

Trustees' Report and Financial Statements for year ended 31 December 2023



Registered Charity No. 291198 • Registered Company No. 01820460
Spadework Ltd. • A company limited by guarantee

Spadework Social Enterprises CIC
Registered Company No. 13099464. • Community Interest Company

Reference and administrative details of the charity, its trustees, and advisers

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Registered Office

Teston Road, Offham,
West Malling, Kent, ME19 5NA

Chairman

Susan Murray

Patrons

Tom Tugendhat MBE VR MP
Stephen Betts
George Harvey

Treasurer

Anthony Young

Company Secretary

Anthony Young

Chief Executive Officer

Kris Healey

Trustees of Charity

Peter Reeves

Date first appointed

20/05/2004

Resigned 24/01/2024

Trevor Brazier

23/11/2009

Resigned 09/04/2024

Anthony Young

27/07/2011

Susan Murray

27/09/2011

Edward Hosey

27/11/2013

Resigned 28/03/2024

James Burke

27/11/2013

Reverend James Brown

20/06/2018

Mary Rimmer

19/12/2018

Hayley Brooks

01/04/2021

Nadra Ahmed CBE DL

01/04/2021

Directors of Spadework

Social Enterprises CIC

Date first appointed

Kris Healey

24/12/2020

Susan Murray

01/05/2021

Jack Stockley

12/06/2023

Anthony Young

01/05/2021

Independent Auditor

Kreston Reeves LLP, Montague Place, Quayside,
Chatham Maritime, Kent, ME4 4QU

Bankers

NatWest, 718 London Road,
Larkfield, Kent, ME20 6AN

Chairman's Introduction



As my Grannie would sometimes say: "Whack that!" Kent Charity of the Year: what an accolade and what a night to remember. As the citation was read out I thought: "That sounds like a charity with a

very similar if not identical ethos to ourselves." On looking across the table to Kris Healey, our CEO, realisation and wonderment dawned that it was in fact ourselves being so described. It did take a very brief moment or two to sink in that we had won before we made our way down to the stage for the celebrations to begin.

It is good to be judged by others. It validates all our efforts in providing care and independence for our Trainees and also in our fledgling Wellbeing Service, which covers a multitude of needs, providing activities such as gardening, circular walks, sewing circle, woodworking, book club, dementia support for carers as well as for those with early onset dementia. We continue to look at new ways to support vulnerable members of society. I am delighted that full use is made of the site, as once the Trainees leave the majority of our Wellbeing activities start.

Spadework continues to be a highly successful charity and one that continues to grow. Although this Annual Report relates to Spadework's 39th year of operation I'm writing my Report in our 40th birthday week: it was great to be able to hold our summer fair for the first time since 2019 and it was truly wonderful to see so many familiar faces, happy that we are back.

Through its social enterprise arm the charity continues to be profitable, with overall targets met and, in many cases, exceeded. As you read on, Tony Young, Treasurer & Hon Secretary, will preface the audited accounts with his report.

Building works have now finished with regard to our original "Master Plan" with the exception of the Farm Shop. Currently there is no pressing need for this work to be carried out. As ever, finding the right time to carry out building works can be tricky. When footfall is lowest it's also January/February, when the weather is not necessarily on your side.

We are blessed with staff who are able and provide continuity. We also are very fortunate to have equally able volunteers who willingly share their expertise. Staff and volunteers have a terrific rapport with our Trainees and all continue to explore new initiatives.

I know that those who set Spadework up in May 1984 would be very proud of their legacy. We are classed as a small charity but we certainly have a very big heart. In closing I would like to thank everyone for their support in making Spadework the success it continues to be with an especial thank you to Kris Healey as captain of our ship and also to my fellow Trustees.

Please enjoy another good read!

Sue Murray
Chairman of Trustees
31 May 2024

Spadework 2023 – Key moments in our year

January

- Corporate partnership with Fernham Homes begins
- Burst pipes in the Orange Room cause havoc

February

- Red Room and Pink Room created
- First Dementia Carers Support Group
- Daily record of £45 taken at the Tuck Shop

March

- Gift Shed opens
- Chapel Down fundraising wine tasting
- Report confirms 73% reduction in Spadework's carbon emissions
- Additional monthly Memory Café

April

- 1,055,064 steps taken by Trainees and staff during Step up for Spadework week
- First Drop-In Dementia Advice event, hosted with charity ADSS
- First Parents and Carers Group for Learning Disability

May

- Tmactive Golf Day at Poult Wood raises £3,000
- Malling Primary Care Wellbeing Checks hosted at Spadework
- Bingham Palace created by Trainees for RSPCA garden at Chelsea Flower Show

June

- The National Lottery Community Fund commit to support Trainee activities
- First edition of Spadework Garden Centre magazine
- Representative from website "Kent Connect to Support" attend Parents and Carers Group
- Meopham Wines Tasting Day
- Mid Kent College Volunteers help plant pumpkins
- Book Club and Sewing Groups launched as Wellbeing services

July

- Kris Healey shortlisted as Charity Chief Executive of the Year at Third Sector Awards
- First Arts and Crafts session for people living with dementia
- Huge scarecrow created by Spadework for Kent County Show

August

- Spadework receives Gold Wilder Kent Award
- First Walk for Wellbeing takes place

September

- Spadework named Kent Charity of the Year
- Highly commended at Kent Mental Wellbeing Awards
- Finalist at Kent Care Awards for Innovation Project of the Year and Care Team of the Year.
- Record attendance of 75 people at Quiz Night
- Tuckshop provides lunch for corporate volunteers from Unigloves
- Ashleigh Smith wins Ancillary Worker Award at Kent Care Awards

October

- TV celebrity and Chef Marcus Wareing visits Spadework
- Our biggest pumpkin festival ever!
- 16,176 pumpkins and squashes sold during our Pumpkin Festival
- 1,050 pumpkins donated to businesses and local charities

November

- Acquisition of new mini van (funded by The Oliver Ford Foundation)
- Ashleigh Smith wins Ancillary Worker Award – Regional (South East) at Great British Care Awards
- Fernham Homes present cheque for £47,500 after Gala Dinner and Auction
- Four Trainees contribute to Kent Album Project with Square Pegs Arts

December

- Impact Report update published
- 115 Christmas lunches served to Trainees/PAs from Orange Room
- 214 hampers made as corporate gifts
- 1,153 Christmas Trees sold

Objectives and activities

→ **Spadework is an independent charity based in West Kent which provides meaningful opportunities for vulnerable adults from both Kent and Medway.**



Our mission is to enable people to be more independent, less isolated and to live happier, healthier and more fulfilling lives.

Policies and objectives

Spadework provides care, support and meaningful opportunities for adults with learning and other disabilities (known to us as our Trainees) in arts, crafts, cooking and food preparation, gardening, hobbies, horticulture, life skills, performing arts, radio podcasts, wellbeing and woodwork.

Spadework provides a range of different experiences and activities to enable our

Trainees to develop the skills needed to allow them to reach their full potential. As well as providing meaningful opportunities for our Trainees, Spadework provides several different services across our five-acre site.

We provide wellbeing services for adults experiencing problems with their mental health. We support adults living with dementia. We provide services for carers.

Public benefit

The charity's objective of enabling people to be more independent is of benefit not only to our Trainees but also to their families, support networks, carers, local authorities and the wider community.

We are fortunate to have many energetic, resourceful and inspirational staff members and volunteers who share our passion and commitment to realising our vision.

At the heart of a rural community, Spadework offers people a place to meet friends, relax and enjoy the interaction with our beneficiaries. Our safe and stimulating site enables vulnerable adults to feel accepted for who they are and gain new skills and access new opportunities.

We provide a joyful place for our local community, a space which brings people together. This can include people who may recently have been bereaved or who have received a life-changing diagnosis or become a new mum. Spadework is also a place for a family celebration, a community interest meeting or a social event. The connections made at Spadework are sometimes emotional, frequently meaningful and often joyful.

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance "Public benefit: running a charity (PB2)".



Our purpose

We passionately believe that adults with learning and other disabilities should not be held back from enjoying a full life because of other people's perceptions of what they can and cannot do.

We passionately believe that people living with dementia and those experiencing problems with their mental health can have a better quality of life if they and their carers have access to activities that enable them to have meaningful experiences.



At Spadework people are supported to:

- Be **more independent** and better prepared for life outside of their family and Spadework.
- Have an **increased sense of self-worth, belonging and purpose** by feeling the value of doing a job, being part of something bigger than themselves, playing an active part in the community and **feeling accepted for who they are**.
- **Reduce their feelings of isolation and increase connections with others** by feeling part of a team, accepting each other's abilities and supporting each other.
- Be **happier** and **healthier**, live a more fulfilling life and have an **increased sense of wellbeing**.

What we do

Learning disability services

Our Trainees, who are adults with learning and other disabilities, come on site each weekday and are involved in everything that we do.

The activities fall broadly into three categories:

Horticulture

Creative arts, and performing arts, and woodwork

Life Skills



Our Trainees choose the activities in which they would like to participate. These choices are made with the help of our staff, who can ensure that the activity is suitable and can encourage the Trainees to experience new activities. Our staff support our Trainees to try new things, so that they can learn new skills alongside different people, which in turn benefits their social skills and allows them to make new friends.

The activities take place in eight-week cycles, which allows our Trainees to see projects develop over time, as well as use the skills they learn and be part of a team.

The activities are often referred to by the colour of the room in which they take place. For example, craft in Red and Pink and lifeskills in Purple and Orange.

Our Impact*

99%

of our Trainees say: "I have made new friends at Spadework."

*2023 Impact Report

Jamie's story – a parent's perspective

The content for this story came from a chat at Spadework with Jamie and his parents. We are grateful to them for sharing their story about how Spadework has impacted all their lives. His name has been changed for reasons of confidentiality.

Jamie started coming to Spadework in 2013. He is an only child and has several needs. For most of his life he has needed support from carers as well as his parents. In addition to having limited communication, what he eats is of concern as it can have a major effect on his health.

Until recently Jamie came to Spadework with his own carer. But with the current pressure on finding suitable carers, his parents had to decide whether Jamie did not come to Spadework at all or came on his own.

"When he first came to Spadework Jamie was a quiet little chap," his mother said. "But faced with the decision about whether to let him come on his own we bit the bullet – and now we can't believe the change. He never used to talk much, but now he talks a lot. He will come home and tell us what he has been doing at Spadework. We used to know very little from him about what he did here, although Gemma and the staff kept us informed."



His father collects Jamie from Spadework as his mother runs her own business, which is a full-time commitment.

"The carers didn't use to tell us much about what he had been doing after a day at Spadework," his father said. "Now Jamie comes home chatting away, telling us about what he's done and what he's going to do."

Jamie's father is retired and provides most of his support as well as looking after the family home. "In the mornings Jamie gets up, makes his bed and then I ask him what he would like

to take to Spadework for lunch," he said. "He normally says rice, chocolate, banana. So, we know he has that worked out."

His mother said: "We feel he is safe here, because it is its own little environment. It's lovely."

Both parents talked enthusiastically about the community that exists at Spadework among the Trainees, staff and volunteers. "It's like a family," his father said. "It's like a village within a town." When he collects Jamie he often speaks to other Trainees. "I know one of them has been here for 38 years and I often think about where he would have gone had Spadework not been here all that time."

For Jamie this new-found confidence and independence permeates all his life. "We recently went on holiday," his mother said. "We were going kayaking and I got a two-seater kayak for me and Jamie. But Jamie wanted to go on his own. We did talk him out of that one!"

Since making that decision for Jamie to come to Spadework on his own, the family have never looked back. Jamie himself confirms he likes coming to Spadework and stands up to have a look at the sheet

"He never used to talk much, but now he talks a lot. He will come home and tell us what he has been doing at Spadework."

where the Trainee rotas are displayed. As his mother said: "Since he's been coming here, he now thinks he can do a lot of things on his own."

Jamie's parents have a network of people who are either parents or carers of adults with additional needs. His mother said: "When I tell them what Jamie has been doing at Spadework, they say they wish they had something similar near to them. We are lucky because we live so near to Spadework."

Asked if he was going to continue coming to Spadework, Jamie said enthusiastically: "Yes, yes!". His mother added: "Jamie loves it here. He loves the bits and pieces that he does. He is in Red this week. He's often in Green and he loves the pumpkins. He has made friends and tells us when he meets new people. He has come on in leaps and bounds. We're so lucky."



Horticulture

Horticultural activities continue to be one of the most popular choices for our Trainees. Our staff have an overview of the projects planned for a year. Depending on the weather, they adapt this plan as the year unfolds.

Our pumpkins are our most significant horticultural project. It brings the entire Spadework family together and brings a lot of joy and excitement to our trainees. You can read more on page 18.

We also grow herbs and vegetables that are used in our café and sold in our farm shop. We have continued to supply The Swan, a gastro pub in West Malling with seasonal

produce. This gives purpose to our growing as well as giving the trainees an opportunity to share their skills with the community.

Companion planting was tried in 2023, which brought more wildlife on to site and was part of a wider plan to make our five-acre site wildlife-friendly. On page 30 you can read how we won Gold at the Wilder Kent Awards.

With the use of more raised beds, we enable more of our Trainees to be involved in gardening. We also started labelling our vegetable growing areas with colours and numbers to enable our Trainees to navigate their way to specific areas.



Most visitors to Spadework comment on how wonderful it looks. From the courtyard with its colourful shrubs and perennials, to our Sensory Garden with its beautiful plants, from our Cutting Garden to our Vegetable Garden the care and skilled attention given to it by our Trainees means that most of our visitors say, "Wow!"

"I enjoy planting something and watching it grow. I like putting my name in the bed, so I know what I planted."

Trainee S





Creative arts, performing arts, and woodwork

We continue to collaborate with the Square Peg Arts charity to deliver high-quality performing arts activities for our Trainees. We provide activities for all our Trainees, helping to increase their communication skills. Four of our Trainees contributed to their Kent Album Project, recording a song to promote the local area.

Giles Whitehead, a local artist and podcast producer, worked with our Trainees to create several podcasts. Our Trainees plan the content and record interviews with people on site before Giles helps to edit the podcast, which is loaded on to Spotify and our own Spadio website. Our podcasts are often used in our fundraising proposals, enabling potential funders to hear our story first-hand from our Trainees.

In July we were invited by Produced in Kent, Kent's membership organisation for the local independent food and drink industry, to create something that would attract people to their area at the Kent County Show. It was a project we did not take on half-heartedly: Trainees in our woodwork team created a wooden "skeleton" that was 12 feet high. Our Trainees in craft created a face using a

terracotta pot and other recycled materials as well as some clothes. We held a competition to name our creation. We settled on Terry Cotta. Terry was transported to the Detling showground, where we were able to let people know about Spadework and our services, while they were drawn to the Produced in Kent stand. This is an example of the type of meaningful project that brings all our Trainees together and promotes what we do.

Our home-grown and home-made confetti was popular this year. The team in the Red Room created confetti for several local weddings. The confetti is made from flower petals collected mostly from our Cutting Garden.





Life Skills

Learning and developing skills that enable more independent living is at the heart of Spadework's mission.

In our Orange and Purple Rooms our Trainees learn food preparation and cooking skills. Over the eight-week activity cycle, in addition to planning what they will cook for their lunch, our Trainees cook food for sale on the Tuck Shop Trolley. The food is sold to other Trainees. All the money

generated goes back into providing ingredients to cook more things for the Tuck Shop. It is a great example of how one project brings together multiple skills – planning, cooking, making choices and handling money.

The Tuck Shop was shortlisted as Innovation Project of the Year at the Kent Care Awards and we know has been taken as a template to other organisations. It is arguably the

“We choose together what we’ll be making. I’ve made spaghetti Bolognese, pasta bake, jacket potatoes, cheese on toast. At home I try to bulk-cook, so I don’t have to eat microwaved meals.”

Trainee S

best example of a social enterprise that also makes us smile.

In September 2023 our Trainees cooked lunch for a group of volunteers from Unigloves after they had done a day of volunteering and equality and diversity training.

Our Trainees have also taken part in a water challenge – to increase the amount of water they drink and Step up for Spadework. In April our Trainees, staff and volunteers aimed to take more steps to be more physically active. That week, collectively we took more than one million steps. Our

Trainees in the Purple Room created posters to remind everyone about the week. They kept count of the steps each day to come up with the grand total.

Our Trainee Council is elected twice a year and has eight members. Council members bring their views and those of other Trainees to a member of staff and help shape day-to-day life at Spadework. Recent decisions have been taken about what optional lunchtime activities we put on – currently dancing and football.

The Council will have a big input next year into how we celebrate our 40th anniversary.





Pumpkins with purpose

→ We have been growing pumpkins since 2017. In 2023 we had our most successful year. Our pumpkin garden is 2,500 square metres. We grow 50 varieties, from wonderful tasters like Crown Prince to the amazing looking Warty Goblin.



At the start of the year our Trainees choose what varieties of pumpkin to grow. This is based on the ones they like most, as well as what grows best here.



In March we plant the seeds and nurture them in our polytunnels. Successful varieties can change year on year depending on the weather.



Stephen Betts, our local farmer, came to turn the soil in our garden and gave us one and a half hectares of space on his field.



Once the seeds have matured into robust plants we plant them in the field. Each pumpkin is planted with some good soil enhancer and well-watered.



In 2023 the pumpkins were ready by mid-September. We picked them and stored them in the glasshouse. Some were wrapped in newspaper.



For three weeks in October visitors come and pick their pumpkins. We were delighted to welcome BBC TV Celebrity and Chef Marcus Wareing.

We had visitors from as far away as Newcastle!

Impact

1,050 pumpkins donated to other charities and businesses

Trainee skill development

Planning, choosing and growing seeds • Nurturing seedlings into young plants
Tending plants through the growing cycle • Understanding the growing cycle
Learning about food production • Understanding food waste
Creating an amazing customer experience • Cooking and food preparation

Benefit to charity

A meaningful project that brings beneficiaries, staff and volunteers together
An opportunity to increase the reach and profile of our charity • Staff and volunteer engagement • Income generation • Therapeutic benefits for our beneficiaries

Impact against our mission

Project with a purpose • Developing skills that lead to independence • A project for teams, so reducing isolation • A project that makes us smile • Being outdoors to help us to be healthier • Providing for others can be very satisfying and fulfilling

In 2023 we held eight PYO Pumpkin by Torchlight sessions, bringing local families together for a fun evening

Spadework pumpkins were featured on Marcus Wareing's BBC programme, "Tales from a Kitchen Garden"

16,176 pumpkins and squashes sold

£71,808 made from pumpkin sales



Dementia Services

Number of individuals supported: 184



Building on the service success of previous years and the increased need for our services locally, we introduced more groups in 2023. These now take place two days a week, on Mondays and Wednesdays.

Our Impact Survey shows that 90 per cent of people agreed with the statement: “I feel that I can make suggestions that affect the dementia services at Spadework.”

Services now include memory cafes, carers groups, a singing group, a walking group, a

music and movement group and an arts and crafts group.

These services are provided for people who have a dementia diagnosis and for their families and carers. They are free to access and are run solely as a result of donations. We charge users £3 a session for Music and Movement sessions, run in conjunction with tactive.

We host an annual information and advice open day with representatives from other local organisations. This is an opportunity to ask questions and find out more about the wider services that are available locally.

In 2024 we aim to increase the singing group and the music and movement groups to two every month. We will continue to assess demand and make sure that we are providing the services that people want.

Dementia Sessions January to December 2023

| | Memory cafe | Music and movement | Singing | Young onset carers group | Carers support | Arts and Crafts | Peer Support |
|---|-------------|--------------------|---------|--------------------------|----------------|-----------------|--------------|
| Number of sessions | 21 | 10 | 12 | 12 | 10 | 5 | 3 |
| Total number of attendances | 365 | 96 | 182 | 96 | 73 | 16 | 3 |
| Total number of hours | 42 | 15 | 18 | 24 | 20 | 10 | 6 |
| Total number of people living with dementia supported | 43 | 12 | 20 | 2 | 7 | 6 | 2 |
| Total number of carers supported | 46 | 12 | 25 | 9 | 20 | – | – |
| Total number of individuals supported | 89 | 24 | 25 | 11 | 27 | 6 | 2 |

“Thank you for all that you do for the dementia community, I know that mum and dad would have been totally lost without the services you provide”



Patrick's story

Patrick (whose name has been changed for reasons of confidentiality) has been living with dementia for several years. He had worked all his life as a joiner, but since retiring he had slowly lost interest in woodworking at home as a hobby.

When his wife heard that we were starting a woodwork for wellbeing group here at Spadework she thought that it would be perfect for him. Patrick has been attending the woodwork group twice a month since it started. He has a good skills level and is keen to share his skills and support other less experienced members of the group. He has already made a great range of products, including a bird box and a bug hotel, and is always delighted when they are taken to the garden centre for sale.

Patrick is a great motivator, full of jokes and anecdotes. That is really appreciated by our group. The time he spends with us allows

him to engage with people other than his family, feel useful and keep busy.

We notice as his dementia has progressed that he is more easily distracted and so we have been working individually with him to complete projects. Additionally, we have written method statements as a visual aid for him to promote independence and therefore wellbeing.

The time Patrick spends with us is also respite for his wife, who can visit her sister, who is also living with a dementia diagnosis, knowing that her husband is safe and motivated.

Patrick and his wife also attend our Memory Café twice a month which they really enjoy. Additionally, Patrick's wife comes along to our monthly carers support group so that she can share her experiences with other carers and get support from the other members of the group.



Wellbeing services



In addition to our established Time to Grow (gardening) and Woodwork for Wellbeing sessions, we have introduced three new services this year. These are walking, sewing and reading groups. The groups were in response to community outreach and feedback. We have already been approached to extend the walking groups to make them weekly, which we are planning to do next year.

The reading group has 10 regular participants. Our local librarian has supported us by supplying books. Next year we plan to have our own community library – a place for us to share books for the Spadework community.

Projects undertaken by our community gardening group have flourished, The Fruit Cage which was created from an unused space at the back of our five-acre site last year enabled us to supply some fruit to our Café. This has given participants a lift, giving the project real purpose. Future Time to Grow

Wellbeing Sessions January to December 2023

| | |
|------------------------------|-----|
| Number of sessions delivered | 127 |
| Number of clients supported | 73 |
| Number of attendances | 737 |

projects include working alongside Trainees to develop the gravel garden. This will be a great project to bring together two different groups of beneficiaries and achieve our aim of making these projects accessible for all our community.

Woodwork for Wellbeing sessions are over-subscribed. We are planning to launch a second group on a Saturday to be held in the afternoon. Feedback from participants has been good, with many not only enjoying the projects but also taking satisfaction from seeing some of the creations sold in our Garden Centre. This gives the sessions a sense of purpose as the participants generate income for our charity. It's a simple but effective model.

These services are offered with the support of funding from Livewell Kent and Involve but are still heavily reliant on donations. We have also re-purposed existing spaces, like the unused space alongside the woodwork annexe.



We are refreshing some of our outdoor spaces and are fortunate to have the donation of the time and energy of corporate volunteers to achieve this. This means the costs of running the service are kept to a minimum. It also brings our local community together.

We have received very positive feedback from participants in our wellbeing services, which includes:

- "I am very pleased with my progress so far."
- "I'm loving the camaraderie and fun. It's great to problem-solve and make things."
- "I have completed every project I have started."

In terms of the impact these sessions have, we know that:

- 100 per cent of participants feel a lot happier as a direct result of the group activity.
- 88 per cent have experienced improved physical health.
- 100 per cent have experienced improved mental health.
- 96 per cent report gaining new or improved skills and knowledge.
- 96 per cent say they have become less isolated and more socialised with others.
- 96 per cent say they feel happy with what has been achieved.

Maggie's story about Woodwork for Wellbeing

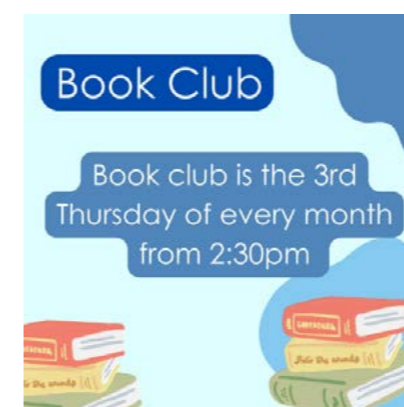
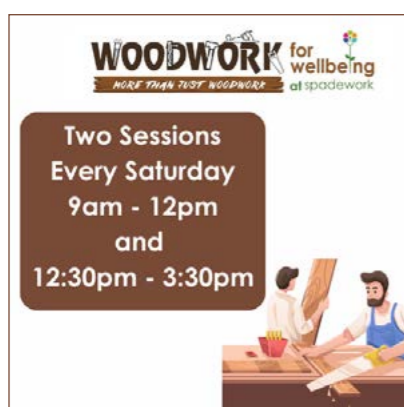
"I came indirectly. I have two sons. The eldest has just turned 25 and about 18 months ago was diagnosed with attention-deficit and autism. This was a bit of a shock for us all. I had been to the doctor to find out what could be done for him as a whole person. His ADHD was being treated, but the doctor said there wasn't really anything as he seemed to be coping with his diagnosis. However, I said that he was not coping socially. The doctor said he would sort out a social prescriber for him.

"I'd never heard of social prescriber and didn't know what it was. Spadework was one of the things she prescribed. I looked at the Spadework website and I didn't think the Trainee programme was right for him, but I saw the woodwork. I thought he could put a toe in the water and see what it's like and we

can go from there. So we came over and visited Caroline. She was lovely with him. We started in September.

"I asked Caroline if I could sit in the café as it's a couple of hours travelling from Tonbridge. She suggested that I could come to the sessions as well. That's how I joined. My son lasted about six months, which is about his length of time then he gives up. Caroline said that I could carry on coming.

"I'd had quite a difficult year supporting my brother. My husband had been diagnosed with Parkinson's. In the summer I had retired from my position as a schoolteacher, which I found stressful. Woodwork for Wellbeing is perfect for me, to have a bit of 'me' time where I can just escape from everything else."



Social enterprises



Our social enterprises continue to be an important part of Spadework. They contribute income to support the charity and bring people on site.

The team in our garden centre have worked hard to source not only the highest quality trees, plants and shrubs, but also, where appropriate, to expand the range of products on sale. This now includes decorative items, compost, bird food, fertilisers and tools. Our aim is to offer high-quality products and let people know that every penny they spend is used to support the charity. In 2024 we are planning to launch a loyalty card which encourages our customers to come back time and again.

We continue to have an area where we showcase and sell Trainee-made items. This is a place where we can tell the story of the charity.



We also proactively approach local schools and community groups to sell plants. In 2023 we had 1,658 orders for primroses for Mother's Day. We also started supplying a local community shop in Detling with plants.

In 2023 we worked with a third party who produced a garden centre magazine for Spadework. We produce content for 12 pages in the middle of the magazine, providing useful publicity for our charity. The magazine is free to customers.

Sales of logs have continued to be strong, generating valuable income. We store many of our logs on site and work hard to get them under cover the minute they arrive. To this end we now have more staff trained to use forklift and pallet trucks.

The café has continued to be busy, though it is a challenge to attract and retain good



staff. This is true of the entire hospitality sector. We are grateful to our hard-working staff for their dedication and for picking up extra shifts, but it is a continuing challenge to meet customer demand. Our all-day breakfasts continue to be the most popular menu item.

In 2023 we opened our Gift Shed, in the space adjacent to the garden centre. This has been well received by local people. Products on sale include candles, scarves and greeting cards. The income generated from the Gift Shed has been very welcome and customers tell us how much they like having a local shop. The shop looks great, thanks to a member of staff who has specific gift merchandise and retail experience.

We have also worked with the fundraising team to host tasting evenings where we can promote products on sale in the shop. We



actively sell hampers as corporate gifts at Christmas. Last year this generated £13,000 of income. Our Trainees help to make the hampers which provides them with an opportunity to connect with the local community and be involved with a meaningful project.

Our Farm Shop continues to be a meeting place for many people as well as a source of fresh produce and store cupboard items. We also use it to sell our own seasonal produce including cut flowers and herbs.

We know that 2024 is likely to be as challenging as this year, so we are always looking at new ways to increase the contribution of the social enterprises to the charity. Faced with potential funding cuts, the importance of the Community Interest Company (CIC) is more obvious than ever.

A very big
Spadework
'Thank You'
from the entire
Spadework
family.



Fundraising

Cost of living challenges continued to be the theme as we began 2023. In response to statutory funding cuts, we decided to focus our fundraising on supporting the delivery of the meaningful activities that all of our beneficiaries enjoy, rather than the remaining capital projects from our site redevelopment plan.

We are delighted to report that our supporters embraced this strategy. We are very grateful that The Screwfix Foundation and Whitehead Monckton Charitable Foundation supported our Trainees' Spadio podcast activities.

We are very lucky to have the continued support of Kent Community Foundation, The Gatwick Foundation and The Green Family

Fund, who contributed to the provision of our Trainee activities, together with The Douglas Arter Foundation.

Hollands Warren Fund will be supporting Trainee activities for the next three years. The National Lottery Community Fund and of course all players of The National Lottery will be helping us cover some of the cost of delivering all our activities for the next five years.

The Foyle Foundation, The Nationwide Community Fund and The Kent Community Foundation High Hilden Fund have all committed to helping us deliver Trainee Performing Arts and Life Skills and dementia services respectively during 2024.

Co-Op Community Fund and Involve Kent supported our wellbeing services. The Age UK Dementia and Me innovation Fund funded our dementia services throughout 2023.

We are delighted to have a new corporate partnership with Fernham Homes. Among other activities, this independent company, which is based nearby in West Malling, hosted a Gala Fundraising Dinner in September which raised £47,500, which was the icing on the cake of a year of successful fundraising. We are looking forward to continuing our work together in 2024.

Fairdeal Windows purchased pedometers for our Trainees to use to improve their step count during one of our activity weeks.

In 2023, we benefitted from 252 hours of corporate volunteering from companies



including Seasalt, Unigloves, MidKent College, and Tyl by NatWest.

Many other organisations and individuals have helped us over the year too. Carrie Ward and her team at HL Hall International volunteered during our PYO Pumpkin Festival and enjoyed handing out pumpkin and avocado taco recipes to our customers.

We have held successful quiz evenings, wine-tasting and gin-tasting events this year as well as our annual Easter Egg Hunt. Thank you for the support of our wonderful local community.

During another tough financial year for everyone, we are grateful to every single person who has visited us and shopped in our Garden Centre, Farm Shop and Café, to all of the local businesses and other organisations who have supported us and to those who have volunteered their time and expertise.

All the money we raise is used to support our work with the vulnerable adults in our community. We could not achieve all that we do without you. Please get in touch to receive a copy of our 2023 Impact Report if you would like to find out more about the difference you have made.



Awards

In 2023 Spadework won or was shortlisted for a record number of awards.

The highlight of the year was being named Kent Charity of the Year. The Kent Charity Awards aim to showcase the hard work that charities and voluntary groups undertake to make the lives of others better. We won the Disability and Mental Health Category in 2022 and we were named as the overall winner in 2023. This is a huge accolade for a small charity.

We have used the award as a platform to bring other charities together, as well as a springboard for our 40th anniversary celebrations that take place in 2024. Winning the award was public recognition of how Spadework has evolved as a charity.

We were also proud to be one of only six organisations (including the University of Kent) to be awarded Gold in the Wilder Kent

Awards. The awards, which are organised by Kent Wildlife Trust, recognise the positive action we have taken to create a wilder Kent.

The award recognises how our team have taken a holistic view of many of the activities that we provide at Spadework and how we manage our five-acre site. From leaving a specific nature area to harvesting rainwater and thinking about how wildlife might benefit from areas like our woodland walk, all our staff,



volunteers and Trainees are mindful of the bigger picture of supporting nature. We have worked hard to improve our sustainability.

We are equally proud to be finalists at the Kent Care Awards: our Tuck Shop for Innovation Project of the Year and the team in our life skills for Care Team of the Year.

Ashleigh Smith won the local and regional award for Ancillary Worker of the Year at the Kent and South East Care Awards respectively and went through to the final of the British Care Awards.

Kris Healey, our CEO, was shortlisted as Charity Chief Executive of the Year at the national Third Sector Awards.

We are proud of all our staff, Trainees and volunteers and our achievements. It is wonderful to have some of these publicly recognised.

Sustainability

We are committed to becoming a net zero organisation by 2050 or before. In the last 12 months we reduced our carbon emissions by 73 per cent and achieved a 25 per cent reduction in our use of electricity.

We have been working with a Decarbonisation Adviser since 2021 to identify how we can make this happen and to monitor our progress.

We have been seeking funding so that we can install electric vehicle chargers on site. They will be installed in 2024 and will be the first chargers for our community.

We continue to use the bore water from from LJ Betts' Farm adjacent to our site. We are looking to upgrade our rainwater harvesters, again seeking funding for this initiative.

In 2023 we put further initiatives in place to improve our sustainability. Winning the Wilder Kent Award was recognition of this.



Challenges

By Kris Healey, CEO



In October 2022, Spadework entered into a significant four-year contract with Kent County Council (KCC), with potential extensions leading to a total of eight years of partnership. This contract has been instrumental in enabling us to provide tailored and essential services to adults with learning and other disabilities. It not only facilitated operational stability but also allowed us to plan long-term projects and enhancements that directly benefit our trainees.

In September 2023, KCC unexpectedly initiated the termination of this contract, proposing to breach the agreed terms and significantly revise the financial and operational conditions. This decision, driven by KCC's urgent need to mitigate its financial challenges and avoid a section 114 notice, which signals de facto bankruptcy, has profound implications for Spadework. The potential premature end of this contract poses significant risks to our service continuity and financial sustainability. As the recent recipient of the Kent Charity of the Year award, this move by KCC could destabilise the foundation from which we serve our trainees. Our ability to provide outstanding care and support to our

trainees, who rely on our services for their daily well-being and long-term personal development, could be severely impacted. As of July 2024, negotiations with KCC are ongoing. Spadework's leadership team is fully engaged in discussions, advocating vigorously to secure a fair and sustainable resolution. We are negotiating in good faith, striving to balance the urgent financial constraints faced by the council with the critical needs of our trainees and the long-term viability of our charity. This contract is integral to our long-term sustainability, and our negotiation strategy is informed by a deep commitment to our mission and a robust understanding of the legal and financial frameworks governing charitable operations.

Despite these challenges, we remain resolute in our commitment to our trainees and our community. The ongoing negotiations are conducted with a clear focus on safeguarding the future of Spadework and ensuring that we continue to deliver the high-quality services our beneficiaries deserve. We are also actively engaging with our supporters and funders to ensure transparency and seek additional backing during this critical period. Our goal is not only to emerge from these negotiations with a renewed contract that reflects the true value and cost of the



Despite these challenges, we remain resolute in our commitment to our trainees and our community. We are actively engaging with our supporters and funders to ensure transparency and seek additional backing during this critical period.

services we provide but also to enhance our resilience against future uncertainties.

In response to KCC's proposed reduction in funding, the importance of donations and the contributions from our social enterprises have never been more critical. The financial

strain brought about by reduced council support places an increased reliance on our innovative social enterprises and the generosity of our donors to bridge the gap. Our social enterprises not only provide valuable services and products to the local community but also serve as vital training →



Your support fuels our resilience and innovation in the face of these financial challenges. It enables us to continue our award-winning work.

platforms for our trainees, supporting them to unlock their full potential.

These enterprises, along with direct charitable donations, are pivotal in maintaining the high-quality support and services we provide. As KCC seeks to adjust our funding, every purchase from our enterprises and every donation we receive takes on added significance, directly impacting our ability to sustain and expand our programmes. During this time of financial recalibration, engaging with our community and appealing to their spirit of generosity become paramount. We encourage our supporters to explore the many ways they can contribute, whether through direct donations, participating in fundraising events, or supporting our social enterprises. Each contribution helps us to continue providing our trainees with the opportunity to lead more independent, less isolated, and fulfilling lives.

Your support fuels our resilience and innovation in the face of these financial challenges. It enables us to continue our award-winning work and to advocate effectively for fair funding terms that reflect the true value of the services we provide. Together, we are not just sustaining a charity but nurturing a community that values every individual's potential to grow and thrive.

Your continued trust and support empower us to fight for a fair outcome, ensuring that Spadework remains a beacon of hope and excellence in our community. Our trainees are the lifeblood of our charity, and we will do all in our power to ensure they can continue to attend Spadework, to be more independent, to feel less isolated, and to live happier, healthier, and more fulfilling lives.

Kris Healey, CEO
31 July 2024

The Future

As we look to the future, Spadework remains steadfast in our commitment to deepen and broaden our impact within the community. Building on our established provision of outstanding care for adults with learning and other disabilities, those living with dementia, and individuals experiencing mental health issues, we continue to explore ways to expand these services and support an even wider cross-section of the community. Our role as a vital community hub is unwavering, and we are dedicated to enhancing the facilities and services we already offer.

This year, we are assessing our current facilities and identifying areas that could be better utilised to improve our service provision further. In the coming year, we will actively engage with architects and local planners to explore opportunities for development, ensuring our five-acre site is used to its fullest potential. Our ongoing initiatives and future developments are designed not only to maintain the quality of care we are known for

but also to expand our capabilities and reach within the community.

The challenges faced by the Third Sector are immense, yet they reinforce our resolve to meet them with innovative solutions and partnerships. Spadework is committed to not only maintaining but expanding our role as a support hub for smaller charities and non-profits in the local area. By collaborating and sharing resources, we can enhance our collective ability to meet community needs and maximise our impact.

As we continue to navigate these challenging times, our focus remains clear: to use every resource at our disposal to support those in need and to strengthen the fabric of our community. The forthcoming strategic developments and potential enhancements to our site are designed with this goal in mind—to ensure that Spadework not only continues its vital work but also evolves to meet the future needs of our community effectively.



Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Our objective is to achieve a position where the income from local authority grants and from the supporting activities meet the full operational costs of the charity, allowing all donations to be used for new capital projects and to allow for the creation of a reserve fund. Over the last few years our dependence on donations to cover operational shortfalls has been reducing. We would ideally like to build a reserves buffer of around £150,000 to enable the charity to continue operating whilst we achieve this goal.

General reserves at 31 December 2023 amounted to £125,827 (2022: £5,739), designated funds totalled £963,777 (2022: £981,951) and restricted funds were £52,995 (2022: £23,109) giving total funds of £1,142,599 (2022: £1,010,799).

At 31 December 2023 net current assets totalled £302,551 (2022: £157,341).

Structure, governance and management

a. Company status

Spadework Limited is registered as a charitable company limited by guarantee with no share capital. The company was incorporated on 30 May 1984 and is governed by its Memorandum of Association.

b. Governance and internal control

The Board of Trustees is responsible for selecting and recruiting suitably skilled Trustees. One third of the Trustees retire from office at each Annual General Meeting. A retiring trustee is eligible for re-election, and there is no limit on the number of times a trustee may be re-elected.

c. Risk management

The Trustees have assessed the major risks to which the charity is exposed and, in particular, those related to the operations and finances of the charity. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Trustees have developed a formal risk management process to assess business risks and implement risk management strategies. This involves reviewing the risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks in line with a risk profile accepted by the board.

The most significant risk facing the charity is a reduction in our funding. A reduction in income would impact on the charity's ability to continue to operate. In terms of mitigating the risk, we strive to ensure that the income derived from our Day Opportunity Services and other supporting activities are maximised and that we are working towards identifying new funding streams.

Basis for preparation of accounts

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

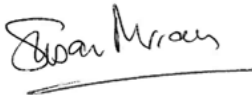
Trustees' report (continued)
For the year ended 31 December 2023

Disclosure of information to auditor (continued)

Auditor

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Susan Murray
Chair
Date: 25th August 2024

Independent auditor's report to the Members of Spadework Limited

Opinion

We have audited the financial statements of Spadework Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the Members of Spadework Limited (continued)

Other information

The other information comprises the information included in the 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the Members of Spadework Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the group and charitable sector generally, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of noncompliance with laws and regulations related to safeguarding, health and safety, bribery and employment law. We considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of noncompliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of noncompliance with laws and regulations and fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Conducting interviews with appropriate personnel to gain further insight into the control systems implemented, and the risk of irregularity; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud.

Independent auditor's report to the Members of Spadework Limited (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report to the Members of Spadework Limited (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Samantha Rouse FCCA DChA (Senior statutory auditor)
for and on behalf of
Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chatham Maritime

Date: 25th August 2024



Treasurer's Report 2023
Introduction

As Treasurer of Spadework, I am pleased to provide an overview of our financial performance for the year ending 31st December 2023. The consolidated Group income and expenditure, as detailed in our Statement of Financial Activities (SOFA), present a robust financial position. However, it is crucial to note that these figures encompass both the charitable activities and the commercial operations of our Community Interest Company (CIC). The SOFA provides a holistic view, yet it does not distinctly separate the financial outcomes directly attributable to the charity's core mission from those generated by the commercial activities of the CIC.

Financial Overview of Charitable Activities

Our charitable activities achieved a total income of £1,451,179 for the year (see table below). This includes a significant management fee of £476,156 contributed by our CIC, underscoring the critical role of our commercial operations in supporting our charitable endeavours. Additionally, we were fortunate to receive £278,967 in donations, which greatly assisted in funding our wide range of services and activities.

Our expenditure for the year amounted to £1,436,551, leaving us with a surplus of £14,628. While this outcome is positive, it is important to highlight that without the donations, our operations would have faced a deficit of £264,339. This stark contrast reveals the substantial gap between our income from statutory sources, primarily Kent County Council (KCC) funded trainees, and the actual costs of delivering our charitable services.

| | | | |
|-----------------------------|----------------------------------|---|-------------|
| Charity income consists of: | Donations and legacies | £ | 278,967 |
| | Charitable activities | £ | 642,439 |
| | Bank interest | £ | 673 |
| | CIC Management Fee | £ | 476,156 |
| | CIC gift aided profit from 2022 | £ | 52,846 |
| | Trivial amount allocated to food | £ | 98 |
| | | £ | 1,451,179 |
| | Less charitable expenditure | £ | (1,436,551) |
| | Charity surplus | £ | 14,628 |

Challenges and Strategic Financial Management

The financial landscape continues to present significant challenges, especially in securing sufficient funding to cover the full costs of the services we provide. The funding from KCC does not adequately cover the direct costs associated with each trainee, which places a greater reliance on the financial contributions from our CIC. Without the robust performance of our CIC, the sustainability of our charitable operations would be at risk.

Navigating the complexities of funding negotiations with KCC has been particularly challenging. Our aim is to secure terms that reflect the true value and cost of the services we deliver, ensuring the long-term viability of our charity.

Looking Ahead

Despite these financial hurdles, I am extremely proud of our accomplishments over the past year. Our team has shown remarkable resilience and dedication, achieving notable success in service provision and community impact. As we approach 2024, marking our 40th anniversary, we remain deeply committed to our mission of supporting our trainees to become more independent, feel less isolated, and lead happier, healthier, and more fulfilling lives.

The board and I are optimistic about the future. We will continue to leverage every resource at our disposal to support those in need and to strengthen our community. As we celebrate this milestone, we are also focused on ensuring that Spadework not only sustains its essential work but also adapts and grows to meet the future needs of our community. Our journey is made possible by the unwavering support of our dedicated staff, volunteers, donors, and partners. Together, we are not just sustaining a charity; we are nurturing a community that values and supports every individual's potential to grow and thrive. Here's to continuing our shared success and impact in the years to come.

Anthony Young
25th August 2024

Spadework Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2023

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 144,134 | 134,833 | 278,967 | 162,397 |
| Charitable activities | 4 | 642,439 | - | 642,439 | 682,552 |
| Other trading activities | 5 | 1,258,915 | - | 1,258,915 | 890,419 |
| Investments | 6 | 673 | - | 673 | 88 |
| Other income | 7 | - | - | - | 1,629 |
| Total income | | 2,046,161 | 134,833 | 2,180,994 | 1,737,085 |
| Expenditure on: | | | | | |
| Raising funds | | 81,405 | - | 81,405 | 27,302 |
| Charitable activities | 9 | 1,862,842 | 104,947 | 1,967,789 | 1,778,015 |
| Total expenditure | | 1,944,247 | 104,947 | 2,049,194 | 1,805,317 |
| Net movement in funds | | 101,914 | 29,886 | 131,800 | (68,232) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 987,690 | 23,109 | 1,010,799 | 1,079,031 |
| Net movement in funds | | 101,914 | 29,886 | 131,800 | (68,232) |
| Total funds carried forward | | 1,089,604 | 52,995 | 1,142,599 | 1,010,799 |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

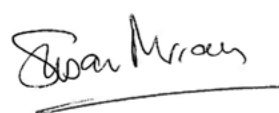
The notes on pages 49 to 66 form part of these financial statements.

Consolidated balance sheet
As at 31 December 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 963,777 | 983,060 |
| | | <u>963,777</u> | <u>983,060</u> |
| Current assets | | | |
| Stocks | 14 | 139,976 | 120,780 |
| Debtors | 15 | 195,796 | 103,054 |
| Cash at bank and in hand | | 166,778 | 69,539 |
| | | <u>502,550</u> | <u>293,373</u> |
| Creditors: amounts falling due within one year | 16 | (199,999) | (136,032) |
| Net current assets | | <u>302,551</u> | <u>157,341</u> |
| Total assets less current liabilities | | <u>1,266,328</u> | <u>1,140,401</u> |
| Creditors: amounts falling due after more than one year | 17 | (123,729) | (129,602) |
| Total net assets | | <u><u>1,142,599</u></u> | <u><u>1,010,799</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 52,995 | 23,109 |
| Unrestricted funds | 18 | 1,089,604 | 987,690 |
| Total funds | | <u><u>1,142,599</u></u> | <u><u>1,010,799</u></u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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


Susan Murray
Chair
Date: 25th August 2024


Anthony Young
Treasurer

The notes on pages 49 to 66 form part of these financial statements.

Charity balance sheet
As at 31 December 2023


| | Note | 2023 £ | 2022 £ |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 963,777 | 983,060 |
| Investments | 13 | 1 | 1 |
| | | <u>963,778</u> | <u>983,061</u> |
| Current assets | | | |
| Stocks | 14 | 21,673 | 26,318 |
| Debtors | 15 | 129,397 | 99,929 |
| Cash at bank and in hand | | 164,277 | 68,675 |
| | | <u>315,347</u> | <u>194,922</u> |
| Creditors: amounts falling due within one year | 16 | (182,815) | (90,428) |
| Net current assets | | <u>132,532</u> | <u>104,494</u> |
| Total assets less current liabilities | | <u>1,096,310</u> | <u>1,087,555</u> |
| Creditors: amounts falling due after more than one year | 17 | (123,729) | (129,602) |
| Total net assets | | <u><u>972,581</u></u> | <u><u>957,953</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 52,995 | 23,109 |
| Unrestricted funds | 18 | 919,586 | 934,844 |
| Total funds | | <u><u>972,581</u></u> | <u><u>957,953</u></u> |

The Charity's net movement in funds for the year was £14,628 (2022 - £15,415).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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


Susan Murray
Chair
Date: 25th August 2024


Anthony Young
Treasurer

Spadework Limited
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 December 2023

| | Note | 2023 £ | 2022 £ |
|--|------|-----------------|-----------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 21 | 169,595 | 26,643 |
| Cash flows from investing activities | | | |
| Fixed Asset Additions | | (66,483) | (88,987) |
| Proceeds from Sale of Tangible Fixed Assets | | - | 4,745 |
| Profit on Sale of Fixed Assets | | - | (1,629) |
| Net cash used in investing activities | | (66,483) | (85,871) |
| Cash flows from financing activities | | | |
| Cash inflows from new borrowing | | - | 137,264 |
| Repayments of borrowing | | (5,873) | (91,952) |
| Net cash (used in)/provided by financing activities | | (5,873) | 45,312 |
| Change in cash and cash equivalents in the year | | 97,239 | (13,916) |
| Cash and cash equivalents at the beginning of the year | | 69,539 | 83,455 |
| Cash and cash equivalents at the end of the year | 22 | 166,778 | 69,539 |

The notes on pages 49 to 66 form part of these financial statements

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

1. General information

Spadework Limited is a company limited by guarantee in the United Kingdom. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charitable Company. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charitable Company's operations and principal activities are set out on page 2.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spadework Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---------------------------|---|
| Freehold land | - Not depreciated |
| Site improvements | - 5% straight line |
| Buildings | - 5% straight line |
| Motor vehicles | - 25% reducing balance |
| Fixtures and fittings | - Various rates depending on the estimated useful life of the asset |
| Assets under construction | - Not depreciated until completion |

2.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.12 Financial instruments

The Group 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 value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes to the financial statements
For the year ended 31 December 2023

3. Income from donations and legacies

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Donations | 117,916 | 134,833 | 252,749 | 162,397 |
| Legacies | 26,218 | - | 26,218 | - |
| | <u>144,134</u> | <u>134,833</u> | <u>278,967</u> | <u>162,397</u> |
| Total 2022 | <u>60,272</u> | <u>102,125</u> | <u>162,397</u> | |

Notes to the financial statements
For the year ended 31 December 2023

4. Income from charitable activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|-----------------------|------------------------------------|-----------------------------|-----------------------------|
| Charitable activities | 642,439 | 642,439 | 682,552 |
| Total 2022 | <u>682,552</u> | <u>682,552</u> | |

Charitable activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|-----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Pumpkins | - | - | 47,036 |
| Catering | - | - | 900 |
| Logs | - | - | 160,035 |
| Other activities | 31,456 | 31,456 | 15,962 |
| Sponsorship - Kent County Council | 418,548 | 418,548 | 277,973 |
| Sponsorship - Medway Council | 32,452 | 32,452 | 24,762 |
| Sponsorship - Private | 159,983 | 159,983 | 155,884 |
| | <u>642,439</u> | <u>642,439</u> | <u>682,552</u> |
| Total 2022 | <u>682,552</u> | <u>682,552</u> | |

Notes to the financial statements
For the year ended 31 December 2023

5. Income from other trading activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------------|------------------------------------|-----------------------------|-----------------------------|
| Garden Centre | 516,915 | 516,915 | 425,200 |
| The Food Shed Café | 387,459 | 387,459 | 260,077 |
| Farm shop | 158,215 | 158,215 | 205,142 |
| Logs | 124,518 | 124,518 | - |
| Pumpkins | 71,808 | 71,808 | - |
| | <u>1,258,915</u> | <u>1,258,915</u> | <u>890,419</u> |
| Total 2022 | <u>890,419</u> | <u>890,419</u> | |

6. Investment income

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | 673 | 673 | 88 |
| | <u>88</u> | <u>88</u> | |
| Total 2022 | <u>88</u> | <u>88</u> | |

7. Other incoming resources

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Profit on sale of fixed assets | - | - | 1,629 |
| | <u>1,629</u> | <u>1,629</u> | |
| Total 2022 | <u>1,629</u> | <u>1,629</u> | |

Notes to the financial statements
For the year ended 31 December 2023

8. Costs on raising funds

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------------|------------------------------------|-----------------------------|-----------------------------|
| Fundraising events | 27,302 | 27,302 | 23,201 |
| | <u>23,201</u> | <u>23,201</u> | |
| Total 2022 | <u>23,201</u> | <u>23,201</u> | |

9. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|-----------------------|------------------------------------|----------------------------------|--------------------|--------------------|
| Charitable activities | 1,862,842 | 104,947 | 1,967,789 | 1,778,015 |
| | <u>1,669,120</u> | <u>108,895</u> | <u>1,778,015</u> | |
| Total 2022 | <u>1,669,120</u> | <u>108,895</u> | <u>1,778,015</u> | |

Notes to the financial statements
For the year ended 31 December 2023

Charitable activities

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Other staff costs | 18,661 | - | 18,661 | 9,638 |
| Vehicle costs | 12,870 | - | 12,870 | 13,256 |
| Office costs | 130,923 | - | 130,923 | 133,887 |
| Professional costs | 44,101 | - | 44,101 | 34,284 |
| Site costs | 134,897 | 16,290 | 151,187 | 111,322 |
| Bank interest | 9,004 | - | 9,004 | 6,858 |
| Stock purchases | 607,719 | - | 607,719 | 580,965 |
| Auditors' remuneration | 12,200 | - | 12,200 | 10,995 |
| Wages and salaries | 789,568 | 87,548 | 877,116 | 729,228 |
| National insurance | 54,569 | - | 54,569 | 47,984 |
| Pension costs | 19,748 | - | 19,748 | 16,733 |
| Depreciation | 84,657 | 1,109 | 85,766 | 82,865 |
| | <u>1,918,917</u> | <u>104,947</u> | <u>2,023,864</u> | <u>1,778,015</u> |
| Total 2022 | <u>1,669,120</u> | <u>108,895</u> | <u>1,778,015</u> | |

10. Staff costs

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Wages and salaries | 877,116 | 729,228 | 877,116 | 729,228 |
| Social security costs | 54,569 | 47,984 | 54,569 | 47,984 |
| Contribution to defined contribution pension schemes | 19,748 | 16,733 | 19,748 | 16,733 |
| | <u>951,433</u> | <u>793,945</u> | <u>951,433</u> | <u>793,945</u> |

Notes to the financial statements
For the year ended 31 December 2023

10. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

| | Group 2023 No. | Group 2022 No. | Charity 2023 No. | Charity 2022 No. |
|-----------------|----------------------|----------------------|------------------------|------------------------|
| Support Workers | 14 | 16 | 14 | 16 |
| Administrator | 7 | 5 | 7 | 5 |
| Managers | 6 | 10 | 6 | 10 |
| Weekend Staff | 14 | 15 | 14 | 15 |
| CIC | 23 | 16 | 23 | 16 |
| | <u>64</u> | <u>62</u> | <u>64</u> | <u>62</u> |

The average headcount expressed as full-time equivalents was:

| | Group 2023 No. | Group 2022 No. | Charity 2023 No. | Charity 2022 No. |
|-----------------|----------------------|----------------------|------------------------|------------------------|
| Support Workers | 8 | 11 | 8 | 10 |
| Administrators | 2 | 2 | 2 | 1 |
| Managers | 2 | 8 | 2 | 6 |
| Weekend Staff | 5 | 3 | - | - |
| CIC | 12 | 10 | - | - |
| | <u>29</u> | <u>34</u> | <u>12</u> | <u>17</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | Group 2023 No. | Group 2022 No. |
|--------------------------------|----------------------|----------------------|
| In the band £80,001 - £90,000 | - | 1 |
| In the band £90,001 - £100,000 | 1 | - |

During the year the charity's key management personnel received employee benefits (as defined by Charities SORP FRS 102) of £366,760 (2022: £293,385), including employer's national insurance contributions of £31,612 (2022: £28,451) and employer's pension contributions of £9,020 (2022: £7,510).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

12. Tangible fixed assets

Group and Charity

| | Freehold property £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--------------------------|---------------------------|------------------------|-------------------------------|------------|
| Cost or valuation | | | | |
| At 1 January 2023 | 1,535,817 | 44,412 | 119,690 | 1,699,919 |
| Additions | 47,447 | 12,995 | 6,041 | 66,483 |
| At 31 December 2023 | 1,583,264 | 57,407 | 125,731 | 1,766,402 |
| Depreciation | | | | |
| At 1 January 2023 | 607,605 | 29,473 | 79,781 | 716,859 |
| Charge for the year | 54,585 | 5,087 | 26,094 | 85,766 |
| At 31 December 2023 | 662,190 | 34,560 | 105,875 | 802,625 |
| Net book value | | | | |
| At 31 December 2023 | 921,074 | 22,847 | 19,856 | 963,777 |
| At 31 December 2022 | 928,212 | 14,939 | 39,909 | 983,060 |

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

13. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---|
| Charity | |
| Cost or valuation | |
| At 1 January 2023 | 1 |
| At 31 December 2023 | 1 |
| Net book value | |
| At 31 December 2023 | 1 |
| At 31 December 2022 | 1 |

14. Stocks

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---------------|--------------------|--------------------|----------------------|----------------------|
| Closing stock | 139,976 | 120,780 | 21,673 | 26,318 |

15. Debtors

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--------------------------------|--------------------|--------------------|----------------------|----------------------|
| Due within one year | | | | |
| Trade debtors | 97,841 | 78,761 | 89,853 | 75,636 |
| Other debtors | 84,629 | 9,242 | 26,218 | 9,242 |
| Prepayments and accrued income | 13,326 | 15,051 | 13,326 | 15,051 |
| | 195,796 | 103,054 | 129,397 | 99,929 |

Notes to the financial statements
For the year ended 31 December 2023

16. Creditors: Amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Bank loans | 5,506 | 5,506 | 5,506 | 5,506 |
| Trade creditors | 64,242 | 86,182 | 33,858 | 19,560 |
| Amounts owed to group undertakings | - | - | 13,200 | 21,018 |
| Other taxation and social security | 91,057 | 32,380 | 91,057 | 32,380 |
| Other creditors | 4,447 | 3,619 | 4,447 | 3,619 |
| Accruals | 34,747 | 8,345 | 34,747 | 8,345 |
| | 199,999 | 136,032 | 182,815 | 90,428 |

17. Creditors: Amounts falling due after more than one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|------------|--------------------|--------------------|----------------------|----------------------|
| Bank loans | 123,729 | 129,602 | 123,729 | 129,602 |

Included within the above are amounts falling due as follows:

Between two and five years

| | | | | |
|------------|--------|--------|--------|--------|
| Bank loans | 22,024 | 22,023 | 22,024 | 22,023 |
|------------|--------|--------|--------|--------|

Over five years

| | | | | |
|------------|---------|---------|---------|---------|
| Bank loans | 101,705 | 107,579 | 101,705 | 107,579 |
|------------|---------|---------|---------|---------|

Included in creditors is a loan from Natwest Bank, payable over 10 years at a fixed rate of 6.23% pa over the Bank's base rate. During the fixed rate period monthly instalments of £1,175.45 will be payable, with the balance of the loan being due as a final instalment.

Notes to the financial statements
For the year ended 31 December 2023

18. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2023 £ |
|---------------------------------|--------------------------------------|------------------|--------------------|--------------------------|---|
| Designated funds | | | | | |
| Fixed Asset Fund | 981,951 | - | - | (18,174) | 963,777 |
| General funds | | | | | |
| General Fund | 5,739 | 2,046,161 | (1,944,247) | 18,174 | 125,827 |
| Total Unrestricted funds | 987,690 | 2,046,161 | (1,944,247) | - | 1,089,604 |
| Restricted funds | | | | | |
| Buildings Fund | 1,109 | - | (1,109) | - | - |
| National Lottery | - | 74,606 | (74,606) | - | - |
| Other Restricted Funds | 22,000 | 60,227 | (29,232) | - | 52,995 |
| | 23,109 | 134,833 | (104,947) | - | 52,995 |
| Total of funds | 1,010,799 | 2,180,994 | (2,049,194) | - | 1,142,599 |

Notes to the financial statements
For the year ended 31 December 2023

18. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2022 £ |
|---------------------------------|--------------------------------------|------------------|--------------------|--------------------------|---|
| Designated funds | | | | | |
| Fixed Asset Fund | 968,672 | - | - | 13,279 | 981,951 |
| General funds | | | | | |
| General Fund | 80,099 | 1,634,960 | (1,696,422) | (12,898) | 5,739 |
| Total Unrestricted funds | 1,048,771 | 1,634,960 | (1,696,422) | 381 | 987,690 |
| Restricted funds | | | | | |
| Buildings Fund | 11,382 | - | (10,273) | - | 1,109 |
| National Lottery | 9,404 | 40,252 | (49,656) | - | - |
| Other Restricted Funds | 9,474 | 61,873 | (48,966) | (381) | 22,000 |
| | 30,260 | 102,125 | (108,895) | (381) | 23,109 |
| Total of funds | 1,079,031 | 1,737,085 | (1,805,317) | - | 1,010,799 |

Notes to the financial statements
For the year ended 31 December 2023

The designated **Fixed Asset Fund** represents the net book value of the charity's fixed assets, excluding the value of the restricted Buildings Fund.

The restricted **Buildings Fund** accounts for 'lottery' grants from the Community Fund, expended on buildings and equipment. In accordance with the terms of those grant, there are restrictions on use of those assets which can apply for anything up to 80 years. Accordingly, transfers are made so that the balance on this fund is equal to the net book value of the buildings and equipment to which such restrictions apply.

The restricted **National Lottery Fund** relates to grants received from the National Lottery for various works to make improvements to the Charity's premises.

Other restricted funds relate to immaterial grants and donations received from various organisations or individuals for specific projects.

Transfers out of restricted funds during the year relate to the purchase of capital assets, in accordance with the terms of the restricted grant, and have been transferred to the Charity's designated fixed asset fund as the terms of the restriction have now lapsed.

19. Summary of funds

Summary of funds - current year

| | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2023 £ |
|------------------|--------------------------------------|------------------|--------------------|--------------------------|---|
| Designated funds | 981,951 | - | - | (18,174) | 963,777 |
| General funds | 5,739 | 2,046,161 | (1,944,247) | 18,174 | 125,827 |
| Restricted funds | 23,109 | 134,833 | (104,947) | - | 52,995 |
| | 1,010,799 | 2,180,994 | (2,049,194) | - | 1,142,599 |

Summary of funds - prior year

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2022 £ |
|------------------|--------------------------------------|------------------|--------------------|--------------------------|---|
| Designated funds | 968,672 | - | - | 13,279 | 981,951 |
| General funds | 80,099 | 1,634,960 | (1,696,422) | (12,898) | 5,739 |
| Restricted funds | 30,260 | 102,125 | (108,895) | (381) | 23,109 |
| | 1,079,031 | 1,737,085 | (1,805,317) | - | 1,010,799 |

Notes to the financial statements
For the year ended 31 December 2023

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 963,777 | - | 963,777 |
| Current assets | 449,555 | 52,995 | 502,550 |
| Creditors due within one year | (199,999) | - | (199,999) |
| Creditors due in more than one year | (123,729) | - | (123,729) |
| Total | 1,089,604 | 52,995 | 1,142,599 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 981,951 | 1,109 | 983,060 |
| Current assets | 271,373 | 22,000 | 293,373 |
| Creditors due within one year | (136,032) | - | (136,032) |
| Creditors due in more than one year | (129,602) | - | (129,602) |
| Total | 987,690 | 23,109 | 1,010,799 |

21. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2023 £ | Group 2022 £ |
|--|--------------------|--------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 131,800 | (68,232) |
| Adjustments for: | | |
| Depreciation charges | 85,766 | 82,865 |
| (Increase)/decrease in stocks | (19,196) | 10,098 |
| (Decrease) in debtors | (48,205) | (17,588) |
| Increase in creditors | 19,430 | 19,500 |
| Net cash provided by operating activities | 169,595 | 26,643 |

Notes to the financial statements
For the year ended 31 December 2023

22. Analysis of cash and cash equivalents

| | Group 2023 £ | Group 2022 £ |
|--------------|--------------------|--------------------|
| Cash in hand | 166,778 | 69,539 |

23. Analysis of changes in net debt

| | At 1 January 2023 £ | Cash flows £ | At 31 December 2023 £ |
|--------------------------|------------------------------|-----------------|--------------------------------|
| Cash at bank and in hand | 69,539 | 97,239 | 166,778 |
| Debt due within 1 year | (5,506) | - | (5,506) |
| Debt due after 1 year | (129,602) | 5,873 | (123,729) |
| | (65,569) | 103,112 | 37,543 |

24. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £19,748 (2022: £16,733). Contributions totalling £4,447 (2022: £3,619) were payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 December 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Not later than 1 year | 180 | 180 | 180 | 180 |
| Later than 1 year and not later than 5 years | 60 | 360 | 60 | 360 |
| | 240 | 540 | 240 | 540 |

26. Related party transactions

During the year the charity purchased various tools, machinery and hand tools for use around the site from J Healey, relation of K Healey (CEO), for £1,000. No balances were outstanding at year end.

Notes to the financial statements
For the year ended 31 December 2023

27. Controlling party

There is no overall controlling party.

28. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

| Name | Company number | Registered office or principal place of business | Principal activity |
|----------------------------------|----------------|---|--|
| Spadework Social Enterprises CIC | 13099464 | Spadework Nursery, Teston Road, Offham, West Malling, Kent, ME19 5NA | To provide commercial support to the Charity and learning opportunities for the trainees |

| Class of shares | Holding | Included in consolidation |
|-----------------|---------|---------------------------|
| Ordinary | 100% | Yes |

The financial results of the subsidiary for the year were:

| Name | Income £ | Expenditure £ | Profit/(Loss) for the year £ | Net assets £ |
|----------------------------------|-------------|------------------|------------------------------------|-----------------|
| Spadework Social Enterprises CIC | 1,258,817 | (1,088,799) | 170,018 | 170,019 |





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