

Charity Registration No. 0517248

Company Registration No. 01816907 (England and Wales)

WHERE NEXT ASSOCIATION
ANNUAL REPORT AND EXAMINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

WHERE NEXT ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees'	Ms P Brook Ms J Edmondson Ms M Raine Mr R Read (Treasurer) Mr T Twynam (Chairman) Mr J Williams Ms L Sandford Ms P Wheatcroft
Secretary	Mr M Gilbert (CEO)
Charity number	0517248
Company number	01816907
Registered office	Wellesbourne Close Easemore Road Redditch B98 8ER
Independent examiner	Jerroms Lumaneri House Blythe Gate Blythe Valley Park Solihull West Midlands B90 8AH
Solicitors	Harris Cooper Browning Harris Cooper Browning 10 Market Place Redditch Worcestershire B98 9AA

WHERE NEXT ASSOCIATION

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WHERE NEXT ASSOCIATION

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The COVID-19 pandemic has dominated all of our lives and as I write this in June 2021 we are starting to cautiously return to the what will be the “new” normal pattern of our lives.

It fills me with great pride as I reflect on how well the Where Next team has responded to the challenges that COVID-19 presented us with. The team under Mathew’s leadership had to rework our ways of operating to meet the needs of the charity safely under the constraints of a pandemic. The Senior Management team, very early into the pandemic, carried out a detailed risk analysis for staff, clients and visitors working at or visiting our sites. This analysis drove new ways of working which were very rapidly incorporated into our daily activities.

Whilst we closed for a short period during the first lockdown we reopened in June 2020 and have remained continuously open since then.

Parents, carers and clients were understandably cautious about returning after the first lockdown but our attendance rapidly returned to 75% by the year end; it is now, as I write, about 92%. Many parents have told us that Where Next was one of the few locations they were happy for their loved ones to attend away from their home bubble.

The quality of our operating planning and procedures was recognised by Worcestershire County Council and we were asked, by them, to help them in devising their opening-up guidance for other day services throughout the county. The NHS was very supportive and helped to ensure that all our staff were vaccinated as soon as possible. Apart from a small number of staff who had to shield at home all staff have been at Where Next throughout the year. On behalf of the trustees I would like to record our sincere thanks to all our staff and volunteers for their dedication, hard work and commitment.

Along with remaining safely open throughout the pandemic the other key elements of our strategy has been as follows:-

- to ensure that our financial position was as robust as possible
- to dramatically increase our online presence so that we could support clients, parents and carers who could not attend in person.
- to fully implement a seed-to-sale growing regime for all our horticultural products.

In all of these areas we have been outstandingly successful and it is a great credit to the whole team that we have been able to achieve so much through such a difficult time.

Our financial position is now strong and reflects the wonderful support of our very generous donors, the hard work of our fundraising team and all the staff who work to keep our costs under control. I would like to offer sincere thanks to all of them for their invaluable support.

All our donations, great or small, are very gratefully received and make a tremendous difference to the lives and achievement of those we support. Several of the major donors make targeted project donations and we report on the implementation and progress of these programmes on an ongoing basis.

I have intentionally kept away from the financial numbers, in my report this year, because the pandemic and how we rose to the challenge so magnificently was the story of 2020. The financial and operational details are covered in other areas of this report very well so there is little for me to add.

However, I must report that 2020 was a real positive turning point for our finances and positions us very well for the future.

WHERE NEXT ASSOCIATION

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The move online during the year was “exponential” and included WhatsApp and Facebook groups, Zoom quizzes, keep fit and craft activities and many YouTube videos. All of these have been developed and delivered by our in-house team under the dedicated and talented leadership of Nic Wilkinson. Our online presence has enabled us to reach out and work with a totally new group of clients throughout the region and often further afield!

The “seed to sale” process was progressively introduced throughout our greenhouses and had helped to expand the work activities of our clients and also to produce some very healthy plants for sale!

My theme through many of the recent annual reports has been change and in 2020 it has, out of necessity, been a reactive operational one - which the team has performed admirably. However, the senior management team has also found time to plan for the future and initiate new processes and activities to improve the service that Where Next offers to its clients -this is a real credit to their energy, creativity and loyalty- and from the trustees I offer them a very big thank you.

I must also offer my sincere thanks to the trustees for all their support and their rapid development of new IT (Zoom) skills!

In closing I offer a great big thank you to all Where Next stakeholders, large and small, the very generous Trusts, the Local Council and other grant givers and the very many companies for whom their support has made All the difference to the lives of our clients.

I wish you all the very best to you and your families as we proceed “on the journey” to what we will call our new normal!

.....
Mr Timothy Twynam
Chairman
Dated:

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the examined financial statements of Where Next Association for the year ended 31 December 2020.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulation 2013 is not required.

Objectives and activities

The objects for which the Association is established are to advance the educational training and relieve need among unemployed persons, particularly young unemployed persons, resident in Worcestershire and Warwickshire who have learning difficulties as a result of being mentally or physically disabled or socially deprived or disadvantaged (hereinafter referred to as "the beneficiaries") by providing:

(i) employment under sheltered conditions for such of the beneficiaries who by reason of physical or mental disability are incapable of, or restricted from obtaining 'normal' employment, and

(ii) suitable opportunities for work experience for the remainder of such beneficiaries and teaching them skills and crafts and by offering advice and guidance to such persons so that they may in due course obtain employment

Ensuring delivery of the charity's aims

The Trustees review the aims, objectives and activities on a regular basis and have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives, and in planning future activities. We consider that we meet these public benefit requirements and that they are reflected in this report and the audited financial statements. In particular, Trustees consider how planned activities will meet the main objectives of the Association

The charity's aims including the changes or differences it seeks to make through its activities:

To improve the life skills and employment prospects of our beneficiaries.

An explanation of the charity's main objectives for 2020

To ensure the charity's ongoing sustainability, for the benefit of our clients.

To adapt to the changing nature of funding and the needs of our clients.

To continue to invest in the development of staff, management and volunteers.

An explanation of the charity's strategies for achieving its stated objectives

To achieve the above with minimum negative impact on all stakeholders, in particular our beneficiaries, by direct consultation and communication.

Details of significant activities (including its main programmes, projects, or services provided) that contribute to the achievements of the stated objectives

Continuing the development of The Hub and its services.

Continuing to invest in the charity's facilities, staff and client services.

Commencement of new Advocacy and Support initiative.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Summary of main activities:

The vast majority of the year was dominated by Covid-19 and Where Next's response to the pandemic. The charity was shut during the first lockdown, between March and June, after which all services, other than the Hub were opened and remained so throughout the year.

During the initial lockdown the charity responded by:

- Moving as many client sessions online as possible and adapting to the remote needs of the individuals
- Launching an online shop for all our garden centre items, i.e. plants and garden furniture
- Working with Worcestershire County Council to help design their opening-up protocols for all day service providers in the county
- Preparing for the safe return of all those we support, covering all areas of health and safety and infection control

From the end of June we worked closely with the local authority and social services to reopen all our sites. Initially operating a staggered return for our client beneficiaries.

Work experience and training has continued to be provided through our business units at both our garden centres/nurseries, our industries site and our gardening services unit. These give our clients experience in horticulture, carpentry, small assembly, retail, garden maintenance and training, which all help to build their capacities, skills and confidence. Modifications were made to all operations, with a full spectrum of services available to all.

We have now completed the fourth full year of the Big Lottery (now called The National Lottery Community Fund) funded five year project to support our work at The Hub. The annual review, in March 2020, complemented our continued work and that we have now diversified the activities to help people to be more active in the community. The support that they gave allowed us to utilise funds during the pandemic, to provide remote online Hub sessions to all our client trainees. This adaptation was invaluable for the health and wellbeing of those we support.

The Advocacy and Support service, which was piloted in 2018, has grown, with an increasing number of people.

The contribution of volunteers:

We have eight volunteers who work along employed staff and provide valuable additional support. We also have a committed volunteer board of eight trustees.

Achievements and performance

Going concern

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

Review of activities

All activities for our beneficiaries were initially suspended in March 2020 due to pandemic lockdown. We then shifted daily sessions online as much as we possibly could. With this change and then our reopening in June we have continued to offer work experience and life skills training to people with learning disabilities.

We developed new ways of operating our garden centre sales, due to the pandemic. We quickly developed a new online sales and delivery service which has been successful and will remain after the pandemic ends.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2020*

Fundraising activities/Income generation

There is an ongoing necessity to generate funds from grants and donations as there has not been an increase in day service fees from the local authority since 2011, whilst costs have increased. During the pandemic, Where Next increased its grant fundraising taking the opportunity to apply for and receive emergency Covid-19 grant funding.

The support of our donors is essential to the continuing success of the work of the Association and we value it greatly. A large number of individuals support us through their ongoing donations. Amongst the organisations who supported us through the year are:

Wolfson Foundation
Baily Thomas Charitable Fund
Masonic Charitable Foundation
Henry Smith Charity
Eveson Charitable Trust
Garfield Weston Foundation
Lloyds Bank Foundation
The National Lottery Community Fund
Warburtons
Julia and Hans Rausing Trust
Social Enterprise Support Fund
The Saintbury Trust
ACE Rowney Green
Redditch Borough Council
Zurich Community Trust
Wilmcote Charitrust
Warwickshire Masons
Redditch Lions
Redditch Masons
Inner Wheel Club of Redditch
Cutting Edge
Waitrose Bromsgrove
Rotary Redditch
NCS
L & D Seccombe Trust
Studley Art Circle
TSB
WH Smith

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Employment of disabled persons

During the year the charity provided work experience for 104 (last year: 106) people with disabilities. We continue to employ five people with disabilities.

Factors relevant to achieving objectives

The pandemic has been particularly difficult for the sector in which we operate. However, all staff and volunteers continue to stay resilient through the challenges that working with people with Learning Disabilities, in a challenging, environment can bring. We have a long history of working as an integrated part of the community to ensure social inclusion in a positive and productive way.

We continue to engage with all stakeholders so-as-to appropriately inform our ongoing development and commitment to the welfare of the people who we support.

Reserves are maintained:

To provide for redundancy payments and other costs in the event of closure of the charity, To provide for the replacement cost of motor vehicles

To provide for development of the charity and management development (a total of seven major projects), To be used on various projects arising.

All these areas are properly researched and re-examined at least annually. These are incorporated into the Association's dedicated funds which at year-end totalled £154,116 which are held as both current and noncurrent assets.

Principal funding

A principal source of funds continues to be payment for daytime support services. For 2020 this amounted to £405,990 (2019: £433,985).

Our businesses generated a trading income of £59,295 (2019: £113,691) in the year which these financial statements cover.

In addition we also continued to receive funding from the Big Lottery to fund the development of the work that we undertake at The Hub

We continue to be supported by Redditch Borough Council by way of grant. Other funds come from donors for specific projects. All expenditure is kept under close control in order to maximise the benefits to the clients. Overall, we consider the Charity to be in a satisfactory financial state for the future. As always, there are challenges ahead but we think we are in a good position to meet them.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for 2021

We cannot get away from the fact we currently live in a world dominated by the Covid-19 pandemic. This will no doubt impact on all our lives and the work of Where Next throughout 2021. That said we will continue to offer and develop services for our clients in-line with previous years, but will ensure that adaptations are made to comply with the highest Covid-19 infection control regulations.

To support the charity's ongoing development the charity is implementing scoping analysis to address what areas we can develop into. This is also coupled with a Resilience and Adaptation plan to make the charity more robust against change. This will include developing our infrastructure, including vehicles, buildings and IT. This will include developing new environmentally aware and sustainable systems of operating.

Our fundraising and income generation will be developed further in this period to ensure that the full costs of operating the charity and our operations are addressed and funded. This will include recognising and supporting the development of new income streams by employing new ways to collaborate with and report back to stakeholders.

Information on fundraising practices

The core fundraising practices that we undertook in this period were:

- Community fundraising
- Fundraising Events
- Trusts and Foundations grant fundraising

There were no relationships with professional fundraisers or commercial participators during the year. An internal fundraiser is employed by the Association who focusses on grant fundraising and community engagement and we also work with strategic development consultants to provide support to our various areas of income generations. Fundraising efforts are directed at individuals who have consented and their information is not passed onto third parties. The association has not registered with the Fundraising Regulator and no complaints were received by the Association during the year.

Financial review

The Trustees consider the financial performance by the charity during the year has been within expectations considering the economic background.

The statement of financial activities shows incoming resources for the year of £992,355 (2019: £639,058) with resources expended of £719,886 (2019: £708,705). This gave rise to an operating surplus of £272,469 (2019: deficit of £69,647) before an unrealised investment gain of £12,045 (2019: £19,236). The overall surplus for the year therefore was £284,514 (2019: deficit of £50,411).

Total reserves at the year-end stood at £550,101 (2019: £265,587) of which £412,958 (2019: £229,742) was unrestricted.

Structure, governance and management Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 16 May 1984. The company is constituted under a Memorandum of Association dated 16 May 1984 and is a registered charity number 0517248.

The principal object of the company is to provide educational training for unemployed persons in the area who are suffering from learning difficulties or are socially deprived or disadvantaged.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association, The Trustees serving during the year are listed on page 1.

Policies adopted for the induction and training of Trustees

We recruit through word of mouth and by direct approach to people who have skills that we require. In accordance with our Memorandum and Articles of Association Trustees are nominated and elected at our AGM each year. We can also co opt Trustees throughout the year. No other person or body is entitled to appoint Trustees to the charity.

All of the Trustees act in a voluntary capacity and do not receive any benefits from the charity.

Organisational structure and decision making

Policy decisions are made by the Trustees. The day to day operation is managed by the CEO under the delegated authority of the Trustees and through his unit managers. The Trustees maintain a watching brief and hold regular meetings of the Finance Committee and the Board of Trustees, to which the CEO reports.

Related party relationships

As a leading provider of services in Worcestershire, Where Next takes an active part in the County Council's Partnership Board and other committees which seek to influence and direct services for people with learning difficulties in the area. Where Next is also active in the various local and national networks in the wider charitable sector as well as those specifically for organisations working with people with learning difficulties. We are continuing to develop such local links in Warwickshire. With the change in funding environment the charity is increasingly working with parents, carers and funders.

Risk management

The Board, and Senior Management Team, conducts the charity's own review of the major risks to which the charity is exposed and systems which have been established to mitigate those risks. The major risk to which the charity is exposed is the ongoing reduction in the level of funding available to Councils for the provision of Personal Budgets. The second major risk is the continued slowdown in the general economy which could affect charitable donations. In addition, the current political uncertainty surrounding Brexit has caused destabilisation, which could have short medium and long term implications. Internal risks are minimised by procedures for authorisation of all transactions and projects and to ensure consistent quality.

The trustees' report was approved by the Board of Trustees'.

.....
Mr T Twynam (Chairman)

Trustee

Dated:

WHERE NEXT ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES' OF WHERE NEXT ASSOCIATION

I report to the trustees' on my examination of the financial statements of Where Next Association (the charitable company) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees' of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

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

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

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

Jerroms

Richard Alan Horton
Chartered Certified Accountants
Lumaneri House
Blythe Gate
Blythe Valley Park
Solihull
West Midlands
B90 8AH

Dated:

WHERE NEXT ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	167,514	326,593	494,107	28,031	63,150	91,181
Charitable activities	4	497,570	-	497,570	547,676	-	547,676
Investments	5	128	-	128	201	-	201
Other income	6	550	-	550	-	-	-
Total income		<u>665,762</u>	<u>326,593</u>	<u>992,355</u>	<u>575,908</u>	<u>63,150</u>	<u>639,058</u>
<u>Expenditure on:</u>							
Raising funds	7	19,972	-	19,972	18,400	-	18,400
Charitable activities	8	512,004	187,910	699,914	631,241	59,064	690,305
Total resources expended		<u>531,976</u>	<u>187,910</u>	<u>719,886</u>	<u>649,641</u>	<u>59,064</u>	<u>708,705</u>
Net gains/(losses) on investments	12	12,045	-	12,045	19,236	-	19,236
Net incoming/ (outgoing) resources before transfers		145,831	138,683	284,514	(54,497)	4,086	(50,411)
Gross transfers between funds		13,079	(13,079)	-	(13,516)	13,516	-
Net movement in funds		<u>158,910</u>	<u>125,604</u>	<u>284,514</u>	<u>(68,013)</u>	<u>17,602</u>	<u>(50,411)</u>
Fund balances at 1 January 2020		<u>229,742</u>	<u>35,845</u>	<u>265,587</u>	<u>297,755</u>	<u>18,243</u>	<u>315,998</u>
Fund balances at 31 December 2020		<u><u>388,652</u></u>	<u><u>161,449</u></u>	<u><u>550,101</u></u>	<u><u>229,742</u></u>	<u><u>35,845</u></u>	<u><u>265,587</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WHERE NEXT ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	13		57,835		56,880
Investments	14		163,672		96,627
			<u>221,507</u>		<u>153,507</u>
Current assets					
Stocks	15	12,284		12,876	
Debtors	16	40,170		42,200	
Cash at bank and in hand		338,439		104,315	
		<u>390,893</u>		<u>159,391</u>	
Creditors: amounts falling due within one year	17	(62,299)		(47,311)	
Net current assets			328,594		112,080
Total assets less current liabilities			<u>550,101</u>		<u>265,587</u>
Income funds					
Restricted funds	19		161,449		35,845
<u>Unrestricted funds</u>					
Designated funds	20	154,116		219,739	
General unrestricted funds		234,536		10,003	
		<u>388,652</u>		<u>229,742</u>	
			<u>550,101</u>		<u>265,587</u>

WHERE NEXT ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees' on

.....
Mr R Read (Treasurer)
Trustee

Company Registration No. 01816907

WHERE NEXT ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		303,296		(81,238)
Investing activities					
Purchase of tangible fixed assets		(14,850)		-	
Proceeds on disposal of tangible fixed assets		550		-	
Purchase of investments		(55,000)		-	
Proceeds on disposal of investments		-		15,000	
Investment income received		128		201	
		<hr/>		<hr/>	
Net cash (used in)/generated from investing activities			(69,172)		15,201
Net cash used in financing activities			-		-
			<hr/>		<hr/>
Net increase/(decrease) in cash and cash equivalents			234,124		(66,037)
Cash and cash equivalents at beginning of year			104,315		170,352
			<hr/>		<hr/>
Cash and cash equivalents at end of year			<u>338,439</u>		<u>104,315</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Where Next Association is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Articles of Association, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the trustees' have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

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

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time of supporters is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in the support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management.

Cost of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Buildings	5% Straight Line
Leasehold improvements	Over the term of the lease
Plant and equipment	20% Straight Line
Motor vehicles	20% Straight Line

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Costs includes all direct costs.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the companies balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the companies contractual obligations expire or are discharged or cancelled.

1.11 Taxation

As a registered charity, Where Next Association is exempt from income and corporation tax to the extent that its income and gains are applicable to charity purposes only. Value added tax is not fully recoverable by the company and is therefore included in the relevant costs in the statement of financial activities.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.14 Taxation

As a registered charity, Where Next Association is exempt from income and corporation tax to the extent that its income and gains are applicable to charity purposes only. Value added tax is not fully recoverable by the company and is therefore included in the relevant costs in the statement of financial activities.

2 Critical accounting estimates and judgements

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.

There are no areas within the accounting policies where judgements or estimates are made which could impact significantly on the amounts recognised in the financial statements.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	166,826	326,593	493,419	27,371	63,150	90,521
Legacies receivable	688	-	688	660	-	660
	<u>167,514</u>	<u>326,593</u>	<u>494,107</u>	<u>28,031</u>	<u>63,150</u>	<u>91,181</u>

4 Charitable activities

	Services for trainees	Charitable trading	Total	Services for trainees	Charitable trading	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Services for trainees	405,990	-	405,990	433,985	-	433,985
Charitable trading	-	59,295	59,295	-	113,691	113,691
Other income	32,285	-	32,285	-	-	-
	<u>438,275</u>	<u>59,295</u>	<u>497,570</u>	<u>433,985</u>	<u>113,691</u>	<u>547,676</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	<u>128</u>	<u>201</u>

6 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Net gain on disposal of tangible fixed assets	<u>550</u>	<u>-</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Raising Funds	19,972	18,400
	<u>19,972</u>	<u>18,400</u>

8 Charitable activities

	Services to trainees 2020 £	Charitable trading 2020 £	Total 2020 £	Services to trainees 2019 £	Charitable trading 2019 £	Total 2019 £
Staff costs	263,749	139,676	403,425	276,582	152,603	429,185
Training	566	-	566	2,261	-	2,261
Client and staff expenses	459	-	459	2,194	-	2,194
Repairs	-	18,991	18,991	6,607	11,276	17,883
Cost of goods sold	5,427	5,786	11,213	-	33,940	33,940
Tools	-	2,775	2,775	-	3,429	3,429
Travel and vehicle costs	-	17,647	17,647	-	15,358	15,358
Covid-19 related expenditure	-	44,849	44,849	-	-	-
	<u>270,201</u>	<u>229,724</u>	<u>499,925</u>	<u>287,644</u>	<u>216,606</u>	<u>504,250</u>
Share of support costs (see note 9)	94,195	101,794	195,989	86,776	93,779	180,555
Share of governance costs (see note 9)	2,000	2,000	4,000	2,750	2,750	5,500
	<u>366,396</u>	<u>333,518</u>	<u>699,914</u>	<u>377,170</u>	<u>313,135</u>	<u>690,305</u>
Analysis by fund						
Unrestricted funds	178,486	333,518	512,004	318,106	313,135	631,241
Restricted funds	187,910	-	187,910	59,064	-	59,064
	<u>366,396</u>	<u>333,518</u>	<u>699,914</u>	<u>377,170</u>	<u>313,135</u>	<u>690,305</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019	Basis of allocation
	£	£	£	£	£	£	
Staff costs	70,189	-	70,189	68,042	-	68,042	
Depreciation	13,894	-	13,894	16,010	-	16,010	
Telephone and office	12,530	-	12,530	14,844	-	14,844	
Premises costs	75,541	-	75,541	75,713	-	75,713	
Sundry expenses	25,981	-	25,981	14,940	-	14,940	
Publicity and marketing	855	-	855	2,375	-	2,375	
Legal and professional fees	16,971	-	16,971	7,031	-	7,031	
Examiners remuneration (Auditors remuneration 2019)	-	4,000	4,000	-	5,500	5,500	
	<u>215,961</u>	<u>4,000</u>	<u>219,961</u>	<u>198,955</u>	<u>5,500</u>	<u>204,455</u>	
Analysed between							
Trading	19,972	-	19,972	18,400	-	18,400	
Charitable activities	195,989	4,000	199,989	180,555	5,500	186,055	
	<u>215,961</u>	<u>4,000</u>	<u>219,961</u>	<u>198,955</u>	<u>5,500</u>	<u>204,455</u>	

Support costs are allocated on the basis of the estimated proportion of usage of resources.

Governance costs of £4,000 (2019 - £5,500) are included in support costs being examiners remuneration (auditors remuneration, 2019).

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Trustees'

None of the trustees' (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

11 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	24	26
	<u> </u>	<u> </u>
Employment costs	2020	2019
	£	£
Wages and salaries	437,910	456,824
Social security costs	24,919	29,733
Other pension costs	10,785	10,670
	<u> </u>	<u> </u>
	<u>473,614</u>	<u>497,227</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration and benefits received by key management personnel during the year amount to £133,970 (2019 - £126,569). Key management personnel include the trustees' who are not remunerated, and the senior leadership team, for both years.

12 Net gains/(losses) on investments

	Unrestricted	Unrestricted
	funds	funds
	2020	2019
	£	£
Revaluation of investments	12,045	19,236
	<u> </u>	<u> </u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Tangible fixed assets

	Buildings £	Leasehold improvements £	Plant and Motor vehicles equipment £	£	Total £
Cost					
At 1 January 2020	68,871	26,191	203,657	99,506	398,225
Additions	-	-	600	14,250	14,850
Disposals	-	-	-	(22,146)	(22,146)
At 31 December 2020	68,871	26,191	204,257	91,610	390,929
Depreciation and impairment					
At 1 January 2020	29,796	26,191	185,852	99,506	341,345
Depreciation charged in the year	3,444	-	10,095	356	13,895
Eliminated in respect of disposals	-	-	-	(22,146)	(22,146)
At 31 December 2020	33,240	26,191	195,947	77,716	333,094
Carrying amount					
At 31 December 2020	35,631	-	8,310	13,894	57,835
At 31 December 2019	39,075	-	17,805	-	56,880

14 Fixed asset investments

	Managed funds £	Other investments	Total £
Cost or valuation			
At 1 January 2020	96,626	1	96,627
Additions	55,000	-	55,000
Valuation changes	12,045	-	12,045
At 31 December 2020	163,671	1	163,672
Carrying amount			
At 31 December 2020	163,671	1	163,672
At 31 December 2019	96,626	1	96,627
Other investments comprise:	Notes	2020 £	2019 £
Investments in subsidiaries	25	1	1

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

15 Stocks

	2020 £	2019 £
Finished goods and goods for resale	12,284	12,876

16 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	26,960	28,176
Other debtors	1,398	-
Prepayments and accrued income	11,812	14,024
	<u>40,170</u>	<u>42,200</u>

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	6,530	10,433
Deferred income	39,700	13,079
Trade creditors	13,742	12,485
Accruals and deferred income	2,327	11,314
	<u>62,299</u>	<u>47,311</u>

18 Deferred income

	2020 £	2019 £
Arising from Deferred Income	39,700	13,079

Deferred income relate to grant payments received from Henry Smith Charity. The grants received will contribute to staff, core and running costs across the organisation from January 2021 to December 2021.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Shades of Green	8	65	-	-	73	10	-	-	83
Spernal	356	-	(94)	-	262	200	(95)	-	367
Industries	13,382	5,010	(59)	437	18,770	-	(18,139)	-	631
Nurseries	59	-	(40)	-	19	310	(136)	-	193
First Aid Training	77	-	(77)	-	-	-	-	-	-
Big Lottery	(118)	52,362	(52,244)	13,079	13,079	-	-	(13,079)	-
CAF	2,435	-	(2,282)	-	153	-	-	-	153
LED Lighting	2,044	2,000	(3,868)	-	176	-	-	-	176
Redditch Car Park	-	1,138	-	-	1,138	-	-	-	1,138
Plants	-	175	-	-	175	12,014	(12,189)	-	-
Young People	-	2,400	(400)	-	2,000	-	-	-	2,000
SOG Machinery	-	-	-	-	-	5,499	(5,499)	-	-
Work Place	-	-	-	-	-	158,429	(77,948)	-	80,481
Overheads	-	-	-	-	-	53,290	(26,645)	-	26,645
Covid	-	-	-	-	-	92,301	(45,069)	-	47,232
Spernal Office	-	-	-	-	-	3,000	(2,190)	-	810
Nurseries Solar Panel	-	-	-	-	-	1,540	-	-	1,540
	<u>18,243</u>	<u>63,150</u>	<u>(59,064)</u>	<u>13,516</u>	<u>35,845</u>	<u>326,593</u>	<u>(187,910)</u>	<u>(13,079)</u>	<u>161,449</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Restricted funds

(Continued)

The purposes of the funds recognised are as follows

Restricted funds: these are funds received specifically for use in different areas of the charity's current operations as the title of each fund indicates.

Transfers between the unrestricted general fund and the restricted funds represent the money received from Big Lottery which last year in error disclosed within the unrestricted general funds. Transfers between designated and general funds represent agreed adjustments.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019	Transfers	Balance at 1 January 2020	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Closure fund	159,330	8,337	167,667	(51,502)	116,165
Motor vehicle fund	42,743	829	43,572	(14,121)	29,451
Business development and capacity building	86,606	(78,106)	8,500	-	8,500
	<u>288,679</u>	<u>(68,940)</u>	<u>219,739</u>	<u>(65,623)</u>	<u>154,116</u>

The purposes of the funds recognised are as follows

Closure fund: earmarked to ensure that costs of closure could be fully met in the event of this being considered necessary.

Motor vehicle fund: earmarked to ensure that funds are available to cover the cost of replacement of the vehicles if necessary.

Business development and management development fund: funds earmarked from a legacy to allow the development of the organisation to ensure ongoing sustainability and capacity as the external funding and social environments change.

Other projects: smaller projects where funds have been earmarked.

21 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	57,835	-	57,835	56,880	-	56,880
Investments	163,672	-	163,672	96,627	-	96,627
Current assets/ (liabilities)	167,145	161,449	328,594	76,235	35,845	112,080
	<u>388,652</u>	<u>161,449</u>	<u>550,101</u>	<u>229,742</u>	<u>35,845</u>	<u>265,587</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

22 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	17,349	17,558
Between two and five years	67,427	67,904
In over five years	24,613	41,002
	<u>109,389</u>	<u>126,464</u>

23 Events after the reporting date

The Trustees have considered the effect of the Covid-19 outbreak that has been spreading throughout the world in early 2020 on the Charity's activities. This outbreak has not had any significant impact on the charity's operations.

24 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

25 Subsidiaries

Details of the charitable company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Where Next Housing Limited	England & Wales	Dormant	Ordinary	100.00	

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

26	Cash generated from operations	2020	2019
		£	£
	Surplus/(deficit) for the year	284,514	(50,411)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(128)	(201)
	Gain on disposal of tangible fixed assets	(550)	-
	Fair value gains and losses on investments	(12,045)	(19,236)
	Depreciation and impairment of tangible fixed assets	13,894	16,010
	Movements in working capital:		
	Decrease in stocks	592	6,635
	Decrease/(increase) in debtors	2,031	(3,991)
	(Decrease) in creditors	(11,633)	(30,029)
	Increase/(decrease) in deferred income	26,621	(15)
	Cash generated from/(absorbed by) operations	303,296	(81,238)
		<u><u> </u></u>	<u><u> </u></u>
27	Analysis of changes in net funds		
	The charitable company had no debt during the year.		

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