facilitate direct market access for these organisations by creating pathways to market entry, enabling income generation, and promoting both growth and social and technological innovation. A key objective was to reduce reliance on grant funding—often a barrier to sustainable development—particularly within the social economy sector.

National Lottery Reaching Communities

In 2024, we were fortunate to receive funding from The National Lottery Reaching Communities, for our 2-year project which supports children and young people aged 5-18 through provision of community-based mental health and wellbeing support through themed sessions and activities, with a focus on fostering self-esteem, reducing isolation, developing social and emotional skills and improving long-term outcomes such as academic attainment and community engagement in 4 locations across Birmingham.

18 Restatement of Charity Reserves

Restatement of Comparative Figures.

During the year, the Charity identified an error in the classification of reserves between restricted and unrestricted funds in the prior year. This arose due to a transposition error in the allocation of certain fund balances. The total funds reported were unaffected; however, the split between restricted and unrestricted funds was misstated.

In accordance with Charity SORP (FRS 102), the comparative figures have been restated on the balance sheet to correct this error. The impact of the restatement is as follows:

	As Previously Reported	Adjustment	As Restated
	2023/24 £	2023/24 £	2023/24 £
Restricted Funds	246,061	(120,256)	125,805
Unrestricted Funds	(21,099)	120,256	99,157
	<u>224,962</u>	<u>-</u>	<u>224,962</u>

The adjustment has no impact on the total funds of the Charity, its financial position, or its cash flows. The correction relates solely to the presentation of fund balances.

For the year ended 31 March 2025

19 Operating lease commitments payable as a lessee

The groups total future minimum lease payments under non-cancellable operating leases are as follows:

	Other 2024/25 £	Property 2024/25 £	Other 2023/24 £	Property 2023/24 £
Less than one year	624	117,865	624	118,367
Two to five years	1,248	88,516	1,872	150,025
	<hr/> 1,872	<hr/> 206,381	<hr/> 2,496	<hr/> 268,392