



Heart Wood TAR / financial statements 2022- 2023
Charity Number 1182889

HEART WOOD

**Report and financial statements
for the year ended 31 March 2023**



HEART WOOD CHARITY

Reference and administrative information for the year ended 31 March 2023

Charity Number: 1182889

Trustees: Sue James (Chair)
Stephanie Ellis (Treasurer)
Jos Joures
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 2023

Introduction

The trustees present their report and the unaudited financial statements for the year ended 31 March 2023. 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

Following the training programme in 2021 we now engage three co-facilitators to enable us to respond to demand and increase our Men's Groups from one to two. The second Men's Group was made possible thanks to funding from NHS Northumberland CCG via the VSCE Alliance.

The groups ran concurrently between April & August 2022 at Minsteracres following the development of a second site near the lake. In addition, a compost loo was installed near to the Heart Wood sites.

Sixteen men engaged in the groups with over half attending more than 50% of the 18 sessions.

The *Connecting Sessions*, piloted in the previous year, proved popular and necessary to both existing participants. We ran these monthly (rather than every six weeks) between October 2022 and March 2023.

A total of 17 men engaged with these sessions, with 8 of them being new to Heart Wood.



We piloted a partnership project with the Hexham Youth Initiative to offer 10 fortnightly sessions specifically for their young people (men and women aged 16-24) funded by Awards For All. The project engaged 13 young people overall plus attendance from Hexham Youth Workers.

All our projects have been evaluated by an external evaluator and the outcomes confirm to us that we are achieving our aims in improving the wellbeing of vulnerable people in our society by offering something different to existing mental health services.

This period was significant in consolidating how we do what we do and how it is we differ from existing provision. The Heart Wood Approach, written by Rab Erskine and Chip Ponsford, is now published on our website:

www.heartwoodcharity.org/the-heart-wood-approach

We have worked on our three-year project plan for the period 2023 – 2026 and have identified a need to increase our core costs which were significantly underbudgeted for previous years. This will include putting two key staff on payroll.

We have built in new project strands to support the charity's sustainability as we expand our delivery. This includes offering bespoke staff facilitation for organisations led by the team of Heart Wood facilitators. Our first engagement took place in January 2023 supporting a team of staff at a local charity.

We are now looking towards offering a Certificate Level Training for person-centred counsellors wanting to work therapeutically in nature, with experiences focusing on individual 'one to one' nature-based practices as well as nature-based group sessions.

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 2023 was £92,906 (2022: £49,533).

Grants received for activity in this period were:

Hadrian Trust (£500)

Northumberland VSCE Alliance NHS (£9,445) to run a second Men's Group

NL Direct Delivery Youth Services (£10,000) to support Active Survival in period 2023/2024

Albert Hunt Trust (£2,000) to support the Men's Groups in period 2023/2024

Tesco Community Grants (£1,000) to support Connecting Sessions in period 2023/2024

David and Ruth Charitable Trust (£20,000) unrestricted grant period 2023/2024



Total costs in 2023 were £72,637 (2022: £45,993).

Total cash funds at 31 March 2023 were £45,417 (2022: £25,048) of which £32,317 was unrestricted (comprising £20,000 unrestricted grant and £12,417 cash) and £13,000 restricted funding.

In this period we received confirmation of two 3-year funding agreements for period 2023-2026:

National Lottery Reaching Communities - £40,000 per year for three years
Ballinger Trust - £15,000 per year for three years

Reserves Policy

Heart Wood does not have any reserves at present.

The Trustees are creating a Reserves Policy for the period 2023 – 2026 as part of the three year 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

Thanks to confirmation of National Lottery Reaching Communities funding for the period April 2023 – March 2026, plus a three-year commitment from the Ballinger Trust, we have the security we need in order to be able to focus our efforts more on development and delivery. We are now in a position to be able to employ the two primary roles.

We will continue to deliver our two *Men's Groups* running concurrently on Friday's at Minsteracres in Spring/Summer along with the monthly drop-in *Connecting Sessions* which now run year round.



We will evaluate the pilot project with the Hexham Youth Initiative at the end of the Summer 2023 and will develop the programme according to our findings.

We are in discussion with Minsteracres about creating a Heart Wood base in some of the buildings within the Walled Garden from which we can run residential training programmes.

We are working towards becoming a Centre of Excellence and offering an annual CPD Training Certificate for qualified person-centred or humanistic therapists interested in working in a contact-oriented way with individuals and groups in nature.

We will continue to explore ways to increase revenue streams for Heart Wood to make the charity more sustainable whilst not diverging from the core programme.

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. 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: 5 October 2023



CHARITY COMMISSION
FOR ENGLAND AND WALES

Charity Name
Heart Wood

No (if any)
1182889

CC16a

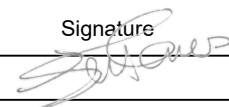
Receipts and payments accounts

For the period from	01/04/2022	To	31/03/2023
------------------------	------------	----	------------

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	28,068	53,712		81,780	47,215
Donations Just Giving	3,827	-	-	3,827	1,669
Private Donations and Other Income	878	-	-	878	649
Earned Income	4,645	-	-	4,645	-
Gift aid claim	1,776	-	-	1,776	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Sub total (Gross income for AR)	39,194	53,712	-	92,906	49,533
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total receipts	39,194	53,712	-	92,906	49,533
A3 Payments					
Core Costs	14,828	-	-	14,828	13,594
CPD	264		-	264	5,967
Costs of generating earned income	4,605			4,605	-
Evaluation		3,372	-	3,372	2,091
Active Survival		8,669	-	8,669	8,627
Mens Group		40,899	-	40,899	15,714
Sub total	19,697	52,940	-	72,637	45,993
A4 Asset and investment purchases. (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	19,697	52,940	-	72,637	45,993
Net of receipts/(payments)	19,497	772	-	20,269	3,540
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	12,820	12,228	-	25,048	21,508
Cash funds this year end	32,317	13,000	-	45,317	25,048

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	32,317	13,000	-
		-	-	-
		-	-	-
	Total cash funds	32,317	13,000	-
	(agree balances with receipts and payments account(s))	OK	OK	OK
		Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B2 Other monetary assets		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
B3 Investment assets		Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
B4 Assets retained for the charity's own use		Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
B5 Liabilities		Fund to which liability relates	Amount due (optional)	When due (optional)
			-	
			-	
			-	
			-	
			-	
			-	
			-	
			-	
			-	
Signed by one or two trustees on behalf of all the trustees	Signature	Print Name	Date of approval	
		Sue James	06/10/23	

The Trustees
Heart Wood
12 Woodside
Hexham
Northumberland
NE46 1HU

Date: 18 September 2023
Please ask for: Karen Rae
Our Ref: 671/17(73973/NF)
T: 01228 690200
e: Karen.rae@armstrongwatson.co.uk

Dear Sirs

During the course of the preparation and independent examination of your accounts for the period ending 31 March 2023, the following representations were made to us by the Trustees. Please read these representations carefully and if you agree with our understanding please sign and return a copy of this letter to ourselves as confirmation of this.

Financial Statements

- 1 You have fulfilled your responsibility as Trustees, as set out in the terms of our engagement letter dated 19 November 2021, for preparing financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which we have drafted on your behalf, which give a true and fair view of the financial position of the charity as of 31 March 2023 and of the results of its operations for the year then ended and for making accurate representations to us.
- 2 Significant assumptions used by you in making accounting estimates, including those measured at fair value, are reasonable.
- 3 You have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 4 You have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.
- 5 You confirm that related party relationships and transactions listed below are a complete list of such relationships and transactions and that you are not aware of any further related parties or transactions.

51 Rae Street
Dumfries
DG1 1JD

T: 01387 955900
F: 01387 955901

www.armstrongwatson.co.uk



Armstrong Watson LLP is a limited liability partnership registered in England and Wales, number OC415608. The registered office is 15 Victoria Place, Carlisle, CA1 1EW where a list of members is kept. Armstrong Watson LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. Unless otherwise indicated, either expressly or by the context, we use the word "partner" to describe a member of Armstrong Watson LLP or an employee of Armstrong Watson LLP in their capacity as such.

Armstrong Watson Audit Limited is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Registered as a limited company in England and Wales, number 8800970. The registered office is 15 Victoria Place, Carlisle, CA1 1EW.

Armstrong Watson Financial Planning Limited is authorised and regulated by the Financial Conduct Authority. Firm reference number 542122. Registered as a limited company in England and Wales, number 7208672. The registered office is 15 Victoria Place, Carlisle, CA1 1EW. Armstrong Watson Financial Planning & Wealth Management is a trading style of Armstrong Watson Financial Planning Limited.

Armstrong Watson Trustees Limited is a limited company registered in England and Wales, number 84495656. The registered office is 15 Victoria Place, Carlisle, CA1 1EW.

- 6 All events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or disclosed in the financial statements.
- 7 You confirm that the financial statements are free from material misstatements, including omissions. You believe that those uncorrected misstatements identified during the preparation of the financial statements are immaterial both individually and in aggregate to the financial statements as a whole.
- 8 You confirm that, having considered your expectations and intentions for the next twelve months, and the availability of working capital, the charity is a going concern. You confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for your consideration that the financial statements should be drawn up on a going concern basis.

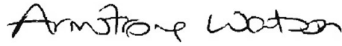
Information provided

- 9 All accounting records and relevant information have been made available to us for the purpose of our preparation of the financial statements. You have provided to us all other information requested and given unrestricted access to persons within the charity from whom we have deemed it necessary to request information.
- 10 All transactions undertaken by the charity have been properly reflected in the accounting records and are reflected in the financial statements.
- 11 You confirm that you are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its business and which could affect the financial statements. The charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
- 12 The charity has satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.
- 13 There are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.
- 14 The charity has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for Trustees, nor to guarantee or provide security for such matters.

You confirm to the best of your knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that you can properly make each of the above representations to us.

We should be grateful if you would kindly acknowledge your agreement with this letter by signing the duplicate where indicated and returning it to us.

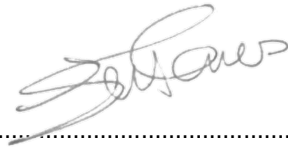
Yours faithfully



Armstrong Watson LLP

We confirm that we have read and understood the contents of this letter and agree that it accurately reflects the representations made to you by the Trustees during the course of preparing the charity's accounts.

Signed on behalf of the Board of Trustees by:



..... (Signature)

6 October 2023

..... (Date)

Party	Relationship	Transaction
The Trustees	Trustee	None noted