

Charity registration number 0517248

Company registration number 01816907 (England and Wales)

WHERE NEXT ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

WHERE NEXT ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees'	Ms P Brook Ms J Edmondson Ms M Raine Mr R Read (Treasurer) Mr T D Twynam (Chairman) Mr J Williams Ms P Wheatcroft Mr I Chavasse	(Appointed 14 September 2022)
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 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 2022

Another very good year at Where Next. Clients are very happy, and we have had many kind and supportive comments from parents and carers. As ever, without the superb support of our generous colleagues, donors, Worcestershire County Council and Redditch Borough Council this would not be possible. A big thank you to all our Stakeholders.

I am writing this in summer 2023 (it is pouring with rain!) and looking back on 2022 it was similar to 2021. We worked under Covid restrictions throughout the year -as was appropriate to all those who were under Health and Social care guidelines. Our Sprenal site had to close for one week because of covid but otherwise we were open throughout the year (as we were through all the pandemic, bar lockdowns).

It is pleasing to report that our clients supported were at a record level of 141 adults (the previous year was 124). This is a great credit to the team and reflects our very good reputation. Our programme for supporting school children, which had ended in the pandemic, is now thriving again with regular sessions at Where Next throughout the working week.

Finance

We, through good management, achieved our target and broke even with a surplus of £21,226. Turnover came in at £685,781 and expenditure at £664,565. Expenditure was not helped by the threefold skyrocketing price of gas and electricity (we are not capped). This encouraged us to concentrate on our energy consumption. A detailed energy survey was commissioned and has resulted in a multi-year plan.

Continuous Improvement

In the short term the addition of new roof and wall insulation plus new double glazing in the offices and some activity areas. Heat loss in the greenhouses is being partially mitigated by strict controls on ventilation and not heating those areas where the plants are more robust.

In the medium term the plans are for a significant improvement to be made to the insulation of the wooden lodges through new windows, thicker insulated walls, and improvements to ceiling insulation.

At our Easemore road site the medium/long-term plan is to make the site virtually independent of external energy supply through solar panels and heat pumps. An investment project managed approach will be implemented with appropriate costings, strict budgeting, and funding to ensure the long-term cost benefit to Where Next and the environment.

As indicated in my report last year the landlord at one of our sites indicated he wanted us to vacate the building in the near future as he wanted to develop the entire site (which we lease a part of). The landlord's plans and associated developments have proceeded much more slowly than he and we anticipated and so we remain unmoved!

We took the difficult but correct decision to close our Shades of Green business (garden maintenance) which had contracted significantly over the years. The decision was driven by two factors; it was economically non-viable but was also, and more significantly, progressively a less attractive activity for clients. Both staff members were offered alternative employment.

A new integrated digital telephone system was installed along with the completion of the replacement programme for laptops and computers. All our old paper-based records and processes are now replaced by the internet /intranet and most records (appropriately backed up) are all stored in the "cloud." Our communications and productivity have improved immeasurably, and it has made possible our significant online and social media footprint for clients.

WHERE NEXT ASSOCIATION

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Staff

It is with sadness that I must report the passing of three people during the year, two clients and one member of staff, all of whom had been with us for over 10 years. They are all remembered with fondness.

Five members of staff moved on, either retiring or taking on new roles outside of Where Next. We thank them all for their support over the years. This is all part of natural turnover but has meant some changes and in all fairness has resulted in a reduction in the average age of our staff. Some of the new members are our apprentices who have chosen to stay with us whilst others have been recruited from outside. It is humbling to report that the staff with these new younger faces, some new older faces (apologies!), the long-served core, plus some well-deserved promotions are working extremely well together as a superb team – this is a great credit to Mathew and the Senior Management Team. This teamwork is cultivated by effective communication, clear roles and responsibilities, cross-site working, workshops, and individual and group training programmes. Training programmes included Health and Safety, Social Care, Accounting and Finance, Mental Health, Safeguarding, Mental Capacity, IT, GDPR and HR. The Senior Management Team is committed to the ongoing development of the skills and experience of the Team.

Our Mother's Day plant sale at a local school was reinstated (having been halted by the pandemic) and was a great experience for clients and school children. This has grown again this year (2023) and is great fun for all.

Day trips were made to Butlins (Minehead) and to the German market in Birmingham. A very well attended BBQ was held (thank you Zurich Insurance who supported the event) and a great Christmas party - these were in addition to the regular pub club nights. New client sessions in sewing and bike maintenance were initiated.

Looking Forward

As ever life at Where Next is all about two conflicting directions -well managed continuity and continuous change - all in a safe and caring environment! Our clients desire continuity but also really appreciate new activities and experiences. With the support of all our stakeholders, staff (full time, part time and volunteers), trustees, generous donors, WCC and RBC this is more than possible – in fact, we have achieved it!

Mr Timothy Twynam (Chairman)

Chairman

Date: 30 August 2023

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the examined financial statements of Where Next Association for the year ended 31 December 2022.

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.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's [governing document], the Companies Act 2006 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).

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 examined 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 2022

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.

Continuing of the Advocacy and Support initiative.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Summary of main activities:

The fallout from the pandemic left its residual effect on the charity for the whole of the year. Despite the majority of the UK having all restrictions lifted those organisations, such as Where Next, operating in the Health and Social Care sector had to continue to follow a significant number of covid guidelines. This meant that daily operations needed to continue to have some level of restrictions which, although worked around, was an added responsibility to the charity.

In early 2022 the additional impact of the cost-of-living crisis, sparked by the war in Ukraine has meant that costs have rocketed, particularly utilities and amenities. That said Where Next has responded strongly to this and has implemented multiple cost saving exercises which have brought some of the expenditure down to more manageable levels.

Some of the ways the charity responded proactively:

- Conducting energy saving surveys, which have enabled a change in practice to assist with reducing overheads.
- Ensuring staff, service users and volunteers are kept safe and secure with comprehensive, but easy to follow infection control rules.
- Ensuring that everyone feels safe when they are on site, especially as there was an increase in anxiety due to the pandemic.

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.

The number of people we are supporting has increased beyond pre-pandemic levels, which contrasts with many other day-service-providers who have seen a reduction in client service users. At the end of 2022 we are also still experiencing large numbers of enquiries for our services.

The contribution of volunteers:

- We have thirteen 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 continued throughout the year. We continued to adapt to all aspects of infection control and continuing health and safety regulations. We developed an adaptable way of working, so that any changes to regulations could easily be integrated into the daily operations of the charity.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 greatly increased. Since 2020 Where Next has considerably enhanced its grant fundraising and although these figures have dropped in 2022 they are still considerably higher than in 2019.

The support of our donors is essential to the continuing success of the work of the charity 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:

Persimmon Homes – Greenhouse
Baily Thomas Charitable Fund
Worcestershire County Council
Masonic Charitable Foundation
Henry Smith Charity
Eveson Charitable Trust
The National Lottery Community Fund -Awards for All
The National Lottery Community Fund – Reaching Communities
29th May 1961 Charitable Trust
Clothworkers Foundation
Saintbury Trust
Wilmcote Charity Trust
Zurich Community Trust
Asda Foundation
Hedley Foundation
AT&T
Roger & Douglas Turner CT
WA Cadbury Charitable Trust

Employment of disabled persons

During the year the charity provided vocational and life skills activities for 141 (last year: 124) people with disabilities. We employ four people with disabilities.

Factors relevant to achieving objectives

During this third year of the pandemic and coupled with the cost-of-living crisis we have shown great resilience, but the costs that the charity have incurred have been much higher than anyone could have predicted. However, we have continued to take both a proactive and a reactive approach to the way we have functioned through this period. It has been challenging, but as we have a strong stakeholder network and good resilience the charity has fared well.

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.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 eight 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 £407,210 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 2022 this amounted to £393,610 (2021: £401,546).

Our businesses generated a trading income of £100,447 (2021: £57,942) in the year which these financial statements cover.

In addition, we also are continuing to receive funding from the Big Lottery, through a new three-year grant, 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.

Plans for 2023

Covid and the cost-of-living crisis has had a major impact on the charity and its ability to provide the support that the organisation is well known for. Although, the charity has remained open for the whole time it was permitted to, it has had to navigate complex new regulations and overcome new and varied challenges. Where Next has succeed where many other organisations have failed. The charity has been both reactive and proactive, which has meant that through these difficult times it has been able to continue to support people at the highest level.

As part of our plans for 2023 and beyond we are looking to become less reliant on external providers of utilities. We have commissioned an energy survey, which will show how we can invest in energy saving and production. This project will help the charity to reduce expenditure by tens of thousands of pounds each year and will improve the organisation's green credentials.

We will continue to develop our fundraising and income generation across all sites by ensuring that we maximise the potential for grant fundraising, shop and commercial sales and paid placement revenue.

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 and organisations, 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.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 £685,781 (2021: £771,909) with resources expended of £664,555 (2021: £730,087). This gave rise to an operating surplus of £21,226 (2021: surplus of £41,822) before an unrealised loss on investment of £25,867 (2021: gain of £30,100). The deficit for the year therefore was £4,641 (2021: surplus of £71,922).

Total reserves at the year-end stood at £617,382 (2021: £622,023) of which £614,511 (2021 £556,392) was unrestricted (with some designation).

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.

Ms P Brook

Ms J Edmondson

Ms M Raine

Mr R Read (Treasurer)

Mr T D Twynam (Chairman)

Mr J Williams

Ms L Sandford

(Resigned 26 September 2022)

Ms P Wheatcroft

Mr I Chavasse

(Appointed 14 September 2022)

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.

WHERE NEXT ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

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 D Twynam (Chairman)
Chairman

30 August 2023

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 2022.

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 Chartered 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 (FCCA) 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 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:							
Donations and legacies	3	120,679	69,660	190,339	82,477	226,837	309,314
Charitable activities	4	494,057	-	494,057	461,565	-	461,565
Investments	5	1,385	-	1,385	30	-	30
Other income	6	-	-	-	1,000	-	1,000
Total income		616,121	69,660	685,781	545,072	226,837	771,909
Expenditure on:							
Charitable activities	7	532,135	132,420	664,555	407,432	322,655	730,087
Net gains/(losses) on investments	11	(25,867)	-	(25,867)	30,100	-	30,100
Net movement in funds		58,119	(62,760)	(4,641)	167,740	(95,818)	71,922
Fund balances at 1 January 2022		556,392	65,631	622,023	388,652	161,449	550,101
Fund balances at 31 December 2022		614,511	2,871	617,382	556,392	65,631	622,023

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 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		38,406		47,738
Investments	13		267,904		243,771
			<u>306,310</u>		<u>291,509</u>
Current assets					
Stocks	14	12,947		22,032	
Debtors	15	34,119		29,932	
Cash at bank and in hand		326,598		432,012	
		<u>373,664</u>		<u>483,976</u>	
Creditors: amounts falling due within one year	16	(62,592)		(153,462)	
Net current assets			<u>311,072</u>		<u>330,514</u>
Total assets less current liabilities			<u>617,382</u>		<u>622,023</u>
Income funds					
Restricted funds	18		2,871		65,631
<u>Unrestricted funds</u>					
Designated funds	19	538,196		507,210	
General unrestricted funds		<u>76,315</u>		<u>49,182</u>	
			<u>614,511</u>		<u>556,392</u>
			<u>617,382</u>		<u>622,023</u>

WHERE NEXT ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

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 2022.

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 30 August 2023

Mr R Read (Treasurer)

Trustee

Company registration number 01816907

WHERE NEXT ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(56,799)		159,785
Investing activities					
Purchase of tangible fixed assets		-		(17,241)	
Proceeds from disposal of tangible fixed assets		-		1,000	
Purchase of investments		(50,000)		(50,000)	
Investment income received		1,385		29	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(48,615)		(66,212)
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net (decrease)/increase in cash and cash equivalents			(105,414)		93,573
Cash and cash equivalents at beginning of year			432,012		338,439
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>326,598</u>		<u>432,012</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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.

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.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 are allocated on the portion of the asset's use.

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 2022

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 2022

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 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 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	120,332	69,660	189,992	81,136	226,837	307,973
Legacies receivable	347	-	347	1,341	-	1,341
	<u>120,679</u>	<u>69,660</u>	<u>190,339</u>	<u>82,477</u>	<u>226,837</u>	<u>309,314</u>

4 Charitable activities

	Services for trainees	Charitable trading	Total	Services for trainees	Charitable trading	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Services for trainees	393,610	-	393,610	401,546	-	401,546
Charitable trading	-	100,447	100,447	-	57,942	57,942
Other income	-	-	-	2,077	-	2,077
	<u>393,610</u>	<u>100,447</u>	<u>494,057</u>	<u>403,623</u>	<u>57,942</u>	<u>461,565</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	<u>1,385</u>	<u>30</u>

6 Other income

	Total	Unrestricted funds
	2022	2021
	£	£
Net gain on disposal of tangible fixed assets	<u>-</u>	<u>1,000</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	Services to trainees 2022 £	Charitable trading 2022 £	Total 2022 £	Services to trainees 2021 £	Charitable trading 2021 £	Total 2021 £
Staff costs	292,665	50,247	342,912	289,794	43,303	333,097
Charitable activities spent	43,047	-	43,047	66,864	-	66,864
Client and staff expenses	3,001	-	3,001	9,950	-	9,950
Repairs	-	22,903	22,903	-	32,006	32,006
Cost of goods sold	-	38,170	38,170	-	2,981	2,981
Tools	-	968	968	-	7,203	7,203
Travel and vehicle costs	-	13,086	13,086	-	17,605	17,605
Covid-19 related expenditure	-	-	-	-	1,708	1,708
	<u>338,713</u>	<u>125,374</u>	<u>464,087</u>	<u>366,608</u>	<u>104,806</u>	<u>471,414</u>
Share of support costs (see note 8)	157,014	39,254	196,268	221,566	33,107	254,673
Share of governance costs (see note 8)	3,360	840	4,200	3,480	520	4,000
	<u>499,087</u>	<u>165,468</u>	<u>664,555</u>	<u>591,654</u>	<u>138,433</u>	<u>730,087</u>
Analysis by fund						
Unrestricted funds	366,667	165,468	532,135	268,999	138,433	407,432
Restricted funds	132,420	-	132,420	322,655	-	322,655
	<u>499,087</u>	<u>165,468</u>	<u>664,555</u>	<u>591,654</u>	<u>138,433</u>	<u>730,087</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021	Basis of allocation
	£	£	£	£	£	£	
Staff costs	100,124	-	100,124	88,617	-	88,617	Support costs are allocation based on proportion of donations received.
Depreciation	9,331	-	9,331	12,339	-	12,339	
Telephone and office	28,558	-	28,558	31,005	-	31,005	
Premises costs	42,280	-	42,280	81,270	-	81,270	
Sundry expenses	6,829	-	6,829	25,513	-	25,513	
Publicity and marketing	2,312	-	2,312	4,075	-	4,075	
Legal and professional fees	6,834	-	6,834	11,854	-	11,854	
Examiners remuneration	-	4,200	4,200	-	4,000	4,000	
	<u>196,268</u>	<u>4,200</u>	<u>200,468</u>	<u>254,673</u>	<u>4,000</u>	<u>258,673</u>	
Analysed between							
Charitable activities	<u>196,268</u>	<u>4,200</u>	<u>200,468</u>	<u>254,673</u>	<u>4,000</u>	<u>258,673</u>	

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

Governance costs of £4,200 (2021 - £4,000) are included in support costs being examiners remuneration.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

9 Trustees'

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

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	23	27
	<u> </u>	<u> </u>

Employment costs

	2022	2021
	£	£
Wages and salaries	401,888	389,850
Social security costs	30,727	22,058
Other pension costs	10,421	9,806
	<u> </u>	<u> </u>
	<u>443,036</u>	<u>421,714</u>

There were no employees whose annual remuneration was more than £60,000.

11 Net gains/(losses) on investments

	Unrestricted	Unrestricted
	funds	funds
	2022	2021
	£	£
Revaluation of investments	<u>(25,867)</u>	<u>30,100</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets

	Buildings	Leasehold improvements	Plant and Motor vehicles equipment		Total
	£	£	£	£	£
Cost					
At 1 January 2022	68,871	26,191	204,257	61,211	360,530
At 31 December 2022	68,871	26,191	204,257	61,211	360,530
Depreciation and impairment					
At 1 January 2022	36,683	26,191	201,193	48,725	312,792
Depreciation charged in the year	3,444	-	2,239	3,649	9,332
At 31 December 2022	40,127	26,191	203,432	52,374	322,124
Carrying amount					
At 31 December 2022	28,744	-	825	8,837	38,406
At 31 December 2021	32,188	-	3,064	12,486	47,738

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

13 Fixed asset investments

	Managed funds £
Cost or valuation	
At 1 January 2022	243,771
Additions	50,000
Valuation changes	(25,867)
	<hr/>
At 31 December 2022	267,904
	<hr/>
Carrying amount	
At 31 December 2022	267,904
	<hr/> <hr/>
At 31 December 2021	243,771
	<hr/> <hr/>

14 Stocks

	2022 £	2021 £
Finished goods and goods for resale	12,947	22,032
	<hr/>	<hr/>

15 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	17,912	17,406
Other debtors	6,071	-
Prepayments and accrued income	10,136	12,526
	<hr/>	<hr/>
	34,119	29,932
	<hr/> <hr/>	<hr/> <hr/>

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		6,917	7,012
Deferred income	17	37,125	106,245
Trade creditors		13,008	8,423
Other creditors		-	1,831
Accruals		5,542	29,951
		<hr/>	<hr/>
		62,592	153,462
		<hr/> <hr/>	<hr/> <hr/>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Deferred income

	2022	2021
	£	£
Arising from Deferred Income	37,125	106,245
	<u>37,125</u>	<u>106,245</u>

Deferred income is included in the financial statements as follows:

	2022	2021
	£	£
Deferred income is included within:		
Current liabilities	37,125	106,245
	<u>37,125</u>	<u>106,245</u>
Movements in the year:		
Deferred income at 1 January 2022	106,245	39,700
Released from previous periods	(106,245)	-
Resources deferred in the year	37,125	66,545
	<u>37,125</u>	<u>66,545</u>
Deferred income at 31 December 2022	37,125	106,245
	<u>37,125</u>	<u>106,245</u>

Deferred income relate to grant payments received from The National Lottery Community Fund. The grants received will contribute to staff, core and running costs across the organisation from January 2023 to December 2023.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 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 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Deferred	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Shades of Green	83	-	-	-	83	-	(83)	-	-
Clients Sernal	368	547	-	-	915	296	(1,211)	-	-
Industries	631	-	-	-	631	-	(631)	-	-
Nurseries	193	24	-	-	217	15	(232)	-	-
Old Lodge	153	-	-	-	153	-	(153)	-	-
Potting Area	-	9,444	(8,083)	-	1,361	-	(1,361)	-	-
Insulation	-	3,000	-	-	3,000	-	(3,000)	-	-
LED Lighting	176	-	-	-	176	-	(176)	-	-
Redditch Car Park	1,138	5,501	(1,364)	-	5,275	-	-	(5,275)	-
Seeds, Bulbs, Compost	-	12,389	(5,758)	-	6,631	-	(5,775)	-	856
Young People	2,000	-	-	-	2,000	-	(2,000)	-	-
SOG Machinery	-	650	(650)	-	-	-	-	-	-
Work Placements	80,481	198,957	(259,438)	(20,000)	-	49,350	(49,350)	-	-
Julia and Hans Trust	26,644	-	-	-	26,644	-	(26,644)	-	-
Covid	47,232	850	(32,362)	-	15,720	-	(15,720)	-	-
Sernal Office	810	-	-	-	810	-	-	(810)	-
Nurseries Solar Panel	1,540	475	-	-	2,015	-	-	-	2,015
Green House Project	-	15,000	(15,000)	-	-	20,000	(20,000)	-	-
	<u>161,449</u>	<u>246,837</u>	<u>(322,655)</u>	<u>(20,000)</u>	<u>65,631</u>	<u>69,661</u>	<u>(126,336)</u>	<u>(6,085)</u>	<u>2,871</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 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.

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

19 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:

	Movement in funds						
	Balance at 1 January 2021	Resources expended	Transfers	Balance at 1 January 2022	Incoming resources	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Closure fund	116,165	(2,527)	-	113,638	25,711	-	139,349
Motor vehicle fund	29,451	(18,329)	32,450	43,572	-	-	43,572
Business development and capacity building	8,500	-	341,500	350,000	-	5,275	355,275
	<u>154,116</u>	<u>(20,856)</u>	<u>373,950</u>	<u>507,210</u>	<u>25,711</u>	<u>5,275</u>	<u>538,196</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.

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	38,406	-	38,406	47,738	-	47,738
Investments	267,904	-	267,904	243,771	-	243,771
Current assets/(liabilities)	308,201	2,871	311,072	264,883	65,631	330,514
	<u>614,511</u>	<u>2,871</u>	<u>617,382</u>	<u>556,392</u>	<u>65,631</u>	<u>622,023</u>

WHERE NEXT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 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:

	2022 £	2021 £
Within one year	28,930	17,173
Between two and five years	73,276	66,311
In over five years	8,204	24,613
	<u>110,410</u>	<u>108,097</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

23 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(4,640)	71,921
Adjustments for:		
Investment income recognised in statement of financial activities	(1,385)	(30)
(Gain)/loss on disposal of tangible fixed assets	-	14,002
Fair value gains and losses on investments	25,867	(30,100)
Depreciation and impairment of tangible fixed assets	9,331	12,339
Movements in working capital:		
Decrease/(increase) in stocks	9,085	(9,748)
(Increase)/decrease in debtors	(4,187)	10,238
(Decrease)/increase in creditors	(21,750)	24,618
(Decrease)/increase in deferred income	(69,120)	66,545
Cash (absorbed by)/generated from operations	<u>(56,799)</u>	<u>159,785</u>

24 Analysis of changes in net funds

The charitable company had no debt during the year.

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