

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023
FOR
THE OLD NEEDLE WORKS FOUNDATION**

SAS Accountant Ltd t/as OJW Associates
16 Hennals Avenue
Webheath
Redditch
Worcestershire
B97 5RX

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31st March 2023

	Page
Chairman's Report	1
Report of the Trustees	2 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 15
Detailed Statement of Financial Activities	16 to 17

CHAIRMAN'S REPORT
for the Year Ended 31st March 2023

Mental health issues are now the leading cause of disability in the UK. One in four people above the age of 10 (Office of National Statistics) has a mental health issue, and many refuse to seek treatment due to stigma and limited resources. The largest concern in children being Social Anxiety. Although several factors such as parenting style and past trauma contribute to this, the greatest influence is social media.

A quarter of 11-16 year olds, and nearly half of 17-19 year olds (46.8%), with a mental disorder reported that they have self-harmed or attempted suicide at some point in their lives. For 11-16 year olds, this represents a greater than eightfold risk compared to those without a mental health problem.

Change your mind, change your life

The spirit of our culture, change your mind, change your life, precisely sums up our objective.

At this point a year ago, I reported on the development the Foundation had achieved throughout 2021/22. This year has again evidenced our successful ethos with an even greater increase in the number of service users. We continue to be dedicated to improving the quality of life of young people and families. Great advances are in motion which will offer the Foundation wider scope across its activities. The coming year will be exciting!

Our Foundations People

On a personal note, I have said this many times, one extremely crucial point is to recognise the astonishing dedication and determination of our staff, our volunteers and my fellow trustees. without whom, we would fail! The service we provide does not just happen. The support is down to everyone's dedication going way beyond the call of duty. It's incredible! I have seen how much the Foundation means to people and the lengths people will go to help us achieve it.

It has been a privilege to be Chairman.

Thank you.

**REPORT OF THE TRUSTEES
for the Year Ended 31st March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Old Needle Works is a community learning and support hub providing skills courses and groups to help local people with their wellbeing and mental health. We support people to make lasting positive changes to improve life quality and chances. Our premises are shared and act as an incubator for other charities and social enterprise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are appointed at the AGM, after going through an induction and training process. Their appointment is recorded in the minutes of the meeting and no signatures of acceptance are required. The Trustees have the power to co-opt other members.

REPORT OF THE TRUSTEES
for the Year Ended 31st March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Treasurers comments

Our robust risk management procedures and the exceptional work of the management team has allowed us to maintain a strong financial position over the course of the year. We have built strong relationships with funding bodies and increased the number of suppliers that we are able to use ensuring the charity is sustainable going forward. As detailed in the formal accounts.

Our firm financial position and space available at the Old Needleworks Foundation has allowed us to expand our services, building our strategy of becoming a family centre.

Governance

The Old Needleworks Foundation has now established since June 2019. During this time the trustees have established the protocols needed to fulfil their overseeing duties. This includes reviewing a financial report at the monthly trustees meeting that includes:

- The monthly cash and financial position
- Forward forecast of both profit and loss and cash position
- Financial risks and opportunities
- Grant project specific constraints

To ensure costs and value is fully captured we use the Xero financial software package. Xero contains a dashboard showing, at a glance, unpaid invoices, YTD profit and cash in cash out. Xero also contains an extensive suite of reporting tools allowing interrogation of every element of financial performance. The Xero software is being tailored to allow a project by project (grant by grant) cost capture to ease governance processes further.

Our robust financial governance procedures include a review of profit and loss and cash positions at different scenarios using a cash flow forecast spreadsheet so the trustees can understand the potential financial impact of major decisions, or the impact of significant risks or opportunities.

Our accountant is a local company OJW Associates who is significantly more supportive.

We have reduced our reserves policy from three to two months operating costs held in cash at bank.

Commercial risks and opportunities and mitigations

Risks, opportunities, and mitigations are discussed on an individual basis at the trustees meeting held on the first Friday of each calendar month. In exceptional circumstances additional meeting can be held to agree an operational approach and identify potential risks and mitigation measures.

Significant Risks & Opportunities

Mitigation measures

Loss of income from lost paid for services
Loss of income from services not delivered where grant monies already paid

Access to increased supply chain
Agree relaxation of spend requirements from donor bodies
Active members of VCSE Alliance with influencing role.
Development of The Old Needleworks Network as an exemplar of how services can be delivered

Restructure of mental health services to include VCSE

REPORT OF THE TRUSTEES
for the Year Ended 31st March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Increased costs due to energy increases

Increased income from new or increased scope of services

Cash surplus

Value chain

Ratches in place in tenants sub leases to allow recovery of increased utilities costs

The increased space available allows us to deliver a wider range of services, becoming more resilient and less reliant on rental income

An increasing cash surplus will allow us to deliver, non-funded services to support a limited amount of individuals that would not otherwise have access to mental health support

There is an opportunity to progress to an assessment centre, we should monitor risks of lack of engagement from schools should we be referring students

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE016375 (Not specified/Other)

Registered Charity number

1181832

Registered office

The Old Needlworks
Cedar House
Britten Street
Redditch
B97 6HD

Trustees

G Scragg Treasurer
J R Williamson Chairman
N J Ordish
P Salnicki
L Lostitch

Independent Examiner

SAS Accountant Ltd t/as OJW Associates
16 Hennals Avenue
Webheath
Redditch
Worcestershire
B97 5RX

Approved by order of the board of trustees on and signed on its behalf by:

.....
J R Williamson - Trustee

Independent examiner's report to the trustees of The Old Needle Works Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Gareth Wood MAAT

SAS Accountant Ltd t/as OJW Associates
16 Hennals Avenue
Webheath
Redditch
Worcestershire
B97 5RX

Date:

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31st March 2023

		Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies		23,963	118,431	142,394	148,909
Other trading activities	2	4,381	-	4,381	9,656
Investment income	3	84,096	1	84,097	62,265
Total		<u>112,440</u>	<u>118,432</u>	<u>230,872</u>	<u>220,830</u>
EXPENDITURE ON					
Raising funds		38,037	43,432	81,469	103,765
Charitable activities					
Support and management costs		24,691	11,098	35,789	37,238
Charity expenditure		55,904	23,351	79,255	80,404
Other		7,934	-	7,934	13,729
Total		<u>126,566</u>	<u>77,881</u>	<u>204,447</u>	<u>235,136</u>
NET INCOME/(EXPENDITURE)		(14,126)	40,551	26,425	(14,306)
RECONCILIATION OF FUNDS					
Total funds brought forward		44,726	33,455	78,181	92,487
TOTAL FUNDS CARRIED FORWARD		<u>30,600</u>	<u>74,006</u>	<u>104,606</u>	<u>78,181</u>

The notes form part of these financial statements

BALANCE SHEET
31st March 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	7	407	-	407	1,594
CURRENT ASSETS					
Debtors	8	11,734	-	11,734	2,003
Cash at bank		25,692	74,006	99,698	82,227
		<u>37,426</u>	<u>74,006</u>	<u>111,432</u>	<u>84,230</u>
CREDITORS					
Amounts falling due within one year	9	(7,233)	-	(7,233)	(7,643)
NET CURRENT ASSETS		<u>30,193</u>	<u>74,006</u>	<u>104,199</u>	<u>76,587</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>30,600</u>	<u>74,006</u>	<u>104,606</u>	<u>78,181</u>
NET ASSETS		<u>30,600</u>	<u>74,006</u>	<u>104,606</u>	<u>78,181</u>
FUNDS	10				
Unrestricted funds				30,600	44,726
Restricted funds				74,006	33,455
TOTAL FUNDS				<u>104,606</u>	<u>78,181</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

BALANCE SHEET - continued
31st March 2023

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
J R Williamson - Trustee

.....
G Scragg - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 20% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2023

2. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Shop income	4,381	9,656

3. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	84,007	62,258
Deposit account interest	90	7
	<u>84,097</u>	<u>62,265</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	1,187	1,280
Other operating leases	49,100	47,030

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	11,569	137,340	148,909
Other trading activities	9,656	-	9,656
Investment income	62,265	-	62,265
Total	<u>83,490</u>	<u>137,340</u>	<u>220,830</u>
EXPENDITURE ON			
Raising funds	11,311	92,454	103,765
Charitable activities			
Support and management costs	20,554	16,684	37,238

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2023

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
Charity expenditure	54,604	25,800	80,404
Other	13,729	-	13,729
Total	100,198	134,938	235,136
NET INCOME/(EXPENDITURE)	(16,708)	2,402	(14,306)
RECONCILIATION OF FUNDS			
Total funds brought forward	61,434	31,053	92,487
TOTAL FUNDS CARRIED FORWARD	44,726	33,455	78,181

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1st April 2022 and 31st March 2023	6,407
DEPRECIATION	
At 1st April 2022	4,813
Charge for year	1,187
At 31st March 2023	6,000
NET BOOK VALUE	
At 31st March 2023	407
At 31st March 2022	1,594

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2023

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	9,832	643
Prepayments	1,902	1,360
	<u>11,734</u>	<u>2,003</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	6,433	5,635
Social security and other taxes	-	1,208
Accruals and deferred income	800	800
	<u>7,233</u>	<u>7,643</u>

10. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General fund	44,726	(14,126)	30,600
Restricted funds			
Children in Need	3,576	224	3,800
Reaching Communities	14,615	13,499	28,114
Awards For All	2,235	6,388	8,623
Council Discetional Grant	12,609	(8,626)	3,983
Severn Trent	420	17,943	18,363
Primary Care Network	-	11,123	11,123
	<u>33,455</u>	<u>40,551</u>	<u>74,006</u>
TOTAL FUNDS	<u>78,181</u>	<u>26,425</u>	<u>104,606</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2023

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	112,440	(126,566)	(14,126)
Restricted funds			
Children in Need	15,808	(15,584)	224
Reaching Communities	51,271	(37,772)	13,499
Awards For All	9,343	(2,955)	6,388
Council Discetional Grant	9,381	(18,007)	(8,626)
Severn Trent	21,506	(3,563)	17,943
Primary Care Network	11,123	-	11,123
	118,432	(77,881)	40,551
TOTAL FUNDS	230,872	(204,447)	26,425

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	61,434	(16,708)	44,726
Restricted funds			
Children in Need	2,186	1,390	3,576
Reaching Communities	18,637	(4,022)	14,615
Awards For All	-	2,235	2,235
Council Discetional Grant	4,559	8,050	12,609
Severn Trent	5,671	(5,251)	420
	31,053	2,402	33,455
TOTAL FUNDS	92,487	(14,306)	78,181

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2023

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	83,490	(100,198)	(16,708)
Restricted funds			
Children in Need	31,302	(29,912)	1,390
Reaching Communities	51,959	(55,981)	(4,022)
People Health Trust	24,999	(24,999)	-
Awards For All	9,949	(7,714)	2,235
Council Discetional Grant	17,314	(9,264)	8,050
Severn Trent	1,817	(7,068)	(5,251)
	137,340	(134,938)	2,402
TOTAL FUNDS	220,830	(235,136)	(14,306)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/21 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	61,434	(30,834)	30,600
Restricted funds			
Children in Need	2,186	1,614	3,800
Reaching Communities	18,637	9,477	28,114
Awards For All	-	8,623	8,623
Council Discetional Grant	4,559	(576)	3,983
Severn Trent	5,671	12,692	18,363
Primary Care Network	-	11,123	11,123
	31,053	42,953	74,006
TOTAL FUNDS	92,487	12,119	104,606

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2023

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	195,930	(226,764)	(30,834)
Restricted funds			
Children in Need	47,110	(45,496)	1,614
Reaching Communities	103,230	(93,753)	9,477
People Health Trust	24,999	(24,999)	-
Awards For All	19,292	(10,669)	8,623
Council Discetional Grant	26,695	(27,271)	(576)
Severn Trent	23,323	(10,631)	12,692
Primary Care Network	11,123	-	11,123
	<u>255,772</u>	<u>(212,819)</u>	<u>42,953</u>
TOTAL FUNDS	<u>451,702</u>	<u>(439,583)</u>	<u>12,119</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2023.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31st March 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	142,394	148,909
Other trading activities		
Shop income	4,381	9,656
Investment income		
Rents received	84,007	62,258
Deposit account interest	90	7
	<u>84,097</u>	<u>62,265</u>
Total incoming resources	230,872	220,830
EXPENDITURE		
Other trading activities		
Purchases	81,469	103,765
Support costs		
Management		
Wages	26,429	28,133
Pensions	845	791
Rent	49,100	47,030
Rates and water	-	3,292
Insurance	3,268	3,850
Light and heat	11,986	9,935
Telephone	680	817
Postage and stationery	2,647	2,247
Advertising	1,471	1,307
Professional fees	12,423	9,771
	<u>108,849</u>	<u>107,173</u>
Finance		
Sundries	592	747
Depreciation of tangible fixed assets	1,187	1,280
	<u>1,779</u>	<u>2,027</u>
Information technology		
Repairs and renewals	9,854	19,826

This page does not form part of the statutory financial statements

THE OLD NEEDLE WORKS FOUNDATION

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31st March 2023

	2023 £	2022 £
Information technology		
Governance costs		
Accountancy and legal fees	2,496	2,345
Total resources expended	204,447	235,136
Net income/(expenditure)	26,425	(14,306)

This page does not form part of the statutory financial statements