

COMPANY REGISTRATION NUMBER: 05077777
CHARITY REGISTRATION NUMBER: 1108714

Faithworks Wessex
Company Limited by Guarantee
Financial Statements
31 March 2020

HARRISONS

Chartered Accountants and Independent Examiner
4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

Faithworks Wessex
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Financial Statements
Year ended 31 March 2020

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Faithworks Wessex
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Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2020.

Reference and administrative details

Registered charity name Faithworks Wessex

Charity registration number 1108714

Company registration number 05077777

Principal office and registered office Heron Court Road
Bournemouth
Dorset
BH9 1DE

The trustees

Dr Ian Bromilow
Mr Benjamin Griffiths
Mr Cliff James
Mr Stephen Robinson (Retired 1 April 2019)
Rev Richard Stamp (Appointed 31 March 2020)
Mr Neil Stevens
Mrs Karen Todd (Appointed 31 March 2020)
Revd S E Yetman

Company secretary Dr I Bromilow

Independent examiner Harrisons Chartered Accountants
4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

Our Aims and objectives

Faithworks Wessex (FWW) is a registered charity working across the conurbation of Poole, Bournemouth, Christchurch and the surrounding area. At their annual strategy day, the trustees confirmed the charity's vision statement, namely:

Our Strap-line: "Crisis relieved... Life transformed"

Our Vision (Desired outcome): Individuals find freedom from relational and financial despair and rebuild their self-confidence to "live life in all its fullness".

Our Mission: Faithworks is a Christian charity that builds partnerships with churches and others in the community to run practical, local projects in urban Dorset that equip people to climb out of crisis and make life-enhancing choices. In particular, we want every individual in crisis in urban Dorset to be within a mile of crisis help, every volunteer to find a bespoke role in Faithworks, and every local church to be equipped to reach their community with practical and Godly hope

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As a faith-led organisation, FWW will always seek to act in accordance with our Christian ethos, which includes serving all regardless of their circumstances or beliefs. We are working with many partners and are particularly successful in inspiring and enabling churches to identify and then meet the needs of their local communities.

Charitable purposes

The charity's purposes in the governance documents are:

“The relief of financial hardship, sickness or distress, particularly amongst the elderly, homeless, children and young people in care and those caring for a family member with a physical, mental or sensory disability, by the provision of information, advice and support and to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need for such facilities by reason of their youth, age infirmity of disability, financial hardship or social circumstances with the object of improving their condition of life in particular through facilitating churches and Christians to work for the benefit of their local communities by addressing such issues of disadvantage, social exclusion and other areas of need for the public benefit in such parts of the united kingdom as the directors from time to time may think fit.”

How our activities deliver public benefit

This report demonstrates the activities that the charity has provided in the past year, and how those have benefited some of the most vulnerable people in our community, thereby demonstrating the “public benefit” of the charity.

The focus of our work

The Bournemouth, Poole, Christchurch conurbation is a place of contrasts. There are the extremely wealthy and then there are the rehab centres and the rough sleepers. It is a place that is warm and promises seaside living but it is in the top 10 of least affordable places to live in the UK and on average has poorer pay scales than elsewhere. There are also a number of LSOAs that fall within the 10% most deprived in England and it is largely from those areas which our beneficiaries come.

Strategic impact and direction

Faithworks runs practical and personal projects that provide radical whole-life help, to enable people to thrive rather than just survive.

Our approach is to help people in their moment of crisis, to walk alongside them out of that crisis, and then to equip them to avoid future crisis (potentially training them to help others who are facing similar situations). This is now applied to all of our projects and has become a way of differentiating FWW from other local charities.

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We will work with churches and partners to give integrated support (see diagram), so that:

Every FW venue (plus every church we work with):

- Has an area to “Do life together”
- Has multi-faceted crisis help on site
- Has “circles of support” who can walk “alongside”

So, every person we work with:

- Has their own plan of what they want to do
- Has a “circle of support” to walk with them
- Has a way of growing their aspirations re. *learning/work, health, community, or family*

And we partner with those who help to make this happen or fill gaps, including

- Churches, because they are good at “alongside”
- BCP Homelessness partners and national leads – e.g. Hope into Action
- Experts in addiction – e.g. Recovery Course



Real change for real people

FW celebrated 15 years since its establishment in June 2019; over 150 partners, volunteers, staff and clients met on Bournemouth pier for a celebration breakfast. Many agreed to walk together through the early morning from 15 venues associated with Faithworks across the area having left specially made big, wooden Hope signs in those venues (made in the carpentry workshop by ex-rough sleepers).

In total, the FWW team worked with over 8080 people (clients and volunteers) in 2019, a 5% increase on the previous year.

The highlights of the FW year were captured in a short film (<https://www.youtube.com/watch?v=jwrFw-w8vk&feature=youtu.be>). The numbers tell a story of growing impact and reputation in our community:

- Over 4140 foodbank parcels and 1500 holiday top-up parcels given out in 2019 (23% total increase);
- 9 people debt free, 44 on debt management plans and total debt reduced by £152k (20% increase in numbers helped);
- 45 people (76% of total – similar to 2018-19) into more secure accommodation through Sleepsafe (298 volunteers, 16 churches); 3 find work through the kitchen and carpentry workshops
- 100’s attend a Recovery Course in a local church – there is one running every week of the year; and the first person successfully completes a Community Detox
- 136 lone parent families take part in SMILE summer activities (23% increase), and the parents undertake their first volunteering day
- There are 137 new volunteers
- ... and 237 new donors
- 29 ran at least 5k in the Bournemouth Marathon weekend (the largest mass sponsorship campaign, the charity had ever seen)

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But the stories from real people bring these numbers to life:

"Before we entered Sleepsafe, we had serious drug problems and were living in a tent. We had run away from the mess we had made back home and wanted a better life, even if it meant starting from scratch. So we were really struggling and the rain was relentless. Joseph phoned Half Time after a long, hard weekend. An appointment was made for 10am, had an assessment and was told we each had a bed for the night. We were nervous and excited but we needn't have worried because we were made to feel so comfortable and welcome. Sleepsafe gave us a comfortable, safe environment to sleep in. All of the workers and volunteers were really nice and supportive. They give you essentials to get on your feet and make a better life for yourself. They are with you to help you and guide you, not only whilst you're in there but also when you move on. We are so grateful! We would highly recommend Sleepsafe for anyone wanting to better their life. They really care and want to help. We are now comfortable in a rented room, free of hard drugs and have jobs. Sleepsafe has done us the world of good and so thankful for the opportunity!"

"My nightmare with alcohol began 15 years ago. Initially it was to cope with trauma but it progressed until it was completely out of control and ruled my life. I managed to function well in the early days... but ultimately fear and emotions ruled my life until the alcohol took over. Every time I drank there was a consequence which made me sick to the stomach. My children grew up and moved out and then I felt I had no reason to live so I drank... I tried to stop on many occasions but couldn't... I always saw myself as a strong person who overcame the adversity of fleeing for my life with my children... But alcohol had me on my knees, I was trapped and could not see the light. I wanted to die. ...I reached out to Emma Heath... she introduced me to Keys [Detox]... they made me feel valued... arranged the Detox and surrounded me with support... Today I am 7 months sober... I am free! My life is full of joy... I've learnt who I am and realised I didn't even know what my favourite colour was. My head no longer hangs down in shame due to the awful things I did when intoxicated. I've been given time to live on God's earth not die!"

"I can't thank Faithworks enough for what they do in our community. I have had to use the Food Bank regularly as I'm a single mum with disabilities and can't work. My Benefits I get don't always stretch to being able to afford food and toiletries. So having the Food Bank there to help not only with food but also to show compassion and help when you're at your most lowest point is both humbling and very touching. I can't thank the volunteers, the local support enough for the overall kindness they have shown me and my children."

*"Was a lovely retreat to attend, the property was lovely. Perfect size for us all.
Was lovely getting to know a couple of new people and getting to know others better.
I feel this weekend gave a great sense of community and everyone bonded so well.
Food was amazing and even my fussy kids ate. I felt like nothing was too much for the staff. Just an idea to offer the kids ice cream for pudding, most kids see this as a MASSIVE treat.
The art therapy was good, I struggle to hear the positive things people say about me sometimes but through things like this I'm learning to deal with it better. I loved the craft part and I found it good to share what I did with my children, especially when they struggle with some of this too." (A lone parent after a "retreat")*

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- In December 2019, the FOCUS project (befriending unpaid carers) was handed over to PramaLife after their successful bid for the new Council contract. The trustees made the decision not to bid for this work on the basis that the new contract had a fixed value price for 5 years – this was not seen as economically viable. In addition, with the Faithworks strategic move towards crisis relief work, this project was now less aligned with our strategy. 2 staff (Mandy Pelling and Mandy Russell) left Faithworks after more than 8 years' service each, for which we are hugely grateful.
- Note also that work continued to develop Life Centres with the Support of the first full year of Big Lottery funding. Blandford foodbank was about to move into its new multi-service venue at Blandford United Reformed Church when the Covid crisis struck. Poole foodbank had tentative agreement for a similar move. Christchurch foodbank also had agreement from their host church that they could expand operations to include the whole of their current venue allowing a life centre model there as well. In addition, FWW staff were able to run a strategy day for Christchurch Creekmoor as they developed their plans to be a multi-offering centre on completion of their building work – Covid also put this on hold.
- The Lottery funding also included an additional element to support development work across the whole organisation. Dorset Community Action were commissioned to deliver an Organisational Strengths Review – the main findings related to undertaking a board appraisal and skills audit, plus a renewed focus on risk management and trustee responsibility for safeguarding.

Facilitating change through partnerships and influence

We have sought to be an influence for good across our area of operation:

- We have continued to support other Christian responses to those potentially in crisis such as the 2 Town Pastor teams
- We have also continued to encourage churches to understand, celebrate and collaborate on what is going on in their community; in 2019, we completed a Bournemouth Faith Action Audit, summarising the community activities and the number of people involved in a report and building a map-based website to showcase this information

We have also continued to develop our links and influence with the local BCP Council. As the Business Support Manager has taken on more of the day to day running of the charity, the CEO has played an increasingly visible role in the development of the BCP Homelessness Partnership, taking on the deputy chair role on the Homelessness Reduction Board. This has in turn led to opportunities to play significant roles in joining up community-based activity and providing new support around Access to Food and Homelessness during the Coronavirus crisis (see below).

Response to Coronavirus

The Coronavirus pandemic affected all of Faithworks' operations from mid-March 2020; more details will be shared in next year's annual report.

The trustees identified three specific risks leading to immediate actions being taken:

A. The obvious one around health of staff

- All staff worked from home or food-related venues; one person remaining in the office to cover phones working under all hygiene rules
- Foodbanks converted to health-safe venues with parcels given out at the door
- PPE was given to all settings

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B. The financial impact of the crisis

- Future donation levels were expected to decline esp. from churches if they could not open
- So, decisions about salary changes were put on hold for 2 months with an explanatory letter sent to all staff
- As unrestricted donations increased in March 2020 and we achieved our reserves target, the trustees agreed to set aside £14k of undesignated core funds for any projects adversely hit financially by Coronavirus

C. The operation of face to face services; trustees were delighted with the creativity of staff to change their ways of working

- Provision of food for those without homes moved from rough sleepers to those brought into temporary accommodation
- A Facebook group was created with daily talks and support for those in Recovery
- The SMILE Facebook group expanded, and on-line peer support groups were created for lone parent families
- All CMA debt advice moved to telephone-based support.

In March, FW foodbanks served 100% more people than in the same month in 2019; at its height 300 were accessing the on-line Recovery support and over 180 linking into the SMILE Facebook page. Only one member of staff was put on furlough

Financial Review

Income & Funding

Total income grew markedly in 2019-20 by 60% to £735,602. This came from several areas:

- Individual Donations grew by 25% to £156k mainly as a result of 413 new donors; in addition, donations from businesses, community organisations and churches grew significantly from £43k to £126k:
 - The increase in donors has continued through the Covid crisis, with over 700 new donors in April and May 2020 alone
 - The number of people giving regularly (in some form) has more than doubled from 208 at the end of March 2020 to over 440 (giving over £11k per month) by June 2020
 - This has led us to move one staff member to work exclusively on engaging with financial supporters, ensuring they are promptly thanked and introduced to our monthly e-newsletter, plus making sure we are keeping records up to date
 - A study by this new staff member identified that for the year to June 2020, our 5 on-line giving streams had seen over £90k of donations (62% from CAF donate, 22% from LocalGiving, 14% through PayPal, and small amounts through Stewardship and Donr text giving)
- There was a one-off grant of £30k towards our Sleepsafe work from the National Government's Cold Winter Fund thanks to a bid by the BCP Council – this was very welcome and allowed Sleepsafe to continue until the end of March (and the consequent changes as the Covid crisis hit); it was also a vote of confidence in the Sleepsafe project from the local Council
- Core funding grants also grew by 48% to £387K; this was partly due to the first full year of Big Lottery funding for the life centres project, but also to a whole range of grants that have allowed our project areas to flourish: we are very grateful to many foundations and trusts for their confidence in us, included the following:

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The National Lottery Community Fund - Reaching Communities	Life Centres programme inc. £15k for building organisational capacity	£107,184
Tudor Trust	Core inc. £10k for Reserves	£35,000
Valentine Community Trust	Core, BCARS 2 nd half, SMILE, Poole Town Pastors	£27,500
Lloyds Foundation: Invest programme	BCARS 2 nd Half workshop	£25,650
Alice Ellen Cooper Dean Charitable Foundation	BCARS Sleepsafe, Faith-works CMA (Money), FWW Recovery	£21,000
Hospital of St Mary Magdalen Trust	CFB, Faithworks CMA (C-church)	£20,900
George Temperance Foundation	FWW Recovery	£15,000
Incorporated Bournemouth Free Church Council	BCARS	£10,000
Garfield Weston Charitable Trust	Faithworks CMA (Money)	£10,000
Tesco Blue Token scheme (Groundwork)	Faithworks CMA (Money), Poole FB, Christchurch FB, Blandford FB	£8,000
Dorset Community Foundation	Foodbanks	£7,750
Co-op Foundation	SMILE	£5,310
Beatrice Laing Trust	BCARS (year 1 of 3)	£5,000
Greenhall Foundation	BCARS Storehouse	£5,000
Louis Ross Foundation	BCARS Sleepsafe	£5,000
Talbot Village Trust	Poole FB (Van)	£4,000
Blandford Mayoral Fund	Blandford FB	£3,100
Souter Charity	BCARS Buddies	£3,000

... plus, many grants of £3k or less. We are grateful for every one.

Reserves Policy

As part of its Christian ethos, Faithworks Wessex (FWW) is committed to an openness and integrity with regard to its finances. Therefore, it seeks to ensure that it works within an appropriate level of financial reserves.

"Reserves" is taken to describe that part of a charity's funds that are freely available to fund its general operations and so is not subject to commitments, planned expenditure or other restrictions. Consequently, Reserves do not include endowment funds, restricted funds and designated funds.

In the Trustees' view, the reserves should provide the charity with cover for redundancy and payment of its contractual requirements should the charity have to be wound up.

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The trustees undertook specific actions in 2019-20 to address the level of reserves

- i) They set up a designated project line in the accounts for reserves so that there was clarity on the amount set aside
- ii) They assigned £5k from an unrestricted fund from the end of the Poole Well-Being Collaborative (given in April 2019) to build this pot
- iii) They committed to putting £500 per month into this designated pot (total for the year = £6k)
- iv) They successfully applied to the Tudor Trust for £10k to support with this re-alignment of the reserves – the trustees are very grateful to Tudor for this imaginative support

All of these actions plus the increased giving at the end of the year, led to our exceeding the target reserves level of £21.5k at the end of March 2020.

However, at the end of this financial year, the trustees wanted to increase the reserves target to include some of FWW's specific projects (i.e. Recovery, CMA, SMILE) so that there was also assurance that redundancies and other costs could be paid if there were funding problems in those areas – the new target was set at £36k. Thanks to the increased unrestricted funding, this could immediately be achieved.

Expenditure

Expenditure this year was £531,329, an increase of 24% compared to 2018-19.

The main changes in costs this year come from the following areas:

- Salaries grew by 20% thanks to the first full year of those employed thanks to the Lottery-funded Life centre work, but off-set by the end of the FOCUS project; however, these new posts were at the higher end of the salary range and therefore attracted more PAYE and NI costs
- Support costs increased through work to prepare and refit the Blandford Life centre venue (Blandford URC church) which increased "Other premises costs" and professional fees significantly; in addition, second hand vans were purchased (thanks to specific grants) in Poole Foodbank and at the BCARS Storehouse; this, together with spend on this new Storehouse (a form of life centre for those coming out of homelessness) increased equipment costs significantly
- The development of the STAR (Steps to Active Recovery) programme to build capacity in the faith community to support those recovering from addictions, has led to funded spend on their new website and project management time; STAR is now applying for charity status so that it can seek its own funds and work across the UK
- Subscription costs grew significantly because of the Hope into Action membership (to pay to become a local franchise holder and thus seek local move-on housing) and the subscription to Churchsuite which has proved a much more agile system to manage volunteer contacts
- Gifts to individuals increased significantly: this category includes furniture bank support which is paid for through specific grants, plus crowd-funded items (through www.acts435.org.uk) for helping people set up more secure accommodation and to pay Debt Relief Orders.

Fundraising costs continue to account for no more than 2% of total costs; equally Governance costs are also significantly less than 2% of total spend.

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Ongoing support costs (i.e. not including one-off costs such as the move of Blandford Foodbank) are constantly reviewed to identify alternatives to minimise spend. The move into a cheaper and more central office has helped to reduce such costs. Support costs at the end of March 2020 are approx. 18% of total spend.

Overall

The increased giving means that at the end of the year there was a £204.3k surplus in total; however, this includes a year's worth of Lottery funds (£90k+). So, the trustees are now planning for 2022 when this funding ends so that the gains made through the Lottery funding are not lost.

Faithworks' extraordinarily strong financial performance this year underlines growing success in developing a more diverse range of funding.

Aims for forthcoming year

- A. We will deliver 3 Life centre networks in Blandford, Poole and Christchurch with:
- a crisis support centre with multiple help in person, other satellites or hubs (within/outside FW), circles of support or buddies who can walk alongside individuals, each network will be working towards learning/work/health activities
- B. We will embed the new BCARS structure and increase the number of people we help "stay off the street"
- Including training related outcomes (target of 15 trainees), increased income from trainee-made goods and food sales, and at least 1 well-run Hope into Action house
- C. We will plan and implement refreshed budget help/debt advice offering
- That take account of move to CMA Connect, and changes to staff team; all 4 FW foodbanks will have debt advice on hand
- D. We will deliver the STAR (steps to active recovery) pilot in BCP, and run a multi-church Recovery course with at least 6 churches
- E. We will set & deliver a plan to fill funding gap that will be left by the end of the Reaching Communities money and other non-recurring grants by 2022 (i.e. regular £65k per year)
- Including improved donor care and increased business engagement
- F. We will baseline and set a plan to improve trustee Board effectiveness

Governance & internal Controls

Trustee team

Two new trustees were asked to join the team towards the end of this financial year: Karen Todd is Director of Communications at Moorlands College and part of their Senior Management team. She is passionate about seeing people equipped to be all God created them to be. Prior to this role, she worked as Managing Director of Simpicate, a concept development digital agency based in Dorset.

Richard is a pastor at Gateway Church where he leads their Alder Road congregation and heads up social action for the church. He is passionate to see the instructions in Isaiah 1:17 put into action – communities of people that learn and love to do good, and that correct oppression and seek justice! Prior to full time ministry, Richard's background was in business management and consultancy, having worked in the banking and telecoms industries in the UK, South Africa and the USA.

The other trustees are: Ian Bromilow (chair), Cliff James (treasurer), Ben Griffiths, Neil Stevens, and Rev Sarah Yetman.

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The new format for trustee meetings has proved successful: the trustees now meet every 3 months for a longer, more strategic meeting to review the progress of the work, including the scale of operations, the financial position and any significant personnel/infrastructure issues; additional cash flow planning is shared as required. At each meeting the CEO provides a status report, and the Treasurer provides details of expenditure, fundraising progress and updates on activities to increase regular support – in addition, the trustees have continued their rolling programme of policy review, taking an in-depth look at 2-3 key policies of the charity at each meeting so that all are covered every 2 years. They also set aside additional time to pray for and about the charity.

In addition, a new Operational sub-group consisting the chair, treasurer and the CEO meet in between each trustee meeting to review progress on actions, look at more detailed operational points and ensure that financial targets are being met.

A safeguarding sub-group chaired by Sarah Yetman (new FW safeguarding trustee lead) was also planned for March 2020 (postponed to June 2020 because of Covid crisis)

Taking advantage of the additional “strengths building” element of the Lottery funding towards the Life Centres work, the trustees commissioned an organisational strengths review carried out by Dorset Community Action. The key findings from this included:

- An assessment of the board effectiveness and skills audit of trustees (to be carried out with the help of BCP Community Action Network in 2020)
- A refocus on risk management – see below
- A desire to bring service-user experience on to the trustee board; managers are developing a “lived experience” network to give regular feedback

Risk management

Following the organisational strengths review, the trustees now receive a risk management report as a standing item to give focus to their discussion. The first update at the annual strategy day highlighted two areas where risk continued to be high:

- Ongoing risk of a Client safeguarding incident; the new trustee safeguarding sub-group will be reviewing all policies, training, and in particular risk management around on-line activities
- Core funds runs out in Long term: in the short term, the increase in reserves to cover all internal and office-based projects for at least 3 months (i.e. £36k) mitigates the immediate risk. The trustees have agreed to further increase this reserve to cover the activities that are currently funded through the Lottery Life centre monies (e.g. Business Support manager costs)

In addition, FW continues to mitigate “key person” risks:

- The bookkeeper and Business Support manager are taking more of the tasks that the volunteer treasurer has previously been doing on his own;
- The Business Support manager is now carrying many of the operational tasks (HR, Finance, ICT) that were previously part of the CEO’s role, thus allowing him to focus on partnership, strategic and leadership tasks
- The project managers are now meeting monthly to share and engage with concerns across the organisation; therefore, silos are being broken down, and also there is a better understanding of each area so that if needed cover could be provided

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Faithworks Wessex as a "Going Concern"

Despite financial challenges across the sector, FWW can demonstrate that it has been, and continues to be, managed in a financially sound way:

- It now has 3 months' dedicated reserves in place for all projects and core costs
- It is growing less reliant on one form of funding
- Each new project's funding includes an element to cover central core costs
- It is building longer term relationships with key funders such as Tudor Trust, Lloyds Foundation, Valentine and Cooper Dean.
- When staff leave, trustees review funding and options for the future shape of the team. It maintains liquid assets to cover at least three months of salaries;
- The auditor inspects the accounts annually and they are signed off without a problem each time.

Statement of trustees' responsibilities

Company law and charity law require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 13 November 2020 and signed on behalf of the board of trustees by:

Mr Cliff James
Trustee

Dr I Bromilow
Charity Secretary

Faithworks Wessex
Company Limited by Guarantee
Independent Examiner's Report to the Trustees of Faithworks Wessex
Year ended 31 March 2020

I report to the trustees on my examination of the financial statements of Faithworks Wessex ('the charity') for the year ended 31 March 2020.

Responsibilities and basis of report

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

Independent examiner's statement

Since the charity'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 the Institute of Chartered Accountants in England and Wales (ICAEW), 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:

1. accounting records were not kept in respect of the charity 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 accounts to be reached.

Harrisons Chartered Accountants
Independent Examiner

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

13 November 2020

Faithworks Wessex
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2020

		2020		2019	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	130,919	536,281	667,200	433,538
Charitable activities	6	3,018	61,387	64,405	28,258
Other trading activities	7	–	3,377	3,377	2,630
Investment income	8	620	–	620	437
Total income		<u>134,557</u>	<u>601,045</u>	<u>735,602</u>	<u>464,863</u>
Expenditure					
Expenditure on charitable activities	9,10	66,381	464,948	531,329	426,843
Total expenditure		<u>66,381</u>	<u>464,948</u>	<u>531,329</u>	<u>426,843</u>
Net income		<u>68,176</u>	<u>136,097</u>	<u>204,273</u>	<u>38,020</u>
Transfers between funds		(4,000)	4,000	–	–
Net movement in funds		<u>64,176</u>	<u>140,097</u>	<u>204,273</u>	<u>38,020</u>
Reconciliation of funds					
Total funds brought forward		4,316	157,549	161,865	123,845
Total funds carried forward		<u>68,492</u>	<u>297,646</u>	<u>366,138</u>	<u>161,865</u>

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

The notes on pages 16 to 24 form part of these financial statements.

Faithworks Wessex
Company Limited by Guarantee
Statement of Financial Position
31 March 2020

	Note	2020 £	£	2019 £
Fixed assets				
Tangible fixed assets	17		14,638	10,080
Current assets				
Debtors	18	10,671		9,741
Cash at bank and in hand		<u>341,679</u>		<u>142,864</u>
		352,350		152,605
Creditors: amounts falling due within one year	19	<u>850</u>		<u>820</u>
Net current assets			<u>351,500</u>	<u>151,785</u>
Total assets less current liabilities			<u>366,138</u>	<u>161,865</u>
Net assets			<u>366,138</u>	<u>161,865</u>
Funds of the charity				
Restricted funds			297,646	157,549
Unrestricted funds			<u>68,492</u>	<u>4,316</u>
Total charity funds	21		<u>366,138</u>	<u>161,865</u>

For the year ending 31 March 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 13 November 2020, and are signed on behalf of the board by:

Mr Cliff James
Trustee

The notes on pages 16 to 24 form part of these financial statements.

Faithworks Wessex
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net income	204,273	38,020
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	6,660	4,478
Other interest receivable and similar income	(620)	(437)
Accrued expenses/(income)	30	(47)
<i>Changes in:</i>		
Trade and other debtors	(930)	(616)
Cash generated from operations	209,413	41,398
Interest received	620	437
Net cash from operating activities	210,033	41,835
Cash flows from investing activities		
Purchase of tangible assets	(11,218)	(9,370)
Net cash used in investing activities	(11,218)	(9,370)
Net increase in cash and cash equivalents	198,815	32,465
Cash and cash equivalents at beginning of year	142,864	110,399
Cash and cash equivalents at end of year	341,679	142,864

The notes on pages 16 to 24 form part of these financial statements.

Faithworks Wessex
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Heron Court Road, Bournemouth, Dorset, BH9 1DE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Judgements and key sources of estimation uncertainty

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

Fund accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

Faithworks Wessex
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & fittings	-	33% straight line
Motor vehicles	-	25% reducing balance
Equipment	-	25% reducing balance

Faithworks Wessex
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension costs

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in profit and loss account when due.

4. Limited by guarantee

The company has no share capital and is limited by guarantee.

Every member undertakes to contribute an amount not exceeding £10 in the event of the charity being dissolved.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants			
Grants - organisations	88,577	422,299	510,876
Grants - individuals	42,342	113,982	156,324
	<u>130,919</u>	<u>536,281</u>	<u>667,200</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Grants			
Grants - organisations	42,659	266,060	308,719
Grants - individuals	29,093	95,726	124,819
	<u>71,752</u>	<u>361,786</u>	<u>433,538</u>

The charity benefits greatly from the involvement of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Faithworks Wessex

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Income from charitable activities	3,018	61,387	64,405

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Income from charitable activities	1,838	26,420	28,258

7. Other trading activities

	Restricted Funds £	Total Funds 2020 £	Restricted Funds £	Total Funds 2019 £
Fundraising events	3,377	3,377	2,630	2,630

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	620	620	437	437

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable activities	53,521	329,810	383,331
Support costs	12,860	135,138	147,998
	<u>66,381</u>	<u>464,948</u>	<u>531,329</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Charitable activities	42,355	284,029	326,384
Support costs	35,586	64,873	100,459
	<u>77,941</u>	<u>348,902</u>	<u>426,843</u>

Faithworks Wessex
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Charitable activities	383,331	118,260	501,591	417,936
Governance costs	–	29,738	29,738	8,907
	<u>383,331</u>	<u>147,998</u>	<u>531,329</u>	<u>426,843</u>

11. Analysis of support costs

	General support	Governance costs	Total 2020	Total 2019
	£	£	£	£
Staff costs	–	21,074	21,074	2,500
Premises	17,527	–	17,527	19,650
General office	66,709	–	66,709	42,518
Motor and travel costs	23,710	–	23,710	19,427
Accountancy	–	858	858	830
Legal and professional costs	2,980	7,806	10,786	12,293
Training and subscriptions	7,334	–	7,334	3,241
	<u>118,260</u>	<u>29,738</u>	<u>147,998</u>	<u>100,459</u>

12. Net income

Net income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	6,660	4,478

13. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	858	830

14. Staff costs

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

	2020	2019
	£	£
Wages and salaries	320,090	264,819
Social security costs	14,929	10,502
Employer contributions to pension plans	17,604	11,155
	<u>352,623</u>	<u>286,476</u>

The average head count of employees during the year was 25 (2019: 26).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Faithworks Wessex
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

14. Staff costs *(continued)*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £63,658 (2019: £66,239).

15. Trustee remuneration and expenses

None of the trustees received any remuneration for their services or reimbursement of expenses during either the current or previous year.

16. Transfers between funds

During the year £4,000 was transferred from the unrestricted fund to restricted funds to support funds in deficit.

17. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 April 2019	18,367	–	20,290	38,657
Additions	1,496	9,000	722	11,218
At 31 March 2020	<u>19,863</u>	<u>9,000</u>	<u>21,012</u>	<u>49,875</u>
Depreciation				
At 1 April 2019	11,884	–	16,693	28,577
Charge for the year	1,995	2,250	2,415	6,660
At 31 March 2020	<u>13,879</u>	<u>2,250</u>	<u>19,108</u>	<u>35,237</u>
Carrying amount				
At 31 March 2020	<u>5,984</u>	<u>6,750</u>	<u>1,904</u>	<u>14,638</u>
At 31 March 2019	<u>6,483</u>	–	<u>3,597</u>	<u>10,080</u>

18. Debtors

	2020	2019
	£	£
Prepayments and accrued income	1,237	244
Other debtors	9,434	9,497
	<u>10,671</u>	<u>9,741</u>

19. Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	850	820

Faithworks Wessex

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £17,604 (2019: £11,155).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted Fund - General fund	4,316	134,557	(66,381)	(4,000)	68,492

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Unrestricted Fund - General fund	13,819	74,027	(76,623)	(6,907)	4,316
Designated Fund - Projects	(5,589)	–	(1,318)	6,907	–
	<u>8,230</u>	<u>74,027</u>	<u>(77,941)</u>	<u>–</u>	<u>4,316</u>

Restricted funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Restricted Funds	157,549	601,045	(464,948)	4,000	297,646

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Restricted Funds	115,615	390,836	(348,902)	–	157,549

Faithworks Wessex
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

21. Analysis of charitable funds *(continued)*

Restricted Funds are made up of the following:-

FOCUS. A restricted fund for the purpose of support of adult carers. Funded by local government - this ended at Dec 2019; the fund is now to be used to provide gardening services to older people and carers. At the year end this fund had a balance of £897 (2018: (£5,900)).

BCARS General. A restricted fund for the purpose of assisting local churches help the homeless in the area. At the year end this fund had a balance of £4,251 (2019: £nil).

BCARS Get Off The Streets (Previously Bournemouth Homelessness). A restricted fund for projects to help individuals who are rough sleeping in the area to move into more secure accommodation (including "Sleepsafe") At the year end this fund had a balance of £48,708 (2019: £7,365).

BCARS Stay Off The Streets. A restricted fund for projects to help individuals who are no longer on the street to gain skills, resilience, and self-confidence (including training workshops). At the year end this fund had a balance of £10,217 (2019: £nil).

Poole Foodbank. A restricted fund for the purpose of running the food bank in the Poole area. At the year end this fund had a balance of £35,376 (2019: £26,105).

Money Matters. A restricted fund for the purpose of financial budget and debt counselling by volunteers. At the year end this fund had a balance of £11,346 (2019: £10,096).

Christchurch Foodbank. A restricted fund for the purpose of running the food bank in the Christchurch area. At the year end this fund had a balance of £25,154 (2019: £3,324).

Blandford Foodbank. A restricted fund for the purpose of running the food bank in the Blandford area. At the year end this fund had a balance of £30,973 (2019: £22,176).

Smile. A restricted fund for the purpose of support to lone parent families. At the year end this fund had a balance of £7,261 (2019: £360).

Wimborne Foodbank. A restricted fund for the purpose of running the food bank in the Wimborne area. At the year end this fund had a balance of £35,062 (2019: £20,441).

Town Pastors CHP. A restricted fund for the purpose of funding Town Pastors who patrol the town centres on weekend nights to provide support to those in need. At the year end this fund had a balance of £12,054 (2019: £12,596).

Conversations. A restricted fund for the purpose of funding grass roots community discussions in Poole and Bournemouth. At the year end this fund had a balance of £12,905 (2019: £3,395).

Recovery. A restricted fund for the purpose of running Recovery Courses and Community Detox support in churches across the conurbation. At the year end this fund had a balance of £7,034 (2019: £650).

Life Centres. A restricted fund (Lottery funding) for the purpose of developing and working with local churches to put in place one-stop centres for crisis support across urban Dorset. At the year end this fund had a balance of £56,408 (2019: £41,672).

Blandford Life Centre. A restricted fund for the purpose of developing and working with local churches to put in place one-stop centres for crisis support in the Blandford area. At the year end this fund had a balance of £nil (2019: £5,269).

Faithworks Wessex
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	501	14,137	14,638
Current assets	67,991	283,509	351,500
Net assets	<u>68,492</u>	<u>297,646</u>	<u>366,138</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	897	9,183	10,080
Current assets	3,419	148,367	151,786
Net assets	<u>4,316</u>	<u>157,550</u>	<u>161,866</u>

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost		
Bank and cash	<u>341,679</u>	<u>142,864</u>

24. Analysis of changes in net debt

	At 1 Apr 2019 £	Cash flows £	At 31 Mar 2020 £
Cash at bank and in hand	<u>142,864</u>	<u>198,815</u>	<u>341,679</u>

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	<u>4,097</u>	<u>4,097</u>

26. Related parties

Neil Stevens, a trustee of the charity, is also a director at Prama. During the year funding totalling £9,500 (2019: £7,140) was received from Prama.

Trustee indemnity insurance of £324 (2019: £324) was paid during the year.