



Healthworks
the community health charity

ANNUAL FINANCIAL REPORT 2021 - 2022



THE LEGAL INFORMATION

Registered Company: 02952583 (England and Wales)

Registered Charity Number: 1040370

Registered Office:

Health Resource Centre,
Adelaide Terrace Benwell,
Newcastle upon Tyne, NE4 8BE

Trustees

Mr J Marks (Chair)
Dr P Cresswell (Vice Chair)
Ms D Creighton
Mr M.E. Turner
Ms D Lagun
Mr J Sabarre
Mrs C Burton
Mrs M Henderson

Chief Executive

Mr Paul Court

Patron

Professor Sir Michael Marmot

Auditors

Stephenson Coates Audit Limited
Chartered Accountants and Statutory Auditors
West 2, Asama Court,
Newcastle Business Park, Newcastle upon Tyne, NE4 7YD

Bankers

Barclays Bank plc, 446 Westgate Road, NE4 9BN

Solicitors

David Grey, 56 Westgate Road,
NE1 5XU

Company status

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

We are a company limited by guarantee first registered 26/07/94 (registration number 02952583) and re-registered on 11/04/08 as Healthworks Newcastle and registered as a charity on 25/08/94 (registration number 1040370). We are governed through our Memorandum and Articles of Association document.

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Under the guidance of our Chair, Joel Marks, CEO, Paul Court, and our trustees, we continue to review and improve our governance. This is in line with best practice, industry standards and the Charity Code of Governance 2017.

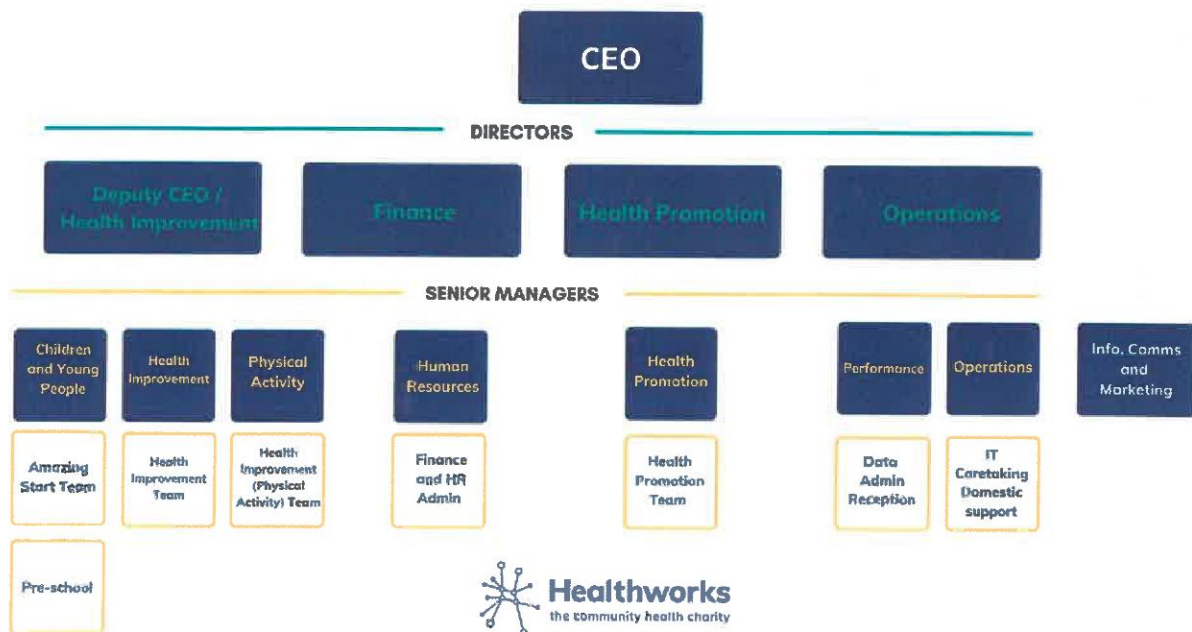
Our Charitable Purpose

Our charitable purpose is set out in our articles of association (otherwise known as our charitable objects). It is: To preserve, protect and improve the health and life outcomes of communities across the North East region of England. We're satisfied that the services we provide reflect our charitable purpose and the public benefit requirement, as set out in section 17 of the Charities Act 2011.

Organisational structure

Healthworks' Board of Trustees meets six times a year, and is responsible for overseeing our performance and providing strategic direction. The Board consists of eight Trustees, who each bring considerable experience and expertise. The Board regularly reviews its own – and the Chair's – performance, and has standing committees that report on specific issues. Each committee has agreed terms of reference and includes specialist co-opted members, as well as trustees. The Board delegates the day-to-day running of Healthworks to the CEO and Senior Management Team.

ORGANISATION STRUCTURE



THE BOARD OF TRUSTEES

Our Trustees

We appoint our Trustees and committee members based on their skills and experience. We want to attract a broad range of candidates, and once appointed, Trustees and committee members go through an induction programme to make sure they understand their roles under charity and company law. All of our Trustees give their time voluntarily and receive no rewards or benefits from Healthworks. They get involved because they believe in what we do, and want to make a real difference. Any expenses claimed by the trustees are set out in our financial statements.

Recruitment of new Trustees

We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We carry out due diligence checks to ensure that any appointment meets the requirements of our governing document and the law. Each new Trustee visits our centres and works with the management team to ensure a good understanding of the organisation and of their role and responsibilities as Trustees.

Managing risk

Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

OUR ACTIVITIES DELIVER PUBLIC BENEFIT BY

- Increasing the understanding and recognition of the wider social determinants of health
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset based approach)
- Providing local access to regular exercise via high quality, low price community gyms and classes
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities
- Supporting people to access the services most appropriate to them which are available in the city
- Recruiting and training a local workforce, investing in upskilling local people
- Offering a range of volunteering opportunities for local people
- Achieving a wide reach into communities traditionally seen as 'hard to reach' through the support and co-ordination of local volunteers who reflect their community
- Buying from local suppliers and producers wherever possible, investing in the local economy
- Linking into city-wide networks to share good practice and avoid duplication
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

FINANCE

Reserves policy

Our policy is to hold money in the following designated funds:

- Planned capital investment and major maintenance fund (Health Resource Centre) - to cover the costs of planned building and equipment updating to ensure we continue to have the required facilities to deliver our work.
- Building alteration fund (The Lemington Centre) to provide a short-term cushion against the loss of premises rental income, allowing sufficient time to redevelop the space for alternative use.

The policy also requires money to be held in a general reserve at an amount approximating to 3 months operational costs in order to ensure service delivery is not jeopardised through fluctuations in funding. For 2021/22, actual free reserves amounted to £426,211. This amount will also function as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that the designated funds held continue to be appropriate for our organisation, and to ensure monies held in General Reserve are appropriate.

Principal funding sources

Our turnover was £1,681,716. We received a mixture of fees for services provided (41% of our total income), grant funding (21%), and other sources of income (38%).

This income funded the wide range of activities which took place both within our buildings and settings across the region

The principal sources of fee income were:

- Contracts/Service Level Agreements (62%)
- Sales (24%)
- Premises Rental (6%)
- Other (8%)

GOOD EMPLOYMENT

We provided employment for 84 people (65 FTE) as of 31 March 2022. We know that our work is best delivered by local people who understand the wider determinants of health and the combination of pressures faced by people in areas of low income. We recruit and train local people who already have the core skills of resilience, effective communication and motivation. This peer-to-peer approach enables us to support service users to develop a greater understanding of local health services and what they can do to improve the health of both themselves and their families. We provide vocational training needed for individuals to achieve the nationally recognised qualifications appropriate to their role.

Staff welfare

All salaries are either on or above the level of the national living wage, in addition:

- All staff have free use of our two community gyms
- All staff are offered annual Health Checks, on site and in work time
- Support to quit, in work time, is available for any staff who still smoke
- 27 days annual leave pro rata (plus Bank Holidays)
- Staff can access HR advice and support in work time
- Staff are encouraged to think, be creative and challenge

Pay differentials

A report by the High Pay Centre highlighted how workplaces with big pay gaps between the highest and lowest wage earners suffer more industrial disputes, more sickness and higher staff turnover than employers with more equitable pay differentials. The ratio of our highest salary (£53,462) to our median salary (£22,806) is 2.3:1. This corresponds to the very lowest end of the range in the charity sector as determined by ACEVO (Association of Chief Executives of Voluntary Organisations).



Healthworks
the community health charity

Healthworks Newcastle

Company Limited by Guarantee

COMPANY REGISTRATION NUMBER: 02952583

CHARITY REGISTRATION NUMBER: 1040370

Financial Statements

31 March 2022

STEPHENSON COATES AUDIT LIMITED
Chartered Accountants & Statutory Auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

FINANCIAL STATEMENTS CONTENTS

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TRUSTEES' ANNUAL REPORT (INCORPORATING DIRECTORS' REPORT)

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name:
Healthworks Newcastle

Charity registration number:
1040370

Company registration number:
02952583

Principal office and registered office:
Health Resource Centre
Adelaide Terrace, Benwell
Newcastle upon Tyne. NE4 8BE

The Trustees:

C F B Burton (Appointed 8 February 2022)
D Creighton
P A Cresswell
M E Henderson (Appointed 23 November 2021)
D Lagun
J H Marks
J R Sabarre
M E Turner

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Auditor:

Stephenson Coates Audit Limited
Chartered Accountants & Statutory Auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Bankers:

Barclays Bank Plc
446 Westgate Road
Newcastle upon Tyne
NE4 9BN

Solicitors:

David Grey
56 Westgate Road
Newcastle upon Tyne
NE1 5XU

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

Auditor: Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report was approved on 20 September 2022 and signed on behalf of the board of trustees by:



J H Marks
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHWORKS NEWCASTLE

Opinion

We have audited the financial statements of Healthworks Newcastle (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 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 charity's affairs as at 31 March 2022 and of its 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 company's ability to continue as a going concern for a period of at least 12 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.

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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHWORKS NEWCASTLE (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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.

Auditor's responsibilities for the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHWORKS NEWCASTLE (CONTINUED)

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Oswald BA FCA
Senior Statutory Auditor
Stephenson Coates Audit Limited
Chartered accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne, NE4 7YD

Date: 20 September 2022

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

Year ended 31 March

		2022		2021	
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations	5	30,603	-	30,603	6,852
Charitable activities	8	1,422,508	-	1,422,508	1,363,951
Other trading activities	6	168,733	-	168,733	132,716
Investment income	7	48,903	-	48,903	35,082
Other income		10,969	-	10,969	69,475
Total income		1,681,716	-	1,681,716	1,608,076
Expenditure					
Expenditure on raising funds:					
Costs of raising donations	9	120,991	-	120,991	143,775
Expenditure on charitable activities	10,11	1,578,160	10,140	1,588,300	1,397,140
Total expenditure		1,699,151	10,140	1,709,291	1,540,915
Net income / (expenditure)		(17,435)	(10,140)	(27,575)	67,161
Transfers between funds		1,287,680	(1,287,680)	-	-
Net movement in funds for the year		1,270,245	(1,297,820)	(27,575)	67,161
Reconciliation of funds					
Total funds brought forward		731,812	1,297,820	2,029,632	1,962,471
Total funds carried forward		2,002,057	-	2,002,057	2,029,632

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes form part of this financial statement

STATEMENT OF FINANCIAL POSITION

As at 31 March		2022	2021
		£	£
Fixed assets			
Tangible fixed assets	15	1,273,959	1,312,025
Current assets			
Debtors	16	139,708	100,021
Cash at bank and in hand		<u>1,013,780</u>	<u>1,052,796</u>
		1,153,488	1,152,817
Creditors: amounts falling due within one year	17	<u>(425,390)</u>	<u>(435,210)</u>
Net current assets		<u>728,098</u>	<u>717,607</u>
Total assets less current liabilities		<u>2,002,057</u>	<u>2,029,632</u>
Net assets		<u>2,002,057</u>	<u>2,029,632</u>
Funds of the charity			
Unrestricted funds		2,002,057	731,812
Restricted funds		-	<u>1,297,820</u>
Total charity funds	19	<u>2,002,057</u>	<u>2,029,632</u>

These financial statements were approved by the Board of Trustees and authorised for issue on 20 September 2022, and are signed on behalf of the board by:



J H Marks
Trustee



P A Cresswell
Trustee

The notes form part of this financial statement

STATEMENT OF CASH FLOWS

Year ended 31 March	2022	2021
	£	£
Cash flows from operating activities		
Net (expenditure) / income	(27,575)	67,161
<i>Adjustments for:</i>		
Depreciation charges	41,880	44,099
Interest received	(100)	(2,599)
<i>Changes in:</i>		
Trade and other debtors	(39,687)	14,651
Trade and other creditors	(9,820)	113,167
Cash generated from operations	(35,302)	236,479
Net cash from operating activities	(35,302)	236,479
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	(3,814)	(83,215)
Interest received	100	2,599
Net cash used in investing activities	(3,714)	(80,616)
Net (decrease) / increase in cash and cash equivalents	(39,016)	155,863
Cash and cash equivalents at beginning of year	1,052,796	896,933
Cash and cash equivalents at end of year	1,013,780	1,052,796

The notes form part of this financial statement

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Health Resource Centre, Adelaide Terrace, Benwell, Newcastle upon Tyne, Tyne & Wear, NE4 8BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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), Charities SORP (FRS 102) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the amount can be measured reliably and is not deferred.

Income received in advance of training courses or the provision of other specified services is deferred until the criteria for the income recognition is met.

Income from trading activities relates to trading activities to raise funds for the charity and the income from fundraising events. It is recognised when earned.

Interest on funds held on deposit is included when receivable, this is normally upon notification of the interest paid or payable by the Bank.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the cafe and provision of the nursery at The Lemington Centre, together with their associated support costs.
- Expenditure on charitable activities includes the costs of providing the various activities undertaken to further the purpose of the charity, together with their support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Accounting policies (continued)

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Long leasehold lease	-	in accordance with terms of the lease
Plant and machinery	-	20% on cost and 15% on cost
Fixtures and fittings	-	10% on cost
Computer equipment	-	25% on cost and 20% on cost

Taxation

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements

4. Limited by guarantee

Healthworks Newcastle is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Donations

	2022	2021
	£	£
Donations	30,603	6,852

6. Other trading activities

	2022	2021
	£	£
Café Income	3,551	14,842
Room hire	47,636	3,860
Playgroup Admissions	117,546	114,014
	<u>168,733</u>	<u>132,716</u>

7. Investment Income

	2022	2021
	£	£
Rents received	48,803	32,483
Deposit account interest	100	2,599
	<u>48,903</u>	<u>35,082</u>

8. Income from Charitable Activities

	2022	2021
	£	£
<u>Core Activities</u>		
Service Level Agreements	108,799	57,753
Admissions	25	-
Rental income	4,913	71,748
Grant income	553	18,303
Other income	9,541	19,237
	<u>123,831</u>	<u>167,041</u>
 <u>Physical Activities</u>		
Service Level Agreements	86,751	178,023
Admissions	27,869	6,278
Grant income	19,079	17,386
Other income	13,757	834
	<u>147,456</u>	<u>202,521</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Income from Charitable Activities (*continued*)

	2022	2021
	£	£
<u>Health Improvements</u>		
Service Level Agreements	206,692	186,663
Grant income	114,713	75,527
Health checks income	40,053	20,972
Link Worker funding	256,647	92,514
Other income	4,382	6,002
Stop Smoking Services	10,360	11,120
Assessment income	-	47,427
Research income	6,285	-
	<u>639,132</u>	<u>440,225</u>
 <u>Health Promotion</u>		
Service Level Agreements	61,210	172,352
Grant income	196,506	174,995
Other income	421	3,602
Food skills income	10,849	-
	<u>268,986</u>	<u>350,949</u>
 <u>Children and Young People</u>		
Service Level Agreements	224,515	196,301
Grant income	16,192	4,966
Other income	2,396	1,948
	<u>243,103</u>	<u>203,215</u>
	 <u>1,422,508</u>	 <u>1,363,951</u>

Grants received, included in the above, totalled £347,043 (2021: £291,177).

9. Raising Funds

Other trading activities

	2022	2021
	£	£
Café costs	-	29,937
Playgroup costs	120,991	113,838
	<u>120,991</u>	<u>143,775</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Charitable Activities Costs

	Direct Costs	Support Costs (see Note 11)	Total 2022
	£	£	£
Core Activities	57,976	554,093	612,069
Physical Activities	146,464	4,792	151,256
Health Improvement	433,841	20,734	454,575
Health Promotion	177,884	8,726	186,610
Children & Young People	172,051	11,739	183,790
	<u>988,216</u>	<u>600,084</u>	<u>1,588,300</u>

	Direct Costs	Support Costs (see Note 11)	Total 2021
	£	£	£
Core Activities	73,609	501,077	574,686
Physical Activities	147,760	5,195	152,955
Health Improvement	271,351	11,275	282,626
Health Promotion	217,308	9,053	226,361
Children & Young People	152,190	8,322	160,512
	<u>862,218</u>	<u>534,922</u>	<u>1,397,140</u>

11. Support costs

	Management	Governance costs	Total 2022
	£	£	£
Core Activities	550,698	3,395	554,093
Physical Activities	4,792	–	4,792
Health Improvement	20,734	–	20,734
Health Promotion	8,726	–	8,726
Children & Young People	11,739	–	11,739
	<u>596,689</u>	<u>3,395</u>	<u>600,084</u>

	Management	Governance costs	Total 2021
	£	£	£
Core Activities	495,338	5,739	501,077
Physical Activities	5,195	–	5,195
Health Improvement	11,275	–	11,275
Health Promotion	9,053	–	9,053
Children & Young People	8,322	–	8,322
	<u>529,183</u>	<u>5,739</u>	<u>534,922</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. Net (expenditure) / income

	2022	2021
	£	£
Auditor's remuneration	(4,500)	(4,500)
Depreciation – owed assets	(41,880)	(44,099)
Hire of plant and machinery	(6,526)	(2,956)
Receipts under the Coronavirus Job Retention Scheme	10,969	69,475

13. Trustee remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 (2021: Nil).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 (2021: Nil).

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Gross Wages and Salaries	1,296,479	1,141,106
Employers National Insurance	89,564	75,838
Employers Pension	24,866	21,672
	<u>1,410,909</u>	<u>1,238,616</u>

The average monthly number of employees during the year was as follows

	2022	2021
Core Activities	37	24
Physical Activities	6	4
Health Improvement	15	24
Health Promotion	20	18
Children & Young People	6	11
	<u>84</u>	<u>81</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The Key Management Personnel of the charity comprises the Trustees, the Chief Executive Officer, the Deputy Chief Executive Officer, Director of Wellbeing, Director of Community Development, Director of Finance and Director of Operations.

The total employee benefits of the Key Management Personnel of the Charity was £203,050 (2021: £190,214).

15. Tangible fixed assets

	Long Leasehold	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
<i>Cost</i>					
At 1 April 2021	1,529,693	31,122	182,507	265,313	2,008,635
Additions	-	-	2,625	1,189	3,814
At 31 March 2022	1,529,693	31,122	185,132	266,502	2,012,449
<i>Depreciation</i>					
At 1 April 2021	295,214	31,122	143,812	226,462	696,610
Charge for the year	18,755	-	13,831	9,294	41,880
At 31 March 2022	313,969	31,122	157,643	235,756	738,490
<i>Carrying amount</i>					
At 31 March 2022	1,215,724	-	27,489	30,746	1,273,959
At 31 March 2021	1,234,479	-	38,695	38,851	1,312,025

All tangible fixed assets are held for the purposes of the charity.

16. Debtors

	2022	2021
	£	£
Trade debtors	83,322	60,895
Other debtors	28,144	20,455
Prepayments and accrued income	28,242	18,671
	139,708	100,021

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	41,811	60,467
Social security and other taxes	23,583	21,732
VAT	40,424	57,566

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Other creditors	6,282	5,852
Accruals and deferred income	313,290	289,593
	<u>425,390</u>	<u>435,210</u>

Included within Accruals and deferred income is an amount of £268,056 (2021: £217,468) relating to deferred income. The full amount of £217,468 has been released to the SOFA from the previous accounting period and income totalling £268,056 has been deferred in the current year.

18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £24,866 (2021: £21,672).

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021	Income Expenditure		Transfers	At 31 March 2022
	£	£	£		£
General funds	731,812	1,681,716	(1,699,151)	1,287,680	2,002,057

Restricted funds

Capital Health Resource Centre	1,010,859	–	(10,140)	(1,000,719)	–
Sure Start Refurbishment	265,727	–	–	(265,727)	–
TLC Playgroup	21,234	–	–	(21,234)	–
	<u>1,297,820</u>	<u>–</u>	<u>(10,140)</u>	<u>(1,287,680)</u>	<u>–</u>

Unrestricted funds

	At 1 April 2020	Income Expenditure		Transfers	At 31 March 2021
	£	£	£		£
General funds	645,037	1,608,076	(1,521,301)	–	731,812

Restricted funds

Capital Health Resource	1,020,999	–	(10,140)	–	1,010,859
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Centre					
Sure Start Refurbishment	267,766	–	(2,039)	–	265,727
Savoy Cooker	320	–	(320)	–	–
TLC Playgroup	28,349	–	(7,115)	–	21,234
	<u>1,317,434</u>	<u>–</u>	<u>(19,614)</u>	<u>–</u>	<u>1,297,820</u>

The purpose of the funds are:

Capital Health Resource Centre

This represents grants given for the purchase of the building leasehold and equipment, which is expended in line with the depreciation on the relevant assets.

Sure Start Refurbishment

Grant to help towards the cost of the refurbishment of the offices used by the Sure Start Team.

Savoy Cooker

Grant to cover the cost of a cooker for use in the cafe at the Lemington Centre.

TLC Playgroup Extension

Grant to help towards the cost of the extension to the nursery at the Lemington Centre.

During the financial year, the Directors agreed to transfer the remaining balances of the restricted funds at the year-end to unrestricted funds, as the purpose for which the grants had been received have been satisfied.

20. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible fixed assets	1,273,959	–	1,273,959	1,312,025
Current assets	1,153,488	–	1,153,488	1,152,817
Current liabilities	(425,390)	–	(425,390)	(435,210)
Net assets	<u>2,002,057</u>	<u>–</u>	<u>2,002,057</u>	<u>2,029,632</u>

21. Related parties

Joel Marks, Chairman of Healthworks Newcastle, is also a director of Cheviot Insurance Services Limited from which Healthworks Newcastle purchased supplies on an arm's length basis totalling £12,515 (2021 – £9,340). Included within trade creditors is an amount of £9,066 (2021 - £7,757) due to Cheviot Insurance Services Limited.

During the year, Trustees donations totalled £Nil (2021: £Nil).

There were no other related party transactions during the year ended 31 March 2022 to report.



Healthworks
the community health charity

FINANCE REPORT

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