

Company registration number: 04055940

Charity registration number: 1082938

Wings South West

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023



WESTCOTT'S

CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Wings South West

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Wings South West

Reference and Administrative Details

Charity Registration Number 1082938

Company Registration Number 04055940

Registered Office
Bowood House
Abbotsham
Bideford
Devon
EX39 5AX

Trustees:
Mr D G Archer (appointed 19 December 2022)
Mrs A Bowser
Mr C B Jones (resigned 26 February 2024)
Dr S J Ley - Chair of Trustees
Mrs V A Reason
Mr I J Rogers
Mrs M J Sawle

Founder, CEO & Director Dr P A Bowser

Founder & Secretary Mrs A Bowser

Bankers
Barclays Bank Plc
Bideford
84 High Street
Bideford
Devon
EX39 2AL

Lloyds Bank Plc
Bideford
5 High Street
Bideford
Devon
EX39 2AD

Independent Examiner
Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Wings South West

Reference and Administrative Details

Solicitors: Seldons LLP
18 The Quay
Bideford
Devon
EX39 2HF

Wings South West

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2023.

Structure, governance and management

Nature of governing document

Wings South West is a company limited by guarantee, governed by its Memorandum and Articles of Association and is also registered with the Charity Commission.

Wings South West is established for all such purposes as are recognised as charitable by English Law and which are covered by the Memorandum and Articles of Association.

Recruitment and appointment of trustees

Trustees are selected on the basis of their interest in helping people to have a future and a hope, particularly those who are disadvantaged socially, academically, or by family circumstances.

Trustees should be able to work within the charity's objectives and activities and should complement existing Trustees with relevant expertise and time.

Induction and training of trustees

The continuing support for training and development of Trustees is always under review. New Trustees, who are elected by the Board of Trustees, are recruited through volunteering, introduction or by targeting specific relevant experience. They are given support and introduced to the Charity in a number of ways, dependent upon their previous experience and any prior involvement with the Charity. Both induction and ongoing development may include reference to the many resources available from the Charity Commission, time spent with the staff, mentoring and external training.

Objectives and activities

Objects and aims

The main objectives of the Charity are to help alleviate poverty and distress, to offer education and learning in a wide context and to deliver recreational opportunities particularly for disadvantaged people. In specific contexts (e.g. churches, assemblies) a further objective is to help explore aspects of the Christian faith.

Wings South West

Trustees' Report

Objectives, strategies and activities

The main activities in relation to the objectives are:

- The development and running of a community centre (the Wings Hall) in the middle of Bideford that also offers schools work with pupils who are disengaged and a disability group, and;
- Offering practical work-based projects (motor mechanics, conservation, construction, sports, outdoor pursuits and multimedia) and training with young people who are NEET (Not in Employment, Education or Training), adults who face difficulties, and at College, all at a second site on the outskirts of Bideford.

Risk Management

The Trustees of Wings South West ('Wings') are responsible for identifying and directing the potential major risks associated with safeguarding, GDPR, finances, recruitment and redundancies and all policies under which the charity operates.

Day to day risk management devolves to the Management Team who is responsible for ensuring risk assessments are carried out for all activities and in implementing the strategic direction set by the Trustees. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with safeguarding and health and safety of staff, volunteers, participants and visitors to both centre or off-site activities. All procedures and policies are reviewed either annually or every three years to ensure Wings continues to meet the needs of beneficiaries and the requirement of the Charity Commission.

Public benefit

The Trustees consider that the objectives of the Charity, as stated earlier, comply with the Charities and Public Benefit: Summary Guidance for Charity Trustees (Charities Act 2011). The Trustees also unanimously agree that the requirements for due regard to the Public Benefit guidance has been satisfied. The overall aim of Wings is to give people a future and a hope by encouraging positive relationships and offering creative learning opportunities that help develop skills, self-esteem and confidence.

The Public Benefit from Wings is that it largely works with disadvantaged young people who are struggling at school, not in employment, education or training, young offenders (or at risk of offending), those who have learning disabilities and adults experiencing difficulties. Wings listens to the needs of all those we work with, evaluates what interventions are most likely to work, puts in place relevant positive activities and services and then measures the effect of these on their development and destinations.

Achievements and performance

Northern Devon (North Devon and Torridge) is one of the largest and most deprived rural areas in the UK. The prospect for economic and social stability, or even growth, for the vast majority of the population continues to be unlikely, particularly in the light of ongoing economic issues.

Wings South West

Trustees' Report

Torrige in particular is suffering as this district has had one of the lowest average household incomes and one of the lowest GDPs in the UK for a number of years. It is a frustrating anomaly that the deprivation indices are calculated by also taking into account the positive nature of the environment we live in. Although all who live here are grateful for the beauty around us, financial poverty is still financial poverty. The majority of people Wings works with are facing considerable difficulties including rural deprivation, a lack of employment or training opportunities, a social environment that pushes increasing numbers into a poverty trap with concomitant risks of offending and mental health issues, a marginalisation of those with learning, physical or behavioural difficulties and disabilities, and for those who are under 18, an education system that does not 'fit' every pupil.

General

Together with many other charities in the UK that deliver vital front-line services, Wings has been facing the near 'perfect storm' of trying to deal with increasing needs (numbers and severity); yet with a decreasing level of financial resources. To help counter this scenario we continue to maintain low overhead costs and carefully manage salaries and expectations of our wonderful staff who give so much to the children, young people and adults we work with. However, we also seek to be generous in remuneration especially in the light of recent cost of living increases and so we have given double digit increases covering the last two years.

We also keep looking to diversify our income streams away from the traditional grants route, particularly via partnership working. For eight years we have been exploring moving more intentionally and strategically into education, especially working with those children who are struggling at school or marginalised by the learning environment they are in. For six of those years we have been working with Petroc as one of their sub-contracted 16+ programmes and specifically with students who would not cope in a large College. We are grateful to Petroc staff for their support and encouragement and especially to Bill Blythe and Jason Jones in helping to extend our Element 2 funding.

During 2022 we also started to have further dialogue with Devon County Council about becoming an alternative provider for pre 16 children, first completing and achieving Quality Assurance approval. As this report is being written we have started the Wings Academy and have taken on an experienced educator to be the overall Head of Education and the Academy Lead. The Academy will have the same characteristics as our other initiatives including operating a relational model of working alongside individuals via practical activities and in group settings, valuing them in what they do and who they are, giving them a future and a hope and, finally, helping them build resilience. Referrals are likely to come via Devon County and directly from schools.

Over the past year we have been saddened by the increasing needs we are seeing in the children and young people we engage with at the College and the Academy, particularly in the area of worsening mental health including high levels of anxiety. We were also shocked by the number of parents contacting us about the Academy who all had similar stories about feeling pressurised to take their child out of school and being asked to move them 'off-roll'. Although this avoids parents being fined the net result is that funding is then no longer available to them so they cannot access alternative providers like Wings. The national press has labelled them as 'ghost children', as they, scandalously, become 'invisible' with little chance of re-entering education. As this report is being written we are looking at possible innovative solutions. Such short termism only adds to the likelihood that such children will not become economic actors and for there to be a greater chance of them becoming socially disengaged and display anti-social behaviour and even criminal activity, with financial costs for entering the criminal justice system being in the region of £100,000 per annum.

There is also an enormous amount of press interest and articles around special education needs, absenteeism, large Academy Trusts and the disproportionate number of children struggling at school.

Wings South West

Trustees' Report

Historically, Wings has been a youth-based organisation. Although children and young people remain a core focus, particularly with those aged 11 to 25, over the past ten years we have been increasingly working with other disadvantaged groups where relationship building and the use of our existing expertise, facilities and equipment has been much needed, and requested. This has been most apparent in our work with individuals with learning and physical disabilities (the Unity Community) where since opening up again after the pandemic the numbers who attend continue to increase.

Before the first lockdown, members of the Unity Community enjoyed a variety of outdoor pursuits and sports (cricket, tennis, fitness) as well as circle-time (sharing what has happened in the past week and future plans), craft, talent contest, multimedia and socialising. The face-to-face sessions re-started in November 2021 and the work is now continuing and expanding with an expansion on Craft and visits to Rosemoor Gardens, ten-pin bowling, the theatre and a monthly disco and an annual awards night. We will continue to look for further partnerships with parents, disability organisations, schools and charities.

We are also keen to explore how to help tackle the concomitant mental health issues of anxiety and depression faced by many individuals with disabilities as this is often not understood, and certainly under-reported, partially due to an understandable focus on their primary condition. However, research from others, and our own increasing observations, suggests that their primary disabilities are a norm for them and it is anxiety and depression that significantly affects their quality of life.

There is a more general dilemma that involves those children and young people who are most vulnerable, including looked-after children, that are not always well served by frameworks that are meant to support them. Unregulated 'homes'/ accommodation for children are currently under constant review with many providers seeming to be driven by financial gain, with very little 'care'. The same is also true of 'alternative providers' where there seems to be little regulation, although as this report is being written, the Department for Education and Devon County Council are nearing the end of debating proposals for more rigorous control of quality of provision and safeguarding. As Wings continues to follow its aim of becoming a preferred alternative provider we welcome this move in further protecting the most vulnerable and giving them a genuine future and hope.

As mentioned earlier a parallel concern is that the levels of anxiety among the children and young people we work with is at an unprecedented level, and patient and long-term help needs to be urgently put in place. The reasons for this exponential increase in anxiety are complex and numerous including the COVID-19 pandemic and the incessant multimedia bombardment of individuals, via pornography, 'sextortion', false narratives, unsavoury role models and conspiracy theories.

Centres

The Wings Hall remains central to a number of activities although since the pandemic it has not been widely open to groups, apart from Unity and the Ukrainian Hub. The latter was set up in May 2022 with the support of The Pickwell Foundation and Torridge District Council as a place to meet for families who moved to the area to escape their war-torn country. Torridge District Council continues to financially support the initiative for which we and the families are very grateful.

The second Wings centre (Lendon Barn) at Abbotsham, on the outskirts of Bideford, is the principal base for the majority of practical courses to help those who are struggling at school. These practical initiatives include motor mechanics, conservation, construction, sports, fitness, outdoor pursuits and multimedia. It is the home of the Wings College, and, for two days in the week, the new Wings Academy.

Wings South West

Trustees' Report

Support

As to the future of its current and potential activities, Wings is very fortunate to have a professional and passionate team of staff and sessional workers who are well supported by excellent Trustees, volunteers and other organisations that are seeking to help disadvantaged children, young people and adults reach their full potential.

The importance of volunteers to Wings has always been highlighted since the charity was first formed 24 years ago, and we do so again this year.

As well as individuals, we are indebted again this year to many organisations and charities for financial support including the Barry and Peggy High Foundation and many local schools and colleges especially Marland, Park, Pilton, Acorn and Petroc. Without their support and the confidence they show in Wings we would have achieved nothing.

After many years as a Trustee, Mr Barry Jones stepped down earlier this year. We are so grateful to Barry for the incredible support he has given to Wings and for his eye for detail which has been much appreciated. We are also extremely thankful to Mrs Jo Sawle for her extended role as Chair of Trustees which she has carried out so diligently and faithfully, a role she stepped down from on 15 April 2024. We are pleased that Jo is staying on as a Trustee and Vice Chair, and we are delighted that Dr Sue Ley has taken on the role of Chair of Trustees from that same date.

Financial review

During the year the Charity has achieved total incoming resources of £240,391 (2022: £241,555) of which £69,675 (2022: £125,388) related to restricted funds. The total resources expended for the year was £269,521 (2022: £243,524) which resulted in net outgoing resources, before investment gains/losses of £29,130 (2022: £1,969).

A loss on the disposal of the Investec Investment fund in the year amounted to £11,700 (2022: loss on revaluation of the year mid-point valuation of £21,550).

Total funds at the year end stood at £570,510 (2022: £611,340) with £30,300 (2022: £47,917) shown as restricted and £540,210 (2022: £563,423) shown as unrestricted.

Policy on reserves

The Trustees continue to set a reserves policy that reflects the best interests of the Charity and its beneficiaries. Trustees regularly monitor reserve levels to ensure effectiveness of the policy in the light of changing risks. The Charity aims to hold six months operating reserves, which equates to around £120,000.

When reviewing unrestricted funds, the Trustees remove funds held as tangible fixed assets from consideration as it is not deemed to be readily available funds. The total of unrestricted funds, excluding tangible fixed assets, as at 31 August 2023 was £236,409 (2022: £248,786).

Wings South West

Trustees' Report

Plans for future periods

With the current invaluable work of Wings with children, young people and adults, and the financial pressures created by the pandemic and the economic difficulties there is a little doubt it is a time of considerable transition for the Charity. In order to survive, and even grow, there are six key areas Wings is focusing on, and investing in, namely;

- Listening to identifying and acting on the growing needs of children, young people and adults, particularly where there is disadvantage
- Identifying local schools and other organisations where joint initiatives would be of value in benefiting children young people
- Helping to facilitate community engagement in addressing local issues including unemployment and lack of occupation
- Bid writing and building partnerships with existing and new charities with whom Wings share similar objectives
- Coordinating support from local, national and international companies and charities
- Having robust Financial Systems and Governance reviews

Statement of trustees' responsibilities

The trustees (who are also the directors of Wings South West 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and of the incoming resources and application of resources, including its 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 business.

The trustees are responsible for keeping proper accounting records that can 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.

Wings South West

Trustees' Report

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

.....
Dr P A Bowser
Chief Executive Officer
May 2024

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
Dr S J Ley - Chair of Trustees

Wings South West

Independent Examiner's Report to the trustees of Wings South West ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Wings South West as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

.....
Catherine Williams FCA DChA

Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date:.....

Wings South West

Statement of Financial Activities for the Year Ended 31 August 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	18,479	69,675	88,154	140,895
Other trading activities	4	150,418	-	150,418	99,173
Investment income	5	1,819	-	1,819	1,487
Total income		<u>170,716</u>	<u>69,675</u>	<u>240,391</u>	<u>241,555</u>
Expenditure on:					
Raising funds	6	(1,510)	-	(1,510)	(900)
Charitable activities	7	<u>(180,719)</u>	<u>(87,292)</u>	<u>(268,011)</u>	<u>(242,624)</u>
Total expenditure		(182,229)	(87,292)	(269,521)	(243,524)
Gains/(losses) on investment assets	9	<u>(11,700)</u>	-	<u>(11,700)</u>	<u>(21,550)</u>
Net expenditure		<u>(23,213)</u>	<u>(17,617)</u>	<u>(40,830)</u>	<u>(23,519)</u>
Net movement in funds		(23,213)	(17,617)	(40,830)	(23,519)
Reconciliation of funds					
Total funds brought forward		<u>563,423</u>	<u>47,917</u>	<u>611,340</u>	<u>634,859</u>
Total funds carried forward	20	<u>540,210</u>	<u>30,300</u>	<u>570,510</u>	<u>611,340</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 20.

Wings South West

(Registration number: 04055940)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	303,201	314,637
Investments	15	-	89,850
		<u>303,201</u>	<u>404,487</u>
Current assets			
Debtors	16	32,687	15,549
Cash at bank and in hand	17	242,843	221,782
		<u>275,530</u>	<u>237,331</u>
Creditors: Amounts falling due within one year	18	<u>(8,221)</u>	<u>(30,478)</u>
Net current assets		<u>267,309</u>	<u>206,853</u>
Net assets		<u>570,510</u>	<u>611,340</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		30,300	47,917
Unrestricted income funds			
Unrestricted funds		<u>540,210</u>	<u>563,423</u>
Total funds	20	<u>570,510</u>	<u>611,340</u>

For the financial year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 25 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Dr S J Ley - Chair of Trustees
Chair of Trustees

The notes on pages 13 to 25 form an integral part of these financial statements.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Bowood House
Abbotsham
Bideford
Devon
EX39 5AX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Wings South West 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Summary of disclosure exemptions

The charity satisfied the criteria of being a small charity as defined in FRS102 Charity SORP and have therefore not included a cashflow statement in these financial statements..

Income and endowments

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 the income receivable can be measured reliably.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

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.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	1% straight line
Computers	15% reducing balance
Motor vehicles	25% reducing balance
Equipment	20% reducing balance

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations			
Donations including Gift Aid	6,819	-	6,819
Grants received			
Grants received	11,660	69,675	81,335
	<u>18,479</u>	<u>69,675</u>	<u>88,154</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations			
Donations including Gift Aid	9,156	-	9,156
Grants received			
Government grants	4,151	-	4,151
Grants received	2,200	125,388	127,588
	<u>15,507</u>	<u>125,388</u>	<u>140,895</u>

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

4 Income from other trading activities

	Unrestricted funds General £	Total 2023 £
Courses and activities	8,340	8,340
Trax income	12,732	12,732
Disability enabling	7,219	7,219
Wings College (Petroc)	111,258	111,258
Media Course income	6,115	6,115
Sale of products and other income	1,629	1,629
Hire income	3,125	3,125
	<u>150,418</u>	<u>150,418</u>

	Unrestricted funds General £	Total 2022 £
Courses and activities	9,542	9,542
Trax income	11,836	11,836
Disability enabling	4,518	4,518
Wings College (Petroc)	71,839	71,839
Hire income	1,438	1,438
	<u>99,173</u>	<u>99,173</u>

5 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income; Interest receivable on bank deposits	511	511
Other income from fixed asset investments	1,308	1,308
	<u>1,819</u>	<u>1,819</u>

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income; Interest receivable on bank deposits	7	7
Other income from fixed asset investments	1,480	1,480
	<u>1,487</u>	<u>1,487</u>

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

6 Expenditure on raising funds

a) Investment management costs

	Note	Unrestricted funds General £	Total 2023 £
Other investment management costs;			
Amounts payable to investment managers		1,510	1,510
		<u>1,510</u>	<u>1,510</u>
	Note	Unrestricted funds General £	Total 2022 £
Other investment management costs;			
Amounts payable to investment managers		900	900
		<u>900</u>	<u>900</u>

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Charitable activities	177,609	87,292	264,901
Allocated support costs	3,110	-	3,110
	<u>180,719</u>	<u>87,292</u>	<u>268,011</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Charitable activities	144,163	94,562	238,725
Allocated support costs	3,899	-	3,899
	<u>148,062</u>	<u>94,562</u>	<u>242,624</u>

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

8 Analysis of support costs

Charitable activities expenditure

	Unrestricted funds General £	Total 2023 £
Independent Examination Fees	3,110	3,110
	Unrestricted funds General £	Total 2022 £
Staff costs	1,560	1,560
Independent Examination Fees	2,339	2,339
	<u>3,899</u>	<u>3,899</u>

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2023 £	2022 £
(Gains)/losses on other investment assets	<u>11,700</u>	<u>21,550</u>

10 Trustees remuneration and expenses

No remuneration or other benefits from employment with the Charity or related entity were received by the Trustees, with exception to Anne Bowser for her role as Education and Training Manager as disclosed in the related party note 22.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	165,335	148,418
Social security costs	10,086	7,777
Pension costs	3,482	2,859
	<u>178,903</u>	<u>159,054</u>

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

The average head count of employees during the year was 8 (2022:8). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
Administrative Staff	0.0	0.3
Operational Staff	7.2	5.2

No employee received emoluments of more than £60,000 during the year.

12 Independent examiner's remuneration

	2023 £	2022 £
Independent Examination Fees	<u>3,110</u>	<u>2,339</u>

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

14 Tangible fixed assets

	Land and buildings £	Equipment £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2022	275,764	93,763	52,380	23,050	444,957
Additions	<u>-</u>	<u>369</u>	<u>-</u>	<u>1,603</u>	<u>1,972</u>
At 31 August 2023	<u>275,764</u>	<u>94,132</u>	<u>52,380</u>	<u>24,653</u>	<u>446,929</u>
Depreciation					
At 1 September 2022	15,224	58,039	47,999	9,058	130,320
Charge for the year	<u>2,757</u>	<u>7,215</u>	<u>1,096</u>	<u>2,340</u>	<u>13,408</u>
At 31 August 2023	<u>17,981</u>	<u>65,254</u>	<u>49,095</u>	<u>11,398</u>	<u>143,728</u>
Net book value					
At 31 August 2023	<u>257,783</u>	<u>28,878</u>	<u>3,285</u>	<u>13,255</u>	<u>303,201</u>
At 31 August 2022	<u>260,540</u>	<u>35,724</u>	<u>4,381</u>	<u>13,992</u>	<u>314,637</u>

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

15 Fixed asset investments

	2023	2022
	£	£
Other investments	-	89,850

Other investments

	Unlisted investments	Total
	£	£
Cost or Valuation		
At 1 September 2022	89,850	89,850
Disposals (moved into deposit account)	(89,850)	(89,850)
At 31 August 2023	-	-
Net book value		
At 31 August 2023	-	-
At 31 August 2022	89,850	89,850

16 Debtors

	2023	2022
	£	£
Trade debtors	22,205	4,075
Prepayments	5,351	6,057
VAT recoverable	2,322	4,048
Other debtors	2,809	1,369
	<u>32,687</u>	<u>15,549</u>

17 Cash and cash equivalents

	2023	2022
	£	£
Cash at bank	<u>242,843</u>	<u>221,782</u>

18 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	(141)	418
Other taxation and social security	4,109	25,462
Other creditors	1,253	2,452
Accruals	<u>3,000</u>	<u>2,146</u>
	<u>8,221</u>	<u>30,478</u>

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,482 (2022 - £2,859).

20 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	156,807	169,408	(166,809)	77,603	-	237,009
Investec Investment Fund	91,979	1,308	(2,012)	(79,575)	(11,700)	-
Fixed Asset Fund	314,637	-	(13,408)	1,972	-	303,201
	<u>563,423</u>	<u>170,716</u>	<u>(182,229)</u>	<u>-</u>	<u>(11,700)</u>	<u>540,210</u>
Restricted funds						
Barry and Peggy High Foundation	26,667	50,000	(53,167)	-	-	23,500
PETROC (Project Hope)	-	2,875	(2,875)	-	-	-
Pickwell Foundation	15,000	-	(15,000)	-	-	-
Claire Milne	6,250	-	(6,250)	-	-	-
ASDA	-	2,450	(2,450)	-	-	-
Devon CC Defibrilator	-	1,200	(1,200)	-	-	-
Torridge DC	-	12,200	(5,400)	-	-	6,800
Abbotsham Baptist	-	950	(950)	-	-	-
	<u>47,917</u>	<u>69,675</u>	<u>(87,292)</u>	<u>-</u>	<u>-</u>	<u>30,300</u>
Total funds	<u>611,340</u>	<u>240,391</u>	<u>(269,521)</u>	<u>-</u>	<u>(11,700)</u>	<u>570,510</u>

Separate unrestricted funds have been created to represent the appropriate book values of both the investment and tangible fixed assets held in the accounts.

Where restricted funds are received for capital expenditure and the expenditure has been fully met and funds used, the restriction is deemed to be lifted and the asset value is transferred to, and regarded as unrestricted, within the designated tangible fixed asset fund from then on.

We are indebted to the Barry and Peggy High Foundation and Torridge District Council for their continuing support this year.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	191,944	114,687	(132,289)	(17,535)	-	156,807
Investec Investment Fund	113,101	1,480	(1,052)	-	(21,550)	91,979
Fixed Asset Fund	302,773	-	(15,621)	27,485	-	314,637
	<u>607,818</u>	<u>116,167</u>	<u>(148,962)</u>	<u>9,950</u>	<u>(21,550)</u>	<u>563,423</u>
Restricted funds						
Barry and Peggy High Foundation	13,333	80,000	(66,666)	-	-	26,667
PETROC (Project Hope)	1,625	5,438	(7,063)	-	-	-
Pickwell Foundation	-	15,000	-	-	-	15,000
Claire Milne Awards for All	2,083	12,500	(8,333)	-	-	6,250
ASDA	-	9,950	-	(9,950)	-	-
Skern Lodge	-	1,500	(1,500)	-	-	-
Skern Lodge	-	1,000	(1,000)	-	-	-
Garfield Weston Foundation	10,000	-	(10,000)	-	-	-
	<u>27,041</u>	<u>125,388</u>	<u>(94,562)</u>	<u>(9,950)</u>	<u>-</u>	<u>47,917</u>
Total funds	<u>634,859</u>	<u>241,555</u>	<u>(243,524)</u>	<u>-</u>	<u>(21,550)</u>	<u>611,340</u>

The specific purposes for which the funds are to be applied are as follows:

The Barry and Peggy High Foundation have provided a further annual grant towards work with disadvantaged children and adults.

The Claire Milne Trust provides support to the work with the Unity Community.

The Pickwell Foundation grant is for the creation of the Wings Ukrainian Hub in support of families moving to the UK and escaping the war in Ukraine.

All other listed funds represent other fully or partially satisfied grant income in the year that has been spent. All other funds included here relate to funding towards salaries of employees of the Charity or specific purchasing of project resources.

Wings South West

Notes to the Financial Statements for the Year Ended 31 August 2023

21 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2023 £
Tangible fixed assets	303,201	-	303,201
Current assets	245,230	30,300	275,530
Current liabilities	(8,221)	-	(8,221)
Total net assets	<u>540,210</u>	<u>30,300</u>	<u>570,510</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2022 £
Tangible fixed assets	314,637	-	314,637
Fixed asset investments	89,850	-	89,850
Current assets	189,414	47,917	237,331
Current liabilities	(30,478)	-	(30,478)
Total net assets	<u>563,423</u>	<u>47,917</u>	<u>611,340</u>

22 Related party transactions

During the year, the charity (as a Company Limited by Guarantee) paid remuneration under employment contract to its two Founding Directors.

Paul Bowser received total remuneration (including employers' national insurance) of £16,348 (2022: £16,614) for his role as CEO and Anne Bowser received £nil (2022: £4,276) for her role as Education & Training Manager, both of whom are employed for their relevant expertise and experience for these posts. These appointments and remunerations are permitted under the Articles and Memorandum of Wings South West.