

HEART WOOD

**Report and financial statements
for the year ended 31 March 2022**

HEART WOOD CHARITY

Reference and administrative information for the year ended 31 March 2022

Charity Number: 1182889

Trustees: Sue James (Chair)
Stephanie Ellis (Treasurer)
Judi Perry
Nancy Rios

Principal Office: 12 Woodside
Hexham
NE46 1HU

Bankers: Co-Operative Bank
P.O. Box 48
1 Balloon Street
Manchester
M60 1GP

Independent Examiner: Karen Rae FCCA
Armstrong Watson
15 Victoria Place
Carlisle
CA1 1EW

HEART WOOD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The trustees present their report and the unaudited financial statements for the year ended 31 March 2022. The trustees have prepared the annual report and financial statements in accordance with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Heart Wood is a registered charity number 1182889. It was registered with the Charity Commission on 9 April 2019 and is constituted as a Charitable Incorporated Organisation. Its Constitution was adopted on 20 September 2018.

The charitable objectives of Heart Wood are "to improve the mental health of people with a focus on men through evidence-based, person-centred counselling and psychotherapy projects delivered primarily outdoors."

Governance

The Management Committee comprises a minimum of three trustees, who are charity trustees for the purpose of charity law. Trustees are appointed by other trustees.

Trustee Induction and Training

A Trustee Information Pack is available to potential and new trustees. Potential trustees are invited to attend a trustee meeting to find out more about the workings of the Management Committee and the governance of the charity, after which they may feel better informed to make the decision to put themselves forward to become a trustee.

During an induction period of six months after appointment, new trustees are introduced to the charity, their legal obligations under charity law, the content of the governing document, the trustees and the decision-making process, the business plan and financial performance of the charity. After six months, the current trustees will vote to invite the new trustee to be officially appointed.

Trustees are encouraged to attend appropriate training events that will support effective conduct in their role.

Risk Management

Where appropriate, policies and procedures or systems have been put in place to mitigate the risks the charity might face. Significant external risks to funding, and the nature of funding across the Community and Voluntary Sector, have led to the development of a long-term strategic plan including the identification of priority activities in relation to income generation.

Policies and procedures exist to ensure compliance with health and safety of all staff, volunteers, and beneficiaries of the charity. This includes the provision of adequate insurance cover and risk assessment of all charitable activities. These policies and procedures are reviewed annually or more frequently, on change of circumstances, to ensure that they continue to meet the needs of the charity.

OBJECTIVES AND ACTIVITIES

Public Benefit

In shaping the objectives for the year and in planning the activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The charity provides group counselling in a nature setting for people, primarily in South West Northumberland, suffering with poor mental health, including those with complex and enduring poor mental health.

The current provision is:

- Men's Group - group sessions for men aged 25+
- Active Survival - group sessions for young adults aged 16-24

The charity also provides training led by the Lead Facilitators, available to the charity's Co-facilitators and other therapists interested in learning more about the Heart Wood Approach (<https://www.heartwoodcharity.org/the-heart-wood-approach>) .

ACHIEVEMENT AND PERFORMANCE

Heart Wood have continued to develop projects and training the offer in this period. The following activity was delivered:

- eighteen Men's Group sessions for men aged 24+ taking place weekly between April and August 2021 in private woodland at Minsteracres Retreat Centre, engaging with 7 men
- eight *Active Survival* pilot open sessions for young men aged 18-24. These took place monthly on Saturdays at the Thorneyford site between April and August 2021, engaging with 6 young men
- seven monthly taster sessions for Hexham Youth Initiative young people aged 16-24 between July 2021 and March 2022 engaging with 5 young people
- five Men's Group Connecting Sessions between September 2021 and February 2022 engaging with 15 men
- one Men's Group taster sessions specifically for new participants in March 2022
- training programme for 5 therapists with a view to them being brought on board as Heart Wood facilitators to enable the charity to sustain or its provision

FINANCIAL REVIEW

The charity remains grateful for the help and support given by local government agencies, charitable trusts and other sources of fundraising and donations. The charity also recognises the valuable contribution made by individuals and supporters.

Total income, including these fees, grants, fundraising and donations, in the year ended 31 March 2022 was £49,533 (2021: £32,692).

Grants received in this period were:

National Lottery Reaching Communities (£28,937.00)

Greatham Hospital of God (£1,000)

Hadrian Trust (£1,000)

Sir James Knott (£750)

Arnold Clark (£1,000)

Awards For All (£9,228) – restricted fund for activity in next period

Allen Lane Foundation (£3,000) – restricted fund for activity in next period

Total costs in 2022 were £45,993 (2021: £15,879).

Total cash funds at 31 March 2022 were £25,048 (2021: £21,508) of which £12,820 was unrestricted and £12,228 was restricted.

Reserves Policy

Heart Wood does not yet have any reserves at present.

The Trustees are creating a Reserves Policy for the period 2023 – 2026 as part of the new Business Plan, with the aim to build a reserve of sufficient unrestricted funds to cover three months' operating costs, plus exit charges. This figure has been identified following consideration of the main financial risks to the charity once the staff are moved from short term freelance contracts to payroll. The strategy will be to build reserves through economies of scale wherever possible, suitable cost control, and seeking additional funding to meet essential expenses which underpin the provision of service. The trustees will regularly review the level of unrestricted reserves at Management Committee meetings.

Grant Making Policy

The Charity does not make grants.

Investment Policy

The charity holds no investments, other than reserve funds held in interest bearing bank deposit accounts, and as such has no formal investment policy.

PLANS FOR FUTURE PERIODS

Our main aim this year is to continue to find funds to support the most disadvantaged and vulnerable people in our community.

We will expand our Men's Groups to two running concurrently on Friday's at Minsteracres and have developed a second site there.

We will pilot a partnership with the Hexham Youth Initiative to offer fortnightly sessions specifically for their young people (men and women).

We will publish the Heart Wood approach on our website.

We will write a business plan for the period 2023 – 2026 and look to make the organisation more sustainable as we expand our delivery.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year; in preparing those financial statements, 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; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the charity will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESPONSIBILITIES OF THE TRUSTEES

Trustees who served during the year and up to the date of this report are set out under Legal and Administrative Information. In accordance with charity law, as the charity's trustees, we certify that:

- so far as we are aware, there is no relevant information of which the charity's examiner is unaware; and
- as trustees we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounts information and to establish that the charity's examiner is aware of that information.

The trustees' annual report has been approved by the trustees and signed on their behalf by

SIGNED:



Sue James (Chair)

DATE:

28 November 2022

Receipts and payments accounts

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For the period from	01/04/2021	To	31/03/2022
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Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
Grant Receivables	31,937	15,278	-	47,215	32,392
Donations Just Giving	1,669	-	-	1,669	-
Private Donations	649	-	-	649	300
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Sub total (Gross income for AR)	34,255	15,278	-	49,533	32,692
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total receipts	34,255	15,278	-	49,533	32,692
A3 Payments					
Core Costs	13,594	-	-	13,594	4,611
CPD	5,967	-	-	5,967	-
Evaluation	2,091	-	-	2,091	-
Younger mens project	-	-	-	-	867
Older mens project	-	-	-	-	3,158
Lads & dads project	-	-	-	-	888
Reflections in nature project	-	-	-	-	6,355
Active Survival	4,327	4,300	-	8,627	-
Mens Group	15,714	-	-	15,714	-
Sub total	41,693	4,300	-	45,993	15,879
A4 Asset and investment purchases, (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	41,693	4,300	-	45,993	15,879
Net of receipts/(payments)	- 7,438	10,978	-	3,540	16,813
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	20,258	1,250	-	21,508	4,695
Cash funds this year end	12,820	12,228	-	25,048	21,508

Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B1 Cash funds	Cash at bank	12,820	12,228	-
		-	-	-
		-	-	-
	Total cash funds	12,820	12,228	-
(agree balances with receipts and payments account(s))				

	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B2 Other monetary assets		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-

	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
B3 Investment assets			-	-
			-	-
			-	-
			-	-
			-	-

	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
B4 Assets retained for the charity's own use			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-

	Details	Fund to which liability relates	Amount due (optional)	When due (optional)
B5 Liabilities			-	
			-	
			-	
			-	
			-	

Signed by one or two trustees on behalf of all the trustees

Signature

Nancy Rios

Print Name

NANCY RIOS

Date of approval

30/08/2022

HEART WOOD
INDEPENDENT EXAMINATION REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Independent examiner's report to the Trustees of Heart Wood (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

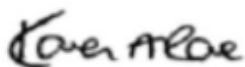
Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- the accounts do not accord with such records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my own work or for this report.



Karen Rae FCCA

Dated:

30 August 2022

Armstrong Watson Audit Limited

Chartered Accountants

Carlisle