

Company number: 748773
Charity Number: 244866

Birmingham Industrial Therapy Association Limited

Operating as Better Pathways

Report and financial statements

For 18 months: 1 April 2023 – 30 September 2024



**BETTER
PATHWAYS**
Positive about mental health



Birmingham Industrial Therapy Association Limited

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For the 18 months ended 30 September 2024

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Birmingham Industrial Therapy Association Limited

Reference and administrative information

For the 18 months ended 30 September 2024

Company number 748773
Country of incorporation United Kingdom

Charity number 244866
Country of registration England & Wales

Operating Name Better Pathways

Registered office and operational address 201–206 Alcester Street
Birmingham
B12 0NQ

Trustees Trustees, who are also directors under company law, who served during the period and up to the date of this report were as follows:

Mr David Tucker (Chair)
Dr Martin Commander
Ms Chaitali Desai (Resigned 10 December 2024)
Ms Janine Garvie–Cole
Ms Kimara Sharpe (Resigned 1 March 2024)
Mr Nick Baxter (Resigned 24 September 2024)
Mr Sean Russell (Joined 11 January 2024)

Key management personnel Ms Sue Roberts Chief Executive and Company Secretary

Bankers

CAF Bank Ltd	Lloyds Bank	Unity Trust Bank
25 Kings Hill Avenue	PO Box 100	4 Brindley Place
Kings Hill, West Mailing	Andover	Birmingham
ME19 4JQ	BX1 1LT	B1 2JB

Solicitor Shakespeare Martineau
Somerset House Temple Street
Birmingham
B2 5DJ

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
London
EC1Y 0TG

Birmingham Industrial Therapy Association Limited

Annual Report of the Trustees and Chief Executive

For the 18 months ended 30 September 2024

The trustees and Chief Executive present their report and the audited financial statements for the 18 months ended 30 September 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the requirements of a directors' report as required under company law, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Our Aims

The aims of the Charity as set out in the Articles of Association are to:

- 1 help people with mental health issues and learning difficulties and disabilities to secure opportunities for volunteering, training and education and progress them towards paid employment,
- 2 provide training and education to organisations that will support them to safeguard the mental health and wellbeing of their employees and other stakeholders,
- 3 deliver support programmes through our social enterprises to grow beneficiaries' confidence, sense of self-esteem and independence to enable them to stay well and take part in activities as full members of their communities,
- 4 provide mental health and wellbeing support to NHS and Local Authority client groups to enhance their potential for recovery and independent living, and
- 5 provide support to the carers of our beneficiaries, chiefly but not limited to the respite provided to families and carers arising from the participation of beneficiaries in the charity's activities.

Our Values

Inclusivity:	we welcome without prejudice or judgement all those who want our help
Tenacity:	we strive tirelessly to do our best for those we serve
Empowerment:	we build confidence in people to help them become self-supporting
Integrity:	we are kind, honest and fair in all our dealings
Partnership:	we work together with our stakeholders to further our collective aims

Our Services and Support

Registered as a mental health charity on the 1st February 1963 and located in Alcester Street, Digbeth, since 1973, Better Pathways supports some of the most vulnerable people in our communities to move into paid employment, education, training and volunteering. We work with people with severe and enduring mental illness, with mild to moderate poor mental health, with learning difficulties, learning disabilities and with other neurodiverse conditions. Participants come with a range of skills deficits and other support needs, for example, basic numeracy and literacy required in the workplace, with mobility problems, including poor manual dexterity, with travel anxieties, with varying intellectual capacities for basic and complex tasks and with personal circumstances impacting, for example, on familial relationships, housing, and economic

wellbeing. The job of our experienced teams is to meet all needs holistically. Delivered in our social enterprises, or out in the community under contract to the statutory sector, we work with programme participants to develop their skills, general work preparedness, confidence, self-belief, and resilience to help them achieve their vocational aspirations. The strengths-based approach we take seeks to empower participants on their journey towards an economically and socially active life, lived as independently as possible in good mental health so that they can enjoy the full range of community activities and services that others in society take for granted.

Our Social Enterprises

Better Packing: We are a valued supply chain partner, providing parts assembly, packing and light engineering services to businesses in Birmingham, the West Midlands and beyond, supporting our commercial customers to manufacture products to the highest quality and to deliver to their customers right first time every time and on time. Our participants undertake parts assembly and packing work of lower levels of complexity freeing up our commercial customers' employees to do the higher-level skilled work that only they can do. We assemble, pack, label, rework and quality check a wide range of products including, a wide range of fixtures and fittings, including fabricated metal products, healthcare products, plumbing and electrical products, vehicle parts and batteries. We unpack and repack products from bulk to small packs for retail and undertake re-work including, re-labelling, re-pricing, and flaw corrections. We work with electronics manufacturers, vehicle manufacturers, stationery suppliers and printers, distributors of health, homecare, and retail supplies, building trade manufacturers, gas and drainage component makers, hospital equipment suppliers, government, and community-oriented organisations.

Better Signage: Better Signage specialises in the design and production of interior and exterior signage, name badges, vehicle graphics, promotional banners, large format vinyl printed signs and posters, vinyl lettering and corporate gifts. We provide engraving and printing services and we have an inhouse graphics team. We work with a range of organisations including the NHS, housing associations, councils, schools, construction companies and other businesses in Birmingham and beyond.

Better Woodwork: We produce items for sale made from reclaimed and donated timber. We are proud of the legacy left by our connection with students from the Edinburgh Napier University, who designed products for our participants to craft based on a shared understanding of the skills, tools, and resources we have at our disposal. Our woodwork team can produce items for the garden or home and is increasingly manufacturing bespoke awards for employee celebratory events, working in collaboration with our signage team on innovative engraved designs that are manufactured from reclaimed materials, including wood.

Our social enterprises are the vehicle through which we work with participants to develop their skills and confidence, preparing them for their journey into paid employment. Our **Vocational Pathways Programme: Learning, Independence, Volunteering, Employment (LIVE)** adds significant social value to the supply chains of our commercial customers and makes a long-term positive social impact on the lives of our participants. Common to all three of the pathways delivered through this programme are the opportunities it affords to make new friends and build relationships.

Pathway 1: The 12-week employment preparation pathway covers 6 stages of support, overseen by a senior vocational specialist: co-produced person-centred support agreements, vocational skills and strengths assessment, basic skills development, personal impact awareness, external placement (if desired) and graduation with a personal resilience plan. Attendance on this pathway costs £45 per day which in most cases is covered by a participant's personal budget or through a social worker spot purchase arrangement. Participants can choose to self-fund. We are delighted to report a new corporate sponsorship arrangement with Oaklands International, based in Redditch, who are sponsoring four participants a year through this pathway.

Pathway 2: The meaningful day activities pathway, an alternative for participants that would otherwise attend social care funded day centre activities, is designed to stimulate, excite, and challenge participants. The range of activities provided is designed to be undertaken independently or in groups where participants can socialise, share thoughts, feelings, experiences, whilst engaging in their chosen activities. The activities present opportunities for participants to engage with others whilst at the same time developing practical skills, dexterity, and emotional wellbeing. Above all, we aim for participants to enjoy their day. Attendance on this pathway costs £35 per day which in most cases is covered by a participant's personal budget or through a social worker spot purchase arrangement. Participants can choose to self-fund.

Pathway 3: This pathway is for participants for whom employment is not a desired outcome and whose needs for support are much less complex than those attending for meaningful day opportunities. These participants are the longest serving at Better Pathways, receiving support from our participant support team to manage the areas of their lives where they need it the most for a full and rewarding life and independent living. Participants on this pathway will typically need support to manage their finances, tenancy arrangements, access to health and social care services and their relationships. This pathway is free to attend.

Our participant support team works closely with participants across all three pathways to ensure their aspirations are reflected in person-centred support plans with the aim being to encourage those with the potential to do so to move into paid employment.

Our Statutory Sector Projects

Our teams of employment specialists work on a 1:1 basis with people aged 16+ needing our support to move into paid employment, education and training. Activities include vocational planning, skills assessment, CV writing support, job searching, interview preparation, and in-work support. Our specialists signpost to education and training opportunities, working with partner organisations to add value where possible. A recent innovation is our further expansion into broader mental health support projects, building on our work with Birmingham Mind with whom we deliver a mental health connector service in the community, ensuring that primary care patients receive holistic support to maintain good mental health and wellbeing. Our Better Health 4 Life project, delivered in partnership with Sport 4 Life, combines mental health wrap around support with physical activity to highlight the impact of physical wellbeing on mental health. This project incorporates group sessional work to reduce social isolation, to foster a climate where people can learn from each other, building resilience and confidence, empowering participants to believe in themselves and their aspirations.

Our Impact

Vocational Pathways Programme

Over the reporting period, Better Pathways supported **170 individuals** to participate in our in-house social enterprises Vocational Pathways Programme. At the time of writing, **106 participants** remain actively engaged. These include long-term supported volunteers, individuals on meaningful day activities, and those enrolled in our 12-week employment preparation programme—many of whom are young people with special educational needs and disabilities (SEND) referred from local schools and colleges.

Participant Snapshot:

- 100% are seeking support to manage their mental health and build fulfilling, independent lives.
- 41% report mental ill-health or illness as their primary disability.
- 42% live with a learning disability or difficulty.
- 14% are neurodivergent in other ways (predominantly autistic).
- One participant has cerebral palsy.
- Over 50% present with multiple complex needs.
- 15% of participants are women.
- 45% are from mixed or ethnic minority backgrounds.
- Our longest-attending participants have been with us for over **40 years**.
- Our oldest participant is **72**; our youngest is **20**.

Tackling Social Isolation and Inactivity

Unemployment and isolation disproportionately affect people with mental health conditions, learning disabilities, and neurodivergence. Fewer than **2%** of people with learning disabilities known to Birmingham City Council are in paid employment (Source: PURE Project, Aug 2023). Our work directly addresses this by offering structure, purpose, friendship, and pathways to economic participation.

While our goals include employment, training, and volunteering, participants also gain:

- A safe, welcoming environment
- Peer companionship and social connection
- Improved self-esteem, confidence, and wellbeing

Our values-led model also delivers measurable **social value** to our statutory and commercial partners.

Participant Experience & Feedback

Annual Experience Survey (2025)

43 participants (40% response rate) shared their experiences:

- **94%** made many new friends (prev. 92% / 96% / 77%)
- **84%** reported increased self-confidence (92% / 100% / 68%)
- **100%** felt supported by staff (100% / 93% / 74%)
- **86%** felt a strong sense of belonging (86% / 96% / 80%)
- **88%** reported improved ability to pick up new skills (81% / 93% / 69%)

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- 53% said they could better cope with life's challenges (60% / 71% / 51%)
- 86% felt happier (97% / 86% / 63%)
- 79% felt more hopeful about the future (76% / 89% / 63%)

Overall satisfaction:

- 18 participants were *very satisfied*
- 18 were *satisfied*
- 6 were *neutral*
- 1 was *dissatisfied*

Responding to participant feedback

Based on feedback, we are:

- Upgrading toilet facilities
- Organising more community trips
- Improving lunchtime food variety
- Securing more enterprise work to increase skill variety
- Expanding 'real life' skills training

Participant Wellbeing

Mental Health Outcomes – WEMWBS Assessment

In 2024–25, we introduced the **Warwick Edinburgh Mental Wellbeing Scale (WEMWBS)** to measure changes in wellbeing over time. Assessments were conducted in September, November, and February.

Key Results (79 participants):

- 73% (n=58) showed improved wellbeing scores
- 27% (n=21) experienced declines—highlighting the need for ongoing personalised support
- Average wellbeing score increased from 56 to 62
- Many started with moderate/low wellbeing; most improved across areas like confidence, optimism, and feeling connected

We adapted participant support based on these insights—offering additional check-ins, peer support, access to counselling, and targeted group activities. Those with the largest gains typically engaged most consistently in creative or physical group sessions.

Feedback from Social Enterprise Participants' Families

Of our current participants, 59 are living at home with families. Our support of participants provides respite for families, allowing parents and siblings free time to work during the day, to engage in their communities, to recharge their batteries and to maintain the resilience required to cope with the, often complex, needs of their family member. Family members supported number approximately 236 based on an average of 4 additional family members per participant.

Feedback from the mother of HG

How does H coming to Better Pathways help your family?

I am H's primary carer and Better Pathways has been a lifeline. Our family runs a business, and we would not be able to continue without your support. Basically, H coming to you puts a roof over our heads. H has been poorly from age 17 when he suddenly developed psychosis, paranoid schizophrenia. Up until then he was a fully functioning, normal adult. After he became ill we had to slow everything down. We had to tell H to eat and take him to the toilet. Even with anti-psychotic medicines, it's trial and error. Finding a place for H who is not disabled, but is not able either, has taken several years. H does not have much insight into his mental health, therefore doesn't know what he needs to do to get better. He has seen his cousins getting jobs and wants the same things but doesn't know how to get them. He wanted to go somewhere that seemed like going to work. Money is not the important thing. H wanted somewhere that he felt he belonged. He gets up and says 'I'm going to the factory'. H's motivation and physical skill levels are low. Having people at Better Pathways to work through these issues with H is just what he, and we, all need.

2 What have you noticed about H as a result of him coming to Better Pathways?

It has given him purpose, a routine, and this makes him feel much better about himself. The fact that he can say 'I've been to the factory' has given him a sense of worth.

3 Would you say that your own mental health, or that of family members, improves with the respite you receive when H comes to Better Pathways.

100%. We could have chosen to section H, put him in an institution. But we chose not to, we wanted to look after him for as long as we could. I know that he must like it, because he gets up and goes. Your team doesn't reveal too many of the challenges, they just get on with it. Knowing this and that he's going to be safe, busy, and looked after takes a huge weight off my mind.

Feedback from the mother of BS

How does B coming to Better Pathways help your family?

It gives me free time to do my job on the two days a week that he comes to Better Pathways. I'm not meeting my targets and I'm in danger of losing my job, so having two days free when I don't have to sort B out is an enormous help.

2 What have you noticed about B as a result of them coming to Better Pathways?

His sleeping patterns change and he's calmer. When he goes to Better Pathways he will go to bed earlier the night before because he knows he's got to get up, and on the day he's been. When he isn't coming, he will stay up until well past 2am which is a problem for me because I have to stay up with him. I'm so tired when that happens.

3 Would you say that your own mental health, or that of family members, improves with the respite you receive when B comes to Better Pathways.

Absolutely, mine is much better when B comes to Better Pathways. But for my son, who has left University who could get a job, he is bringing in B and this means he cannot get a job for those days, and so there is an adverse impact on his mental health because of this.

Better Packing: Case Study: *Improving mental health and wellbeing. LJ*

1. Client Background

Name: LJ

Age: 42

L was referred to Better Pathways by his carer worker to attend the 8 week Mentor Me project. Following this, he then signed up with our Pure Employment Support Team as he was gaining confidence to look for work. During this time, he disclosed that he used to enjoy working as a patisserie baker but left due to poor mental health. He was looking at retraining towards a cleaning job.

2. Initial Goals and Support Plan

Client's Goals:

- To increase confidence.
- Learn new skills, in preparation for a career change.
- Work in an environment that gives him a sense of belonging.

Better Pathways:

- **Mentor Me 8 weeks workshops** learning how to build confidence, that focused on self-esteem, motivation, and resilience.
- **Teamwork involvement** to provide structured guidance on productivity and mental well-being, whilst learning new skills.
- **The Pure Team supported** CV writing, interview preparation, and networking strategies.
- **Alternative career pathway exploration**, to explore further warehouse opportunities.
- **Confidence-building techniques**, being involved in teamwork.
- **Emotional well-being support** to encourage L to speak to staff when he feels overwhelmed by the environment.

3. Progress and Outcomes

Progress Made by Client:

- Following completion of the 8 week Mentor Me workshop, L was asked to do a presentation about his progress to a small group of new participants.
- Within Better Packing L was gaining experience within our engineering section, building handles and catches.
- Next, he was encouraged to work in the kitchen, supporting the new team to prepare lunches for our participants.
- L later secured sponsorship from Oaklands International Ltd and was invited to take a look around their warehouse, kitchen and farm. L expressed an interested in working in the kitchen and was offered a placement.

Outcomes Achieved:

- L has successfully gained part-time employment, working in the Oaklands International kitchen area, serving lunch time meals to their workers but has also decided to continue to volunteer at Better Pathways.

4. Client Testimonial

“I joined Better Pathways last February and it was during the workshops that I started to build my confidence. Had I not attended the workshops, I would not have found the confidence to do my presentation. I am really grateful for the support Better Pathways has provided, as now I am back on my feet. The group sessions helped me to build my confidence and enabled me to have a greater interaction with other people. The staff have been very supportive”

The Value of Our Volunteering Contribution

Volunteering is a cornerstone of Birmingham’s social and economic life. Across the West Midlands, the social economy comprises over **11,000 organisations** and engages approximately **70,000 volunteers**. Collectively, these efforts contribute to an estimated **£3.5 billion** in annual economic value—demonstrating the transformative impact of citizen participation on regional wellbeing and inclusion. *(Source: West Midlands Combined Authority)*

Within this broader ecosystem, **Better Pathways has made a significant contribution**. Over the reporting period, **170 participants** engaged with our charity’s programmes, collectively contributing **62,948 hours** of volunteering, skills development, and meaningful activity. Valued at the **Real Living Wage**, this equates to an estimated economic contribution of **£793,145** to the community, a powerful return on investment in both financial and social terms. This figure not only reflects the commitment and resilience of our participants—many of whom face complex barriers—but also illustrates Better Pathway’s vital role in building a fairer, more inclusive local economy.

Statutory Sector Projects

Between April 2023 and March 2025, Better Pathways delivered a range of employment support and skills development programmes in partnership with local authorities and public sector commissioners. These contracts were subject to rigorous outcome reporting requirements.

Over this period, our vocational specialists supported 843 individuals. Each person faced different challenges, but all were supported to progress towards employment, independence, and better wellbeing.

The outcomes achieved (some individuals achieved multiple outcomes) include:

- **87** moved into paid employment
- **110** entered education
- **85** enrolled in further training
- **81** completed work placements
- **260** developed interpersonal or soft skills
- **67** accessed ongoing key worker support services
- **146** overcame barriers to employment

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These figures reflect the depth and breadth of our work—supporting those furthest from the labour market to move forward with confidence, purpose, and the right support at the right time.

Achievements since our last annual report

Financial Outturn April 2023 – September 2024

Having set a deficit budget of £32,390 for the 12 months ending March 2024, we improved on this position slightly with an outturn deficit of £25,586. Whilst achieving this modest improvement was welcomed, owing to continuing uncertainties in December 2024 (the initial accounts approval and filing deadline) about Birmingham City Council projects due to end in March 2025, we sought and received approval from Companies House to extend our year end by 6 months to September 2024. In the event, three of the five projects due to end in March 2025 were extended for a further year.

With respect to September 2024's outturn, there was a slight upturn in overall performance resulting in the **charity being able to report a surplus of £60,981 for the 18 months to September 2024**. See below for more information on the financial results.

Service Delivery

What follows are our achievements to date:

Our social enterprises

As stated elsewhere, our social enterprises are the vehicle through which we deliver our in-house LIVE Vocational Pathways Programme (Learning, Independence, Volunteering, Employment), and we are delighted by the growth of our referral and funding networks, enabling us to support more participants.

Necessary for the successful delivery of this programme is the securing of business from commercial partners, enabling us to provide the broadest range of skills development opportunities possible, and providing the funding required to cover programme delivery costs. Our strategy is to build on our commercial partnerships. We aim to do more for our current customers, to secure new customers for our established commercial offer, and to deliver new services and manufacture new products for existing and new customers:

Better Packing is trading at higher revenues now than over the past 6 years. Not only have participant numbers across the social enterprises grown in excess of 150 (90% of whom attend Better Packing), revenues for Better Packing have now recovered to pre-pandemic levels. Our partnership with Widney Manufacturing, begun in 2023/2024 is going from strength to strength with revenues up by 53% in 2024/2025 (to £39k). We continue to work with customers who have been with us over many years and are enormously appreciative of the continuing business we receive from the Unicrimp, part of the Scolmore Group, (£26k over the last 12 months), from Lion Picture Framing (£19k), from Bailey Products (£7.5k), Niglon (£7k) and Samuel Health, a customer for over 13 years (£6.5k). We are very pleased recently to have welcomed Podonics as a new customer, a start-up

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using an innovative SafeTPen to dispense Phenol for use in footcare surgery and to have welcomed back Marlux Medical a customer for many years that has increased automation in its operation, but who have secured a new customer for which they need our support.

Better Signage has been successfully embedded within the portfolio of commercial services based at our site in Digbeth. We have recruited two highly experienced signage professionals, and this has allowed us to establish an in-house graphics service as an integral part of our overall signage offer. Our customer base is growing significantly across a number of business sectors (up from 21 in the 12 months to March 2024 to 47 in the 12 months to March 2025 and we have received significantly more orders in recent months, showing a continuing upward trend in business. These are orders for jobs ranging from exterior signage and window manifestations for new offices, to advertising hoardings for sports and conference facilities. We are preparing to sign a 3-year contract with Birmingham and Solihull Procurement Collaborate for the provision of 'My Name is...' badges for the 7 organisations covered by the Collaborative, worn by nurses and other clinical staff. There has been significant investment in equipment, made possible by generous grant funding from Made Smarter, Love Brum and Goodwill Solutions and as a result of the donation of equipment by Max Spielman, part of the Timpson Group, and a significant discount offered on equipment supplied by Vivid Laminating Technologies Ltd. We are delighted to have recruited an apprentice to our Signage team, a young man who came to Better Pathways as a participant on our LIVE vocational pathways programme.

Better Woodwork is working increasingly closely with Better Signage in the design and manufacture of new products. Examples include engraved cheeseboards for a local sports club, awards for local business annual celebration events, planters and a café counter for our tenant street food business. We continue to work with Birmingham Hospice on ways of partnering to sell products in their charity shops.

Whilst much progress has been made, there is more to do to make our social enterprises financially sustainable by themselves, and we are delighted now to be working with **ambassadors and advisors** who are experts within manufacturing, industrial engineering and parts distribution sectors or in business growth. We are grateful to:

Our Ambassadors: Rob Cooper, Managing Director, British Stainless Steel Association; Rachel Eade, Chair, UK Metals Council; Stephen Morley, President, Confederation of British Metalformers; Mike Owens, Site Director Autajon Packaging Simply Cartons, Glenveagh Advisory, Vice-President of Greater Birmingham Chambers of Commerce; and Jon Simms, Independent Advisor and former Managing Director, Royde and Tucker Ltd

Allianz Insurance for selecting us to take part in its **Social Impact Project Programme**

West Midlands Combined Authority working in partnership with **Aston University** for the opportunity to participate in its **Social Enterprise Growth Programme**

Business Growth West Midlands, for including us in its **Supply Chain Transition Programmes**

(Coventry & Warwickshire Growth Hub, for the Very Light Railway & Electric Light Vehicles

programme and Newable Enterprise Nation & Greater Birmingham Chambers of Commerce for the Health/Med-Tech, Future Housing & Smart Energy programme).

Our Statutory Sector Projects

In the same way that the economic environment for social enterprise commercial customers remains challenging, statutory sector commissioners continue to operate with tighter and tighter budgets, requiring more for less (or at least the same) and in a climate where short-termism reigns. Projects commissioned over even 3 years make it difficult to plan long-term, and working with one-year extensions makes it even harder. In spite of this climate, we remain a trusted provider of employability and mental health support services in the city.

We are pleased to report the successful completion of a number of projects, including the **Disability Inclusion Pathway** project, part-funded by the European Social Fund to support adults 18+ furthest away from the jobs market into employment, education and training. Mobilised in July 2021, this project ended on 31st December 2023; the **Youth Promise Plus (YPP) Mental Health Wrap Around Support Service**, funded by Birmingham City Council, to help young people aged 16 – 29 with poor mental health stay engaged on employability programmes delivered by five YPP programme providers, Change Grow Live, University Hospitals Birmingham, Birmingham Youth Service, Birmingham Careers and The Prince's Trust. Mobilised in September 2021 this project ended on 1st October 2023; **Mentor Me**, funded from Commonwealth Games Legacy funds to support young people 16 – 29 with combined employability and mental health wrap around support. Mobilised in June 2024 this project ended in March 2025; **SEND 'Future Ready' project** supporting young people 16 – 25 to develop life skills and to prepare for the world of work. Mobilised in June 2024 this project ended in March 2025

We continue to be commissioned to provide support to young people and adults across a number of projects, including the **Mental Health Connector Service** working with Birmingham Mind and the Living Well Consortium, alongside NHS colleagues, to casework primary care patients with poor mental health and to signpost them to any additional services they need in the community. Awarded in May 2022, this initial 3-year project has been extended for a further year from April 2025; the **Better Health 4 Life project** funded by a Birmingham City Council, Prevention and Communities Grant, to provide support to maintain good mental and physical health in the community for adults 18+. Awarded in October 2023 this project which we are delivering in partnership with Sport4Life and which is aligned to community neighbourhood networks, is due to run until September 2026; the **PURE adult employability shared prosperity funded project (SPF)** commissioned by Birmingham City Council which has been extended for a further year to March 2026; the **East Birmingham Jobs & Skills Hub SPF project**, to support adults 18+ NEET into employment, education and training. Awarded initially for one year, this project has been extended for a further year to March 2026; the **Youth Employment Initiative SPF project** to support young people 16 – 29 NEET into employment, education or training. Awarded initially for one year, this project has also been extended to March 2026.

We are delivering two new projects for statutory sector commissioners, one a **Digital Divide project**, to promote digital inclusion for those who would otherwise miss out on using technology, awarded in late 2024 by the West Midlands Combined Authority for 19 months, another a **Work Well project** awarded by Birmingham and Solihull ICB in 2024 for 18 months to support adults into employment and to stay in work.

Financial results April 2023 – September 2024 (18 months)

Total income for the 18 months was £1,573,397. When comparing the previous two 12-month periods to March, income to March 2024 was £946,528 an increase of 20% on the income achieved in the year ending March 2023 which was £790,436. Income for the 6 months from April – September 2024, was £626,869, a significant improvement on the half yearly average for the 12 months to March 2024.

The reasons for this are:

Recovery and employment income increased by 78% over the 18-month period, primarily driven by the commissioning of new projects. Eight new projects were commissioned, two came to an end, and the Primary Care Recovery Navigator service continued.

Net trading income for the social enterprises increased by 99% over the 18-month period. The main contributor and growth area was Express Signs (now Better Signage), where income increased by 160%.

Donation and grant income increased by 179% over the 18-month period owing to the generous support of our funders, listed below. This includes the contribution of computer equipment donated by Birmingham City Council, which significantly supported our operational capacity.

LIVE Vocational Pathways Programme revenues increased by 262%.

Employee numbers have grown as a result of the growth in our activities:

March 2025	30.9 wte
September 2024	28.3 wte
March 2023	19.3 wte

Fundraising and Donations

Over the 18-months to September 2024, we raised a total of £314.6k from grant giving trusts/foundations and £12.2k in donations. We are grateful to the funders who have responded so positively to our bids for support and are pleased to acknowledge them here:

The Henry Smith Charity – £74k – To support the growth strategy for Better Signage.

Goodwill Solutions – £10K – Donation towards operational running costs.

Garfield Weston – £40K – Unrestricted grant towards running costs.

The Eveson Trust – 2 x £40k – Unrestricted grants towards the charity's core and running costs.

The Aston University Social Economy Growth Programme – £20K – This was a fully funded leadership and management training programme targeted at creating support the leadership and an increase trading income. The programme was funded by the UK Government and West Midlands Combined Authority from the Commonwealth Games Legacy Fund

The Access Reach Fund – £9.75K – The Reach Fund is a grant programme that helps charities and social enterprises raise investment.

The 29th May 1961 Charitable Trust – £7k – Funding toward LIVE Participant Support Team costs.

Souter Charitable Trust – £4k – Funding towards the Participant Support Team costs.

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The Hobson Charity – £6k – Funding towards energy costs.

The National Lottery Community Fund – £20k – Funding towards LIVE running costs.

CB & HH Taylor 1984 Trust – £1k – Funding towards LIVE running costs.

Cole Charitable Trust – £1.5k – Funding towards LIVE running costs.

Roger & Douglas Tuner Charitable Trust – £3k – Funding towards LIVE running costs.

The Grimmitt Trust – £2.5k – Funding towards LIVE running costs.

The Grantham Yorke – £3k – Funding towards LIVE running costs.

Made Smarter – £16.3k – This grant supported the acquisition of a Mimaki flatbed UV printer for use in Better Signage.dd

Goldman Sachs – £10k – This grant supported the acquisition of a Mimaki flatbed UV printer for use in Better Signage.

The Greater Birmingham & Solihull Local Enterprise Partnership – Clean Growth Grant – £8.6k – This grant helped fund the acquisition of a new replacement boiler.

First Give – North Birmingham Academy – £1k – Grant awarded to enhance and strengthen the therapeutic delivery environment within the charity.

Softcat Plc – £3.64k – General donation to the charity by employees of Softcat Plc.

NorthEdge Capital – £2k – Donation towards operational running costs.

Birmingham City Council – £3.99k – Birmingham City Council donated computer equipment and accessories to the charity during the year, valued at £3,990.60. This in-kind support contributed to enhancing the charity's operational capacity.

Misc donations (including Just Giving and Birmingham Lottery donations) – £2.43k

Fundraising Regulator

We are registered with the Fundraising Regulator and can confirm we have not received any complaints in the period. Currently, our fundraising activity is geared to submitting to grant giving bodies. We do not raise donations through door-to-door canvassing, but where we ever to do so, we will ensure that we have policies and procedures in place to identify and protect people in situations of vulnerability.

Principal funding sources

In respect of our statutory sector contracts our principal sources of funding over the period to September 2024 were:

- European Social Fund for the Disability Inclusion Pathway
- Birmingham and Solihull Mental Health Foundation Trust (BSMHFT) via Birmingham Mind as the lead provider: Neighbourhood Mental Health Connector Service
- Birmingham City Council for the Youth Promise Plus Mental Health Wrap Around Support Service
- Birmingham City Council for the PURE adult employability shared prosperity funded project (SPF)
- Birmingham City Council (Commonwealth Legacy Funding) for Mentor Me
- Birmingham City Council for the Youth Employment Initiative SPF project
- Birmingham City Council for the SEND 'Future Ready' project
- Birmingham City Council for the East Birmingham Jobs & Skills Hub SPF project
- Birmingham City Council for the Better Health 4 Life Prevention & Communities Project

Future Plans

Supporting those that need us the most

At the core of our plans is our commitment to supporting more of the citizens of Birmingham that need our help the most, building on the growth in participant numbers that we have seen over the last 2 years. The rate of employment for people with disabilities in Birmingham, and especially for people with learning disabilities, remains shockingly low (less than 2% for people with learning disabilities) and we will continue to do all we can to improve this position. Where paid employment is not an aspiration, but where wrap around support is vital to our participants' mental health and wellbeing and to their capacity to lead fulfilling and active lives, our focus will be on growing the range of unique opportunities at Better Pathways for people to engage in vocational skills development, meaningful activities and supported volunteering. For all participants, regardless of pathway, developing their confidence, self-belief and sense of self-worth, empowering them to take their own decisions, will remain at the heart of all that we do.

Quality and impact

We will continue to strive to elevate the quality of our delivery, and the fabric of our facilities, recognising the crucial importance of this for the wellbeing and life chances of the people we support. We will raise the bar on our impact reporting, recognising the crucial importance of this for the provision of assurance to those receiving our services and to those from whom we must attract resources. We will seek feedback, build on what is working well and learn from our mistakes, sustaining a loop of continuous review and improvement.

Strength through partnership

As the longest serving, standalone mental health charity in Birmingham, we will continue to call on our strong relationships and collaborative partnerships for the benefit of our participants, both those on our social enterprise pathways and those being supported through our statutory sector projects. We will seek opportunities to work with partners that build on all our strengths and the knowledge we have about how to achieve the best outcomes for the people we serve, maximising the resources we can deploy together and delivering more than the 'sum of our parts'.

Commercial growth through social value to deliver social impact

We will continue to raise the profile of our charity and promote the *social value* we can add to the operations of the organisations we work with. We will add *commercial value* to the supply chains of our commercial customers, delivering the highest quality product, correct to customer specifications, 'right first time, every time'. In doing this, we will attract more customers and grow revenues, enabling us to expand our reach and deliver more social impact for the people we support and their families.

Our priorities

Supporting those that need us the most:

- One of our main priorities over the next 12 months will be to continue our work with Adult Social Care and the Council's Special Educational Needs and Disabilities (SEND) team to build referral pathways to our social enterprise employment preparation pathway for young people with complex needs who need our support to move into paid employment.
- In recognition of the scarcity of services and long waiting times for people with low level to moderately poor mental health, we will explore with employers the scope for introducing counselling services to support employee mental health and wellbeing and in-work retention.
- We will continue our work to provide innovative meaningful day activities (MDA) for people with poor mental health, other disabilities and complex needs, with the aim of at least doubling our MDA participants over the next 12 months.

Quality and Impact

- We will complete the work we have begun with NCFE to assess and recognise the LIVE Vocational Pathways Programme classroom learning syllabus and use this as a baseline towards more formal accreditation of the overall programme.
- We will gain accreditation under the Supported Employment Quality Framework to evidence the quality of our supported employment service.
- We will build on our Thrive at Work Foundation Status to achieve Bronze status within 18 months.
- We will mobilise the work we have undertaken with Make an Impact CIC to strengthen further our impact reporting, this will involve the mobilisation of an administration system for data collection and reporting.
- We will work through Lendlease, local developers of the Smithfield Development in Digbeth, to develop building refurbishment plans that we will submit to Birmingham City Council for approval. Bell Phillips, Architects, is overseeing this project, involving specialists from Quantum (quantity surveyors), Turley, (planners), Aecom, (MEP specialists) and Robert Bird (engineering specialists). Once plans are approved, we will explore options for raising the required funds to complete this project.
- We will use the feedback and intelligence gleaned from the annual participant survey and WEMWBS interviews, and through statutory sector project Reqol scores, to improve our services.

Strength through partnership

- We will continue to work closely with SEND schools and colleges and with the council's SEND teams to promote equality of opportunity for and inclusion of people with special needs in the workplace.
- We will continue to explore with Birmingham City University the potential for nurse placements at Better Pathways to promote a greater awareness of the health and wellbeing needs of people with complex needs when accessing NHS services.
- We will seek partnerships to respond to commissioner invitations to tender for new employability and other projects as they arise.
- We will play an active part in mental health fora, social enterprise networks and wider Birmingham anchor organisation networks in order to learn from others and to share our expertise.

Birmingham Industrial Therapy Association Limited

Annual Report of the Trustees and Chief Executive

For the 18 months ended 30 September 2024

- We will seek corporate sponsors of our employment preparation pathway, building on the success of our partnership with Oakland International Ltd.

Social and commercial value

- We will complete the work to update our commercial websites.
- We will design a Better Signage marketing and revenue growth plan with the Allianz Insurance Social Impact Project team.
- We will work with our Better Packing Ambassadors to identify manufacturers, industrial engineers and parts distributors for our parts assembly and packing service.
- We will invest in other activities that will maximise revenue growth potential, targeting specific products to markets most likely to yield the greatest results. An early priority will be the recruitment of a business development lead who will seek to penetrate NHS markets for name badges, building on the success of our new 3-year commercial contract with Birmingham & Solihull Procurement Collaborative.
- We will continue to promote our value as a social value partner, enabling customers to demonstrate their commitment to CSR, and to build warm leads for new business through our various networks and existing business partnerships.
- We will join MakeUK and the Greater Birmingham Chamber of Commerce to help raise our profile.
- We will publish in industry magazines and use case studies to demonstrate our commercial impact.

Principal risks and mitigations

The Charity's principal risks relate chiefly to the sustainability of its cash balance and reserves positions which, in turn, could be adversely impacted if the charity did not achieve its trading and expenditure plans to March 2026 and beyond. Specifically, the key financial risks and uncertainties are:

- not achieving all of the trading income target
- not achieving all the LIVE Vocational Pathways Programme target
- not achieving all of the fundraising target
- getting towards December with no sign of our current Birmingham City Council employability projects being renewed, having failed to win new statutory sector projects
- further significant unplanned expenditure on building repairs

Birmingham Industrial Therapy Association Limited

Annual Report of the Trustees and Chief Executive

For the 18 months ended 30 September 2024

These are considered further below, along with the mitigations that are being taken to minimise the likelihood of them occurring.

Risk area	Main Mitigations	Expected outcome as a result of mitigating actions
Trading income shortfall	<p>Complete and mobilise the integrated, prioritised, sales pipeline and tracking system</p> <p>Secure investment funding to build capacity in the team</p> <p>Complete upgrade of website and refresh marketing materials</p>	Aim to exceed trading income target
LIVE income shortfall	<p>Work with managers in BCC on a strategy to increase referrals for the 12-week pathway</p> <p>Increase focus on referrals once confirmation of our acceptance onto the day opportunities framework is received</p> <p>Attend school transition events and parent and carer forums</p> <p>Secure new corporate partnerships for the 12-week pathway</p>	Aim to exceed LIVE income target
Fundraising shortfall	<p>Submit two or more material grant applications</p> <p>Submit bids to trusts and foundations identified in the fundraising pipeline</p> <p>Submit grants to larger existing funders</p>	Aim to achieve the fundraising target
Statutory sector income	Pursue opportunities for additional statutory sector projects	Aim to secure increase on current level of statutory sector contribution to overhead
Unplanned expenditure	<p>Significant upgrade to the roof already undertaken (which historically was the main source of unplanned expenditure)</p> <p>Establish a regular programme of maintenance</p>	Repairs expenditure does not exceed budget

Reserves position and policy

On 30 September 2024, Better Pathways had total funds of £378,500 to carry forward. These funds were made up as follows:

- £140,694 – General Funds
- £79,857 – Restricted Funds
- £157,948 – Designated Funds

The trustees' policy is to maintain 90 days' expenditure in general funds to provide working capital for unforeseen reductions in cash flow. General funds of £140,694 covered 42 days of expenditure.

General Reserves

At 30 April 2025, the unaudited management accounts report an improved general funds position of £199,896, covering 63 days of expenditure and a forecast free reserves position at March 2026 of £175,552 (54 days).

We continue to manage better our working capital, getting cash in more quickly.

We are actively discussing proposals with social investors for funds that will provide working capital in the event the charity needs access to cash. Investment funds will also allow the charity to appoint a business development post to grow new commercial relationships and revenues for the social enterprises, incorporating improvements in marketing and the website.

Restricted Funds

We have and will continue to implement restricted funds projects, significantly reducing the restricted funds balance of £79,857 (of which 63% is for capital assets against which depreciation is being charged) by September 2025.

Designated Funds

The designated fund balance of £157,948 represents the carrying amount of acquired fixed assets as of September 2024, thus they do not form part of our calculation of general funds. This fund represents the net book value of fixed assets purchased through general funds. Depreciation is charged against this fund over the useful life of the assets until they are fully written down.

Statement of going concern

Trustees are required to look ahead at least 12 months from the date of signing of the accounts when judging whether the charity is a going concern. A cash flow forecast covering the period to June 2026 shows month on month cash positions varying from a high of £196,073 in August 2025 to a low of £83,752 in June 2026. Whilst the cash flow forecast is based on the risks that are set out above with some risk of income targets not being fully achieved and the potential for unplanned expenditure, the forecast has also in some areas been prepared on a prudent basis with the opportunity for upside movement, as well as downside risk.

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Based on consideration of:

- the 12-month cash flow forecast;
- the risks outlined above and plans to mitigate them;
- the charity's plans to raise working capital in the event of an urgent need for a cash injection; and
- other investment opportunities that are currently being discussed,

the Chief Executive and Trustees of the charity have determined that whilst there is ongoing uncertainty, the charity's plans deal sufficiently with all material uncertainties, and thus the charity can be considered to be a going concern for at least the next 12 months.

Accreditations

- We continue to meet the requirements of the Investors in People standard, the MATRIX standards, and Disability Confident Accreditation.
- The charity is still an accredited Living Wage Employer after the year end.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated in England and Wales in September 1965, and registered as a Charity on 1st February 1963.

The 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. All trustees give their time voluntarily and receive no benefits from the Charity. The trustees have not claimed any expenses from the Charity during the year.

Trustees are elected at the annual general meeting and nominations for additional trustees may be made by Board members. All directors serve in an honorary capacity and are the trustees of the Charity. There is a rotational process in place with trustees retiring from the board each year; however, these trustees can offer themselves for re-election should they wish to do so. We aim to ensure that the Board is diverse in terms of age, gender and ethnicity and possess the skills required to direct the organisation.

At no time during the year did any trustee have an interest in a contract entered into by the Association in relation to the activities of the Association other than their involvement as employees of Mental Health Trusts. No remuneration or other benefits have been paid or are payable to any trustee of the Association either directly or indirectly from the funds of the Association. The overall policy of the Association is set by the trustees at regular meetings of the Board. Day to day running of the Association is managed by the Chief Executive, Sue Roberts.

Appointment of trustees

We use the guidance for trustee recruitment published by the Charity Commission. Skills audits are completed, gaps are identified, and new Trustees appointed based on these gaps.

Trustee engagement

New trustees meet with the Chair and Chief Executive as part of their induction and to agree expectations with respect to Trustee engagement in the charity's business. The following is covered:

- Trustee Role and Responsibilities
- Trustee Code of Conduct, including Conflicts of Interest
- Timetable of Annual Key tasks
- Trustee Contact details
- Expenses – How to claim travel and other expenses
- Induction visits and meetings include:
 - Attendance requirements and feedback
 - Organisation background and history
 - Mental Health First Aid (2-day accredited course) if desired
 - Social Enterprise site visit

Required reading includes:

- Memorandum & Articles
- Audited Accounts and Annual Report
- Risk Register
- Strategic Plan
- Organisation Chart
- Policies and Procedures
- The Essential Trustee (CC3)
- Other relevant Charity Commission guidance

Related parties and relationships with other organisations

No formal relationships exist between the Association and any related parties and there are no subsidiary undertakings. The Association cooperates with other charities in the pursuit of its charitable objectives.

Remuneration policy for key management personnel

The Chair conducts the annual appraisal of the Chief Executive and agrees her salary, which is benchmarked against comparable organisations in the not-for-profit sector. The salary is endorsed by all members of the Board.

Policy for employment of disabled persons

The Association has an Equality and Diversity policy which commits the Association to examine its selection and appointment process, personnel procedures, and training provisions to ensure the elimination of direct or indirect discrimination and the provision of equality of opportunity for the protected characteristics contained with the Equality Act 2010. There are regular reviews to maintain good employment practices and those engaged in the selection process will be made aware of the Equality and Diversity Policy, the Acts, and their personal liability to law.

Employee information

The Association aims to provide employees with as much information as possible on matters of concern to them as employees. Responsibility for doing this rests with the Senior Leadership Team.

Funds held as custodian trustee on behalf of others

No funds are held by the Association as custodian trustee on behalf of others.

Statement of responsibilities of the trustees

The trustees (who are also directors of Birmingham Industrial Therapy Association Ltd for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period 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 then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees 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.

In so far as, the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.

Birmingham Industrial Therapy Association Limited

Annual Report of the Trustees and Chief Executive

For the 18 months ended 30 September 2024

- The trustees 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.

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

Trustees are appointed at the AGM which is attended by the charity's trustees. There were 7 trustees in attendance at Board meetings over the period covered by this report.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' 18 month report has been approved by the trustees on **24 June 2025** and signed on their behalf by

David Tucker, Chair of Trustees

Sue Roberts, Chief Executive Officer

Independent auditor's report

To the members of

Birmingham Industrial Therapy Association Limited

Opinion

We have audited the financial statements of Birmingham Industrial Therapy Association Limited (the 'charitable company') for the 18 months ended 30 September 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as of 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure for the period 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 charitable company 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 Birmingham Industrial Therapy Association Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

Birmingham Industrial Therapy Association Limited

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Birmingham Industrial Therapy Association Limited

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

Birmingham Industrial Therapy Association Limited

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Independent auditor's report

To the members of

Birmingham Industrial Therapy Association Limited

Use of our report

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

Fleur Holden (Senior statutory auditor)

26 June 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, London, EC1Y 0TG

Birmingham Industrial Therapy Association Limited

Statement of financial activities (incorporating an income and expenditure account)

For 18 months ended 30 September 2024

	Note	Unrestricted £	Restricted £	2024 (18 months) Total £	2023 (12 months) Total £
Income from:					
Donations and grants	3	146,285	10,750	157,035	56,303
Charitable activities					
Recovery and Employment	4	739,559	136,486	876,045	490,867
Social Enterprise – Better Assembly Services	4	230,711	67,239	297,950	117,570
Social Enterprise – Express Signs	4	139,215	101,431	240,646	125,650
Bank Interest		1,721	–	1,721	46
Total income		1,257,491	315,906	1,573,397	790,436
Expenditure on:					
Charitable activities					
Recovery and Employment	5	851,448	120,483	971,931	583,034
Social Enterprise – Better Assembly Services	5	247,999	79,147	327,146	219,803
Social Enterprise – Express Signs	5	138,391	74,946	213,338	137,196
Total expenditure		1,237,839	274,577	1,512,416	940,033
Net movement in funds (being net Income / (expenditure) in the year)	19	19,651	41,329	60,981	(149,597)
Reconciliation of funds:					
Total funds brought forward		278,992	38,527	317,519	467,115
Total funds carried forward		298,643	79,857	378,500	317,519

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

Birmingham Industrial Therapy Association Limited

Balance sheet

As at 30 September 2024 (18 months)

	Note	£	2024 (18 months) £	2023 £	(12 months) £
Fixed assets:					
Tangible assets	11		<u>208,511</u>		<u>199,181</u>
			208,511		199,181
Current assets:					
Stock	12	6,505		5,466	
Debtors	13	186,645		181,081	
Cash at bank and in hand		<u>78,061</u>		<u>156,123</u>	
		271,211		342,670	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(86,223)</u>		<u>(194,333)</u>	
Net current assets			<u>184,989</u>		<u>148,337</u>
Total assets less current liabilities			393,500		347,518
Creditors: amounts falling due after one year	16		(15,000)		(30,000)
Total net assets			<u><u>378,500</u></u>		<u><u>317,519</u></u>
The funds of the charity:	19				
Restricted income funds			79,857		38,527
Unrestricted income funds:					
Designated funds		157,948		173,471	
General funds		<u>140,694</u>		<u>105,520</u>	
Total unrestricted funds			298,643		278,992
Total charity funds			<u><u>378,500</u></u>		<u><u>317,519</u></u>

Approved by the trustees on 24 June 2025 and signed on their behalf by

David Tucker
Chair

Birmingham Industrial Therapy Association Limited

Statement of cash flows

For 18 months ended 30 September 2024

	Note	2024 (18 months)		2023 (12 months)	
		£	£	£	£
Cash flows from operating activities					
Net cash (used in) / provided by operating activities	20		(14,384)		22,259
Cash flows from investing activities:					
Interest received		1,721		46	
Purchase of fixed assets		(50,400)		(26,223)	
Net cash used in investing activities			(48,679)		(26,177)
Cash flows from financing activities:					
Repayment of borrowings			(15,000)		(10,000)
Change in cash and cash equivalents in the year			(78,062)		(13,918)
Cash and cash equivalents at the beginning of the year			156,123		170,041
Cash and cash equivalents at the end of the year			78,061		156,123

Analysis of cash and cash equivalents and of net debt

	At 1 April 2023	Cash flows	At 30 September 2024
	£	£	£
Cash at bank and in hand	156,123	(78,063)	78,061
Total cash and cash equivalents	156,123	(78,063)	78,061
Loans current year repayment	(15,000)	15,000	-
Loans falling due within one year	(10,000)	-	(10,000)
Loans falling due after more than one year	(15,000)	-	(15,000)
Total	116,123	(63,063)	53,061

Notes to the financial statements

For 18 months ended 30 September 2024

1 Accounting policies

a) Statutory information

Birmingham Industrial Therapy Association Limited is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address and principal place of business is 201–206 Alcester Street, Digbeth, Birmingham, B12 0NQ.

b) Basis of preparation

The financial statements have been prepared for an extended period of 18 months due to a change in the accounting year end from 31 March to 30 September. The prior year figures cover a 12-month period for comparison purposes.

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) – (Charities SORP FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern as explained in the trustees' annual report. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from government and other grants, whether 'capital' grants 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 income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For 18 months ended 30 September 2024

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing education, volunteering and employment services to the service users undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of staff time by each activity.

- | | |
|--|-----|
| ● Recovery and Employment | 67% |
| ● Social Enterprise – Better Assembly Services | 20% |
| ● Social Enterprise – Express Signs | 13% |

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|--------------------------------------|----------|
| ● Freehold Building | 50 years |
| ● Motor Vehicles, Computer Equipment | 4 years |
| ● Plant, Fixture and Fittings | 10 years |

l) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

m) Debtors

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

n) Cash at bank and in hand

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

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Pensions

The charity has a NEST pension scheme to offer all employees. The charity is contributing a minimum employer contribution percentage into the scheme set by the Pension Regulator.

Notes to the financial statements

For 18 months ended 30 September 2024

2 Detailed comparatives for the statement of financial activities (prior year 12 months)

	Unrestricted activities £	Restricted activities £	2023 (12 months) Total £
Income from:			
Donations and grants	11,367	44,936	56,303
Charitable activities:			
Recovery and Employment	490,867	-	490,867
Social Enterprise – Better Assembly Services	117,570	-	117,570
Social Enterprise – Express Signs	125,650	-	125,650
Bank interest	46	-	46
Total income	745,500	44,936	790,436
Expenditure on:			
Charitable activities:			
Recovery and Employment	583,034	-	583,034
Social Enterprise – Better Assembly Services	123,835	95,968	219,803
Social Enterprise – Express Signs	109,760	27,436	137,196
Total expenditure	816,630	123,404	940,033
Net expenditure for the year	(71,129)	(78,468)	(149,597)

3 Income from donations

	2024 (18 months)			2023 (12 months)		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Grants received	134,000	10,750	144,750	6,250	44,936	51,186
Donations	12,285	-	12,285	5,117	-	5,117
	<u>146,285</u>	<u>10,750</u>	<u>157,035</u>	<u>11,367</u>	<u>44,936</u>	<u>56,303</u>

Birmingham Industrial Therapy Association Limited

Notes to the financial statements

For 18 months ended 30 September 2024

4a Income from charitable activities (current year)

	Unrestricted activities £	Restricted activities £	2024 (18 months) Total £	2023 (12 months) Total £
European Social Fund – Disability Inclusion Pathway	158,672	–	158,672	195,197
Birmingham City Council – Youth Promise Plus	83,180	–	83,180	146,364
Birmingham MIND –PCRN	203,363	–	203,363	124,277
Birmingham City Council – UK Shared Prosperity Fund – PURE	61,780	–	61,780	–
Birmingham City Council – Mentor Me	52,037	–	52,037	–
Birmingham City Council – Youth Employment Initiative	32,976	–	32,976	–
Birmingham City Council – SEND	47,918	–	47,918	–
Birmingham City Council – East Birmingham Jobs and Skills Hub	43,834	–	43,834	–
Birmingham City Council – Better Health 4 Life	–	70,000	70,000	–
Birmingham City Council – Active Pathways 4 Life	–	32,000	32,000	–
Birmingham City Council – UKSPF PURE	–	28,707	28,707	–
Other	55,800	5,779	61,579	25,028
Total for Recovery and Employment	739,559	136,486	876,045	490,867
Birmingham City Council Day Care	52,309	17,500	69,809	19,302
The 29th May 1961 Charitable Trust	–	7,000	7,000	–
Souter Charitable Trust	–	4,000	4,000	–
The Hobson Charity	–	6,000	6,000	–
The National Lottery Community Fund	–	20,000	20,000	–
Cole Charitable Trust	–	1,500	1,500	–
CB & HH Taylor 1984 Trust	–	1,000	1,000	–
Roger and Douglas Tuner Charitable Trust	–	3,000	3,000	–
Grimmitt Trust	–	2,500	2,500	–
The Grantham Yorke	–	3,000	3,000	–
Earned Income	178,403	–	178,403	98,269
Other	–	1,739	1,739	–
Total for Social Enterprise – Better Assembly Services	230,711	67,239	297,950	117,570
Birmingham Solihull Mental Health Trust	69,046	–	69,046	99,046
Made Smarter	–	16,313	16,313	–
Goldman Sachs	–	10,000	10,000	–
The Henry Smith Charity	–	74,000	74,000	–
Earned Income	70,169	–	70,169	26,604
Other	–	1,119	1,119	–
Total for Social Enterprise – Express Signs	139,215	101,431	240,646	125,650
Total income from charitable activities	1,109,485	305,156	1,414,641	734,087

4b Income from charitable activities (prior year)

	Unrestricted activities £	Restricted activities £	2023 (12 months) Total £
European Social Fund – Disability Inclusion Pathway	195,197	–	195,197
Birmingham Solihull Mental Health Trust – Respite	–	–	–
Birmingham Solihull Mental Health Trust – Veteran	–	–	–
Birmingham City Council – Youth Promise Plus	146,364	–	146,364
Birmingham MIND –PCRN	124,277	–	124,277
Other	25,028	–	25,028
Total for Recovery and Employment	490,867	–	490,867
Birmingham City Council Day Care	19,302	–	19,302
Earned Income	98,269	–	98,269
Total for Social Enterprise– Better Assembly Services	117,570	–	117,570
Birmingham Solihull Mental Health Trust	99,046	–	99,046
Earned Income	26,604	–	26,604
Total for Social Enterprise– Express Signs	125,650	–	125,650
Total income from charitable activities	734,087	–	734,087

Birmingham Industrial Therapy Association Limited

Notes to the financial statements

For 18 months ended 30 September 2024

5a Analysis of expenditure (current year)

	Charitable activities					2024 (18 months) Total £	2023 (12 months) Total £
	Recovery and Employment £	Social Enterprise – Better Assembly Services £	Social Enterprise – Express Signs £	Governance costs £	Support costs £		
Staff costs (Note 7)	485,150	146,005	93,915	-	307,231	1,032,302	619,313
Delivery by other partners	67,868	-	-	-	-	67,868	72,111
Material	-	-	22,822	-	-	22,822	7,085
Recruitment and Training	1,669	57	482	-	6,113	8,322	7,211
Client and Participant Expenses	926	17,956	2,209	-	1,479	22,571	15,849
Staff Travel and Motor Expenses	1,360	17,230	158	-	614	19,362	12,332
Marketing, Print and Stationery	20	561	790	-	12,911	14,283	7,039
ICT and Communication	5,219	2,777	2,641	-	44,320	54,958	31,968
Consultancy and Professional Fees	-	3,500	-	-	29,855	33,355	29,314
Utilities	-	5,358	-	-	55,582	60,940	22,442
Premises Cost and Insurance	-	4,344	2,291	-	82,856	89,492	84,285
Sundry Expenses	-	-	-	-	-	-	(8,455)
Audit Fee	-	-	-	15,750	-	15,750	9,900
Bank Charges	-	11	16	-	2,120	2,148	3,052
Non Recoverable VAT	-	-	-	-	27,174	27,174	4,781
Depreciation	1,457	6,480	8,981	-	24,152	41,070	21,809
	<u>563,670</u>	<u>204,281</u>	<u>134,306</u>	<u>15,750</u>	<u>594,408</u>	<u>1,512,416</u>	<u>940,033</u>
Support costs	397,723	119,694	76,991	-	(594,408)	-	-
Governance costs	10,538	3,172	2,040	(15,750)	-	-	-
Total expenditure 2024	<u>971,931</u>	<u>327,146</u>	<u>213,338</u>	<u>-</u>	<u>-</u>	<u>1,512,416</u>	
Total expenditure 2023	<u>583,034</u>	<u>219,803</u>	<u>137,196</u>	<u>-</u>	<u>-</u>		<u>940,033</u>

Birmingham Industrial Therapy Association Limited

Notes to the financial statements

For 18 months ended 30 September 2024

5b Analysis of expenditure (prior year)

	Charitable activities					2023 (12 months) Total £
	Recovery and Employment £	Social Enterprise – Better Assembly £	Social Enterprise – Express Signs £	Governance costs £	Support costs £	
Staff costs (Note 7)	237,965	85,933	53,752	-	241,663	619,313
Delivery by other partners	72,111	-	-	-	-	72,111
Material	969	99	6,017	-	-	7,085
Recruitment and Training	991	96	-	-	6,124	7,211
Client and Participant Expenses	-	14,940	819	-	90	15,849
Staff Travel and Motor Expenses	1,081	10,015	240	-	996	12,332
Marketing, Print and Stationery	299	308	1,073	-	5,359	7,039
ICT and Communication	2,038	792	1,749	-	27,389	31,968
Consultancy and Professional Fees	-	892	4,870	-	23,551	29,314
Utilities	-	-	-	-	22,442	22,442
Premises Cost and Insurance	-	8,689	14,500	-	61,096	84,285
Sundry Expenses	9	(144)	(4,757)	-	(3,562)	(8,455)
Audit Fee	-	-	-	9,900	-	9,900
Bank Charges	-	-	-	-	3,052	3,052
Non Recoverable VAT	-	-	-	-	4,781	4,781
Depreciation	6,977	4,077	69	-	10,686	21,809
	<u>322,438</u>	<u>125,697</u>	<u>78,333</u>	<u>9,900</u>	<u>403,665</u>	<u>940,033</u>
Support costs	254,358	91,853	57,455	-	(403,665)	-
Governance costs	6,238	2,253	1,409	(9,900)	-	-
Total expenditure 2023	<u>583,034</u>	<u>219,803</u>	<u>137,197</u>	<u>-</u>	<u>-</u>	<u>940,033</u>

Notes to the financial statements

For 18 months ended 30 September 2024

6 Net income / (expenditure)

This is stated after charging:

	2024	2023
	(18 months)	(12 months)
	£	£
Depreciation	41,070	21,809
Operating lease rentals:		
Other	17,579	32,566
Auditors' remuneration (excluding VAT):		
Audit fees prior year under-provision	1,000	
Audit fees (current year)	14,750	
Total Audit Fees	<u>15,750</u>	<u>9,900</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024	2023
	(18 months)	(12 months)
	£	£
Salaries and wages	903,024	522,342
Social security costs	72,626	44,104
Other Staff Costs	39,236	43,180
Employer's contribution to defined contribution pension schemes	17,416	9,688
	<u>1,032,302</u>	<u>619,313</u>

The total employee benefits (including employer's pension contributions and employer's national insurance) of the key management personnel were £85,436 (2023: £57,256).

The charity trustees were not paid or received any other benefits from employment with the charity in the year 2024: £nil (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil). No trustees' expenses were paid in 2024 and 2023.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the period 2024 was as follows:

	2024	2023
	(18 months)	(12 months)
	No.	No.
Recovery & Employment	16.3	7.1
Social Enterprise- Better Assembly Services	6.0	5.0
Support	6.0	7.3
	<u>28.3</u>	<u>19.3</u>

9 Related party transactions

During the year, a forklift was loaned by TRANSLift Bendi Ltd for use in the normal course of the charity's business. There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. David Tucker is a Director of TRANSLift Bendi Ltd.

Martin Commander, Vice Chair Board of Trustees is a paid consultant to Birmingham Solihull Mental Health Trust (BSMHFT). During the year the charity received income of £69,046.10 (2023: £110,180) from BSMHFT which was provided on an arms length basis.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For 18 months ended 30 September 2024

11	Tangible fixed assets	Freehold property £	Plant, fixtures and fittings £	Computer equipment £	Total £
	Cost				
	At the start of the year	319,120	258,183	110,749	688,052
	Additions in year	-	2,255	48,145	50,400
	Disposals in year	-	-	-	-
	At the end of the year	<u>319,120</u>	<u>260,438</u>	<u>158,894</u>	<u>738,452</u>
	Depreciation				
	At the start of the year	175,121	218,502	95,248	488,872
	Charge for the year	10,386	13,899	16,784	41,070
	Eliminated on disposal	-	-	-	-
	At the end of the year	<u>185,508</u>	<u>232,401</u>	<u>112,032</u>	<u>529,942</u>
	Net book value				
	At the end of the year	<u>133,612</u>	<u>28,037</u>	<u>46,862</u>	<u>208,511</u>
	At the start of the year	<u>143,999</u>	<u>39,681</u>	<u>15,501</u>	<u>199,181</u>

Land with a value of £36,625 (2023: £36,625) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

12	Stock	2024 (18 months) £	2023 (12 months) £
	Finished goods	<u>6,505</u>	<u>5,466</u>

13	Debtors	2024 £	2023 £
	Trade debtors	59,627	50,892
	Prepayments	24,771	12,946
	Accrued income	<u>102,247</u>	<u>117,243</u>
		<u>186,645</u>	<u>181,081</u>

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 14 below.

14	Creditors: amounts falling due within one year	2024 (18 months) £	2023 (12 months) £
	Bank loans	10,000	10,000
	Trade creditors	22,533	134,218
	Taxation and social security	22,075	9,688
	Accruals	12,805	40,427
	Deferred income (note 15)	<u>18,810</u>	<u>-</u>
		<u>86,223</u>	<u>194,333</u>

Notes to the financial statements

For 18 months ended 30 September 2024

15 Deferred income

Deferred income comprises participant costs received in advance.

	2024 (18 months) £	2023 (12 months) £
Balance at the beginning of the year	–	12,554
Additions within the year	18,810	17,500
Amount released to income in the year		(30,054)
	<u>18,810</u>	<u>–</u>

16 Creditors: amounts falling due after one year

	2024 (18 months) £	2023 (12 months) £
Bank loans	<u>15,000</u>	<u>30,000</u>

The Bounce Bank Loan balance as at 30 September 2024 £25,000 (2023: £40,000) is unsecured. The terms of the loan are 72 months with an interest rate of 2.5%. The UK Government funded the interest payment for the first 12 months through the Business Interruption Payment (BIP) £1,250 and the monthly loan repayments commenced April 2022.

17 Pension Scheme

The charity offers an auto-enrolment into the NEST pension scheme. Contributions are expensed as they become payable. At the end of the year the liability of the NEST pension scheme was £3,749 (2023: £2,001).

18a Analysis of net assets between funds (current year) – 18 months

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	157,948	50,563	208,511
Net current assets	155,694	–	29,294	184,989
Long term liabilities	(15,000)	–	–	(15,000)
Net assets at 31 March 2024	<u>140,694</u>	<u>157,948</u>	<u>79,857</u>	<u>378,500</u>

18b Analysis of net assets between funds (prior year) – 12 months

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	173,471	25,710	199,181
Net current assets	135,521	–	12,818	148,338
Long term liabilities	(30,000)	–	–	(30,000)
Net assets at 31 March 2023	<u>105,521</u>	<u>173,471</u>	<u>38,527</u>	<u>317,519</u>

Notes to the financial statements

For 18 months ended 30 September 2024

19a Movements in funds (current year) – 18 months

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 30 September 2024 £
Restricted funds					
Restricted capital funds:					
Freehold Property	20,619	-	(4,030)	-	16,589
ERDF Catalysts Enterprises Grant	5,091	-	(995)	-	4,096
The Greater Birmingham & Solihul – Clean Growth Grant	-	8,637	(1,688)	-	6,949
Made Smarter	-	16,313	(2,246)	-	14,067
Goldman Sachs	-	10,000	(1,138)	-	8,862
Total restricted capital funds	25,710	34,949	(10,097)	-	50,563
Restricted revenue funds:					
The Rowlands Trust	1,317	-	-	-	1,317
Radcliffe Trust Grant	3,876	-	(3,876)	-	-
Birmingham City Council	7,625	17,500	(25,125)	-	-
Birmingham City Council	-	70,000	(55,951)	-	14,049
Birmingham City Council	-	32,000	(32,000)	-	-
Birmingham City Council	-	28,707	(28,707)	-	-
The Henry Smith Charity	-	74,000	(70,822)	-	3,178
The 29th May 1961 Charitable Trust	-	7,000	(7,000)	-	-
Souter Charitable Trust	-	4,000	(4,000)	-	-
The Hobson Charity	-	6,000	(6,000)	-	-
The National Lottery Community Fund	-	20,000	(20,000)	-	-
Access Reach Fund	-	9,750	-	-	9,750
Cole Charitable Trust	-	1,500	(1,500)	-	-
CB & HH Taylor 1984 Trust	-	1,000	(1,000)	-	-
Roger and Douglas Tuner Charitable Trust	-	3,000	(3,000)	-	-
Grimmitt Trust	-	2,500	(2,500)	-	-
First Give – North Birmingham Academy	-	1,000	-	-	1,000
The Grantham Yorke	-	3,000	(3,000)	-	-
Total restricted revenue funds	12,817	280,957	(264,480)	-	29,294
Total restricted funds	38,528	315,906	(274,577)	-	79,857
Unrestricted funds:					
Designated funds:					
Tangible Fixed Assets Funds	173,471	-	(30,917)	15,394	157,948
Future Investment for Social Enterprises	-	-	-	-	-
Premises Improvement Fund	-	-	-	-	-
Total designated funds	173,471	-	(30,917)	15,394	157,948
General funds	105,519	1,257,491	(1,206,922)	(15,394)	140,694
Total unrestricted funds	278,991	1,257,491	(1,237,838)	-	298,643
Total funds at 30 September 2024	317,517	1,573,397	(1,512,416)	-	378,500

Notes to the financial statements

For 18 months ended 30 September 2024

19b	Movements in funds (prior year) – 12 months	At 1 April				At 31 March
		2022	Income	Expenditure	Transfers	2023
		£	£	£	£	£
Restricted funds:						
	Freehold Property	23,219	-	(2,600)	-	20,619
	ERDF Catalysts Enterprises Grant	5,733	-	(642)	-	5,091
	The Rowlands Trust	2,100	-	(783)	-	1,317
	Eveson Charitable Trust	4,495	-	(4,495)	-	-
	Edward and Dorothy Cadbury Trust	2,000	-	(2,000)	-	-
	Prince's Charities	3,000	-	(3,000)	-	0
	Roger and Douglas Trust	3,000	-	(3,000)	-	-
	G J W Turner Trust	3,000	-	(3,000)	-	-
	CB & HH Taylor 1984	1,000	-	(1,000)	-	-
	The Grimmitt Trust	2,000	-	(2,000)	-	-
	Radcliffe Trust Grant	5,000	-	(1,124)	-	3,876
	Warwick Masonic Trust	1,000	-	(1,000)	-	-
	The Rowlands Trust	2,000	-	(2,000)	-	-
	National Lottery Fund	9,448	-	(9,448)	-	-
	Allison Hillman Charitable Trust	1,000	-	(1,000)	-	-
	William A. Cadbury Trust	15,000	-	(15,000)	-	0
	Resonance Grant	34,000	-	(34,000)	-	-
	The Foundation for Social Investment	-	27,436	(27,436)	-	-
	Birmingham City Council	-	17,500	(9,876)	-	7,625
	Other Small Restricted Grants	-	-	-	-	-
	Total restricted funds	116,995	44,936	(123,404)	-	38,528
Unrestricted funds:						
Designated funds:						
	Tangible Fixed Assets Funds	165,815	-	(18,567)	26,223	173,471
	Future Investment for Social Enterprises	10,000	-	-	(10,000)	-
	Premises Improvement Fund	10,000	-	-	(10,000)	-
	Total designated funds	185,815	-	(18,567)	6,223	173,471
	General funds	164,306	745,500	(798,063)	(6,223)	105,519
	Total unrestricted funds	350,121	745,500	(816,630)	-	278,991
	Total funds at 31 March 2023	467,116	790,436	(940,033)	-	317,518

Purposes of restricted funds

Freehold Property: Funding received from The Big Lottery Fund for improvement to the reception area of the Digbeth premises. Depreciation will be charged to this fund.

ERDF Catalyst Enterprise Grant: This grant was matched funded and assisted us to fund capital items and some salary for Production Assembly Services social enterprise.

The Greater Birmingham & Solihul – Clean Growth Grant: This grant helped fund the acquisition of a new replacement boiler.

Made Smarter & Goldman Sachs: These grants supported the acquisition of a Mimaki flatbet UV printer for use in Better Signage.

The Rowlands trust: This fund was donated towards a counselling service for service users in Better Assembly Services.

Radcliffe Trust Grant: The funds were donated to fund a therapeutic carpentry programme at the Woodcraft Centre, located within Better Assembly Services.

Birmingham City Council grants: These were grants towards the funding of Development Worker salary cost in Better Assembly Services. The other two grants were awarded towards the delivery of Prevention and Communities services within the Birmingham area.

Birmingham City Council UKSPF Grant: This UK Shared Prosperity Fund (UKSPF) grant was awarded to support the delivery of (intervention E33) employment support for economically inactive people.

The Henry Smith Charity: The grant was awarded to support the running costs of Better Signage.

The 29th May 1961 Charitable Trust, Souter Charitable Trust: These grants contributed to funding the costs of the Participant Support Team.

The Hobson Charity: The grant was awarded to support energy costs.

The National Lottery Community Fund: The grant contributed to the provision of hot meals for participants and supported the running costs of Better Assembly services.

Access Reach Fund: The grant was awarded to support the charity's business case consultancy work.

Cole Charitable Trust, Roger and Douglas Tuner Charitable Trust, The Grantham York, & Grimmitt Trust: These grants were awarded to support the delivery of the LIVE programme.

First Give – North Birmingham Academy: Grant awarded to enhance and strengthen the therapeutic delivery environment within the charity.

Notes to the financial statements

For 18 months ended 30 September 2024

Purpose of designated funds

Tangible Fixed Assets fund: This fund represents the net book value of fixed assets purchased through general funds. Depreciation will be charged against this fund.

20 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 (18 months) £	2023 (12 months) £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	60,981	(149,596)
Depreciation charges	41,070	21,809
Bank interest	(1,721)	(46)
Bad debts	-	4,900
(Increase) in stocks	(1,039)	-
(Increase)/Decrease in debtors	(5,564)	144,425
Increase/(Decrease) in creditors – excluding bank loan	(108,110)	5,669
Net cash (provided by) / used in operating activities	(14,384)	22,259

21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows:

	Equipment 2024 (18 months) £	2023 (12 months) £
Less than one year	7,952	11,069
One to five years	9,627	21,498
	17,579	32,566

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.