

The Verbal Arts Centre (Northern Ireland) Limited
(Charitable Company Limited by Guarantee)

DIRECTORS' REPORT for the year ended 31 March 2024

The Directors, who are the trustees for the purpose of charity law, have pleasure in presenting their report and the audited financial statements of the charitable company for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102), United Kingdom Generally Accepted Accounting Practice, the Charities Act (Northern Ireland) 2008 and the Companies Act 2006.

Reference and Administration Details

The reference and administration details of the charitable company are as shown on page 3.

The Chief Executive was responsible for the supervision of the day-to-day operations of the charitable company throughout the year.

Objectives and Activities

The Verbal Arts Centre (Northern Ireland) Limited, operating under the name "Verbal," is widely recognised as a leading centre for literature, language arts, and storytelling across Ireland. The organisation's vision, "A world where every story matters," continues to guide its activities and strategic direction.

This vision underscores Verbal's commitment to storytelling as a fundamental means of understanding and interpreting the world. Through its annual programme, Verbal addresses inequalities and access barriers faced by deprived and marginalised communities, ensuring that their stories are heard and valued. This work is central to combating poverty, inequality, discrimination, and isolation.

Verbal's mission statement reflects its focus on mental health and emotional wellbeing: "Using our unique multi-disciplinary approach to the art of storytelling, Verbal works in partnership to enhance wellbeing among individuals and communities." Central to this mission are the principles of partnership working and the integration of literature and psychology to create high-impact storytelling initiatives.

The organisation's activities aim to:

1. Challenge everyday assumptions and prejudices.
2. Foster critical discussions about the circumstances of vulnerable and marginalised groups.
3. Encourage re-evaluation of "taken for granted" beliefs.
4. Propose innovative solutions to improve the quality of life for those in need.

Verbal's programmes integrate storytelling and bibliotherapy to:

- Support participants in recognising psychological distress.
- Transfer knowledge about risk factors and self-help strategies through storytelling.
- Encourage help-seeking behaviours and reflections on attitudes toward mental health.

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Programme Delivery

Reflecting the uniqueness of the organisation, 2023/24 saw Verbal continue to refine its programme delivery on an iterative basis, maintaining three key categories:

- Prevention: Using storytelling to support participants in recognising different types of psychological distress as simulated in the stories, transfer domain-specific knowledge through stories in relation to beliefs about risk factors and causes, as well as understanding self-help strategies.
- Intervention: Using storytelling to reduce the progression of poor mental health and enhance emotional wellbeing by fostering connection, self-expression, and understanding through narrative techniques.
- Recovery: Empowering individuals to self-manage their mental health through storytelling-driven creative activities that enable participants to explore personal narratives, build resilience, and foster emotional growth.

Verbal delivers its mission through five main programmes:

1. Verbal Wellbeing: A digital platform supporting mental health literacy for primary school children, post-primary students (integrated into English curriculum), and adult community mental health.
2. Storyteller Recovery: A multi-arts storytelling programme creating safe spaces for adults in recovery, including a specialist programme tailored for ex-offenders to help them explore their narratives and foster personal growth through creative expression.
3. Story Exchange: Facilitating cross-community conversations in social housing areas to build cohesion.
4. Stories of Lived Experience (SoLeX): Establishing service-user story libraries for marginalised groups, involving creative writing and guided reading.
5. Events & Publishing: Supporting writers, commissioning new works and maintaining literary archives, including quarterly publications of The Honest Ulsterman magazine.

Public Benefit Statement

The Directors of The Verbal Arts Centre (Northern Ireland) Limited confirm that they have complied with their duty under section 4(6) of the Charities Act (Northern Ireland) 2008 to have regard to the Charity Commission for Northern Ireland's guidance on public benefit and that the public benefit requirement has informed the activities of the charitable company in the year ended 31 March 2024.

Achievements and Performance

A sample of achievement highlights in the year are noted below:

Activity levels for Verbal Wellbeing continued to grow across Northern Ireland, the Republic of Ireland and Great Britain.

This year working in close partnership with statutory bodies and public agencies, Verbal's annual programme was delivered with and to:

- Looked After Children
- Children on the autism spectrum
- Rural pre teen young people transitioning to post primary school
- Offenders in prison
- Social housing communities experiencing community tension
- Older people experiencing social isolation
- Older people in care homes
- Adults with mental health issues
- Communities living at interfaces

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Achievements and Performance (Continued)

Verbal continues to maintain its digital platform "Verbal Wellbeing" which has demonstrated a robust stability of service throughout the year.

The level of internal Psychology and Literature expertise continues to grow with the recruitment of post-doctoral staff who are integrated with the existing creative team.

Storyteller Recovery was rolled out successfully as a regional programme of creative recovery based activity working right across Northern Ireland.

Story exchange worked intensively with multiple communities living on interface areas in Belfast.

Honest Ulsterman saw a year-on-year growth in its readership

Going concern

The charitable company made a loss of £226,503 in the year (2023: £119,518) and saw cash reserves fall by £329,909.

The charitable company has operated in a challenging economic environment, which has affected its ability to obtain grant funding in line with prior periods as larger funded projects came to an end. However, since the year end the charitable company has boosted its cashflow with receipt of long-standing debtors and has secured funding from a large grant post year end. Advance payment is to be requested, in line with the terms of the grant, which should further aid the cashflow for this project.

On the basis of the above, the trustees are confident of the charitable companies' ability to continue operating for a period of more than 12 months. As a result, the financial statements are prepared on a going concern basis.

Financial Review

Financial Performance

The financial performance was in line with the Board of Director's expectations. The charitable company remains in a sound financial position at the year end. The results for the year are set out in detail on pages 13 to 30. The charitable company made net outgoing resources for the year of £226,503 (2023 – net outgoing resources of £119,518).

At 31 March 2024, the total funds of the charity amounted to £1,416,673 (2023: £1,643,176) comprising restricted funds of £79,530 (2023: £83,950), designated funds of £300,000 (2023: £300,000) and unrestricted funds of £1,037,143 (2023: £1,259,226). Principal sources of funding and how this has supported the key objectives of the charitable company are disclosed in the notes to the financial statements.

Reserves Policy

The charitable company has free reserves of £135,180 (2023: £402,441) which represents 6 months (2023: 5 months) unrestricted expenditure on charitable activities. The Directors believe that it is prudent to work towards holding 6 months funding.

The main reason for holding reserves is to ensure that the charity has enough resources to fund the programmes it is supporting and to meet any emergencies that may arise. For this purpose the charitable company is holding £300,000 in designated funds (2023: £300,000).

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Risk Management

The Board of Directors has conducted a review of the key risks facing the charity and has established a strategic plan and procedures to manage those risks. Continuous external risks in relation to funding have led to the development of a structured approach which allows for the longer-term diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity.

Plans for Future Periods

The Directors remain focused on the following priorities: Create and implement the conditions for the digital product to thrive and co-exist alongside the charity's programmes; specifically: Getting Verbal ready to manage the difficult transition period inherent in operating both a project led and product led organisation.

1. Develop a sustainable digital product alongside the charity's programmes, managing the transition to a hybrid project- and product-led organisation.
2. Diversify income sources and grow unrestricted income through the distribution of the Verbal Wellbeing digital delivery model.
3. Transition to a service delivery-based organisation to enhance sustainability and maintain quality.
4. Promote staff development and retention by reviewing delivery structures.
5. Continue building an interdisciplinary team to support evidence-based storytelling programmes.
6. Strengthen statutory and non-statutory partnerships, leveraging storytelling and psychology to address gaps in emotional wellbeing services.

Structure, Governance and Management

Organisational Structure

The charitable company is a company limited by guarantee, not having a share capital.

The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

In accordance with the Articles of Association, the members to retire by rotation shall be those who have been longest in office since their last election, and the relevant motion will be put forward at the Annual General Meeting. A retiring member shall be eligible for re-election.

The charitable company is governed by the Board of Directors. None of the Directors have any beneficial interest in the charitable company. Any person wishing to become a director must apply in writing prior to the annual general meeting. A vote is then taken at the annual general meeting as to whether that person is appointed.

Directors

The Directors during the year are the same as the Directors as listed on page 3.

Taxation Status

The charitable company is recognised as a charity by HM Revenue & Customs. Accordingly, the charitable company has availed of the exemptions contained in Chapter 3 Part 11 Corporation Taxes Act 2010 and Section 256 Taxation of Chargeable Gains Act 1992.

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Directors' Responsibilities

The Directors are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Funds held as custodian trustees on behalf of others

The charity holds no funds as custodian- trustees on behalf of others.

Statement of Disclosure of Information to Auditor

In so far as the Directors, who held office at the date of approval of these financial statements, are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Companies Exemption

This report is prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the Board of Directors on 6 December 2024 and signed on its behalf by:

Registered office:

Stable Lane and Mall Wall
Bishop Street Within
Derry/Londonderry
BT48 6PU



James Kerr
Company Secretary