

Annual Report

2020/21



Everything we do is driven and guided by our core values:



Welcoming

Our doors are open to anyone who wishes to contribute to or use the service. Whatever your issue or situation, we welcome you and want you to feel at home.



Leading by Example

We aim to change the lives of young people and adults by inspiring and empowering them to succeed with confidence, through good leadership.



Working Together

We believe that real results come from people working collaboratively and creating solutions together... and by having some fun while we do it.



Professional & Responsible

We aspire to be the very best we can be. We provide a consistent experience, operating quality systems and standards.



Proud & Passionate

We are hugely passionate about our Foundation, and want to do great work that we all feel immensely proud of.



Proactive & Dynamic

We are solution-focused and use creativity and proactivity to constantly find better ways of working.

IMPACT REPORT

2020/21



We worked with

9,317

people across our 25 projects.

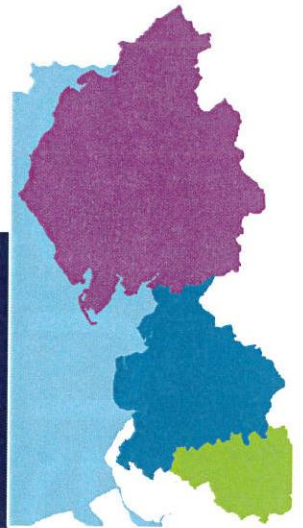
Which includes

2,727

people supported to deal with the immediate impacts of COVID



We have invested £1.7m into our people and services



'I now feel incredibly positive about my future and myself. The work we have undertaken together has helped me no end and there has been a noticeable difference in my attitude and mindset.'

Participant on Achieve

We helped people across all 10 boroughs of Greater Manchester as well as Cheshire, Lancashire & Cumbria

1,119

People have been supported to improve their health and wellbeing



We supported

564

people in the criminal justice system

We completed

41

social action projects with the help of

330

young people



176

people have increased their digital literacy

824

Young people completed a mentoring project

456

people were helped to achieve education and employment outcomes



1,450

Young people increased their financial literacy



68%

WOMEN'S SERVICES

We have worked with 466 women through our projects including Emerge, Evolve, TWP and Freedom - a 68% increase on last year.

131 corporate volunteers dedicated 8,919 volunteer hours to our people and services



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Reference and Administrative Details for the Year Ended 31 March 2021

Board of Trustees

Chair

E Potier

Trustees

J Davies

K Francis

D Graham

M Marfleet

M-G Nkeshimana

P Openshaw

Dr K Potier de la Morandiere

K Prayle

C Ramsden

K Stansfield

C Tennant

S Wilson-Gibbons

Company Secretary

P East

Registered Company Number

02472369 (England and Wales)

Registered Charity Number

1002482

Registered Office

Foundation House

3 Jo Street

Salford

M5 4BD

Auditor

Mitchell Charlesworth

44 Peter Street

Manchester

M2 5GP

Bankers

Santander UK Plc

Bootle

Merseyside

L30 4GB

Senior Statutory Auditor

Alison Buckley



Report of the Trustees for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity (Salford Foundation Ltd. 'the Foundation') for the year ended 31 March 2021. The trustees have adopted the provisions of 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

Objects

To act as a resource for young people up to the age of 5-25 living in Salford, Greater Manchester and the North West by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

- advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- advancing education;
- relieving unemployment;
- providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons.

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society in Salford, Greater Manchester and the North West.

- For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society).

Public benefit

The trustees confirm that we have paid due regard to the Charity Commission guidance on public benefit reporting in reviewing the charity's aims and objectives and in planning its future activities. This report reviews what we have achieved and the outcomes of our work in the reporting period. The review also outlines how future planned activities will contribute to charity's aims and objectives.



Achievements and Performance

This report highlights the successes and challenges we have faced during the year April 2020 to March 2021. We have had a successful year, supporting 9,317 children, young people, and adults. We have done this through running 25 distinct projects in Salford, Greater Manchester, Cheshire, and Lancashire.

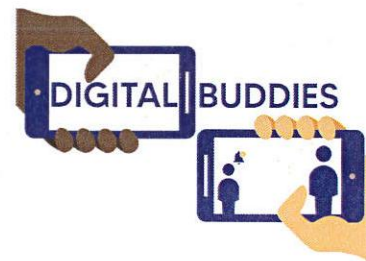
We are grateful for the service of our trustees throughout the year. Mr M Nuttall, Mr J Trehane and Mr N Abbott stepped down from their roles in the course of the year. We thank Mr Abbott especially for his leadership and dedication during the period he served as our chair. Ms J Davies, Ms D Graham, Dr K Stansfield, Mr C Tennent, Ms M-G Nkeshimana and Ms K Prayle all became trustees during the course of the year or following year end. All our trustees have brought a range of skills, experience and passion which have helped to guide and shape the Foundation's strategy and its good governance.

Key successes in the last year - operationally and strategically - include:



Continuing to deliver all services throughout the pandemic lockdowns; meeting the changing needs of beneficiaries; and innovating with digital and hybrid delivery models

Launching new projects rapidly, as a direct response to the impacts of COVID – including Digital Buddies, The Shed and Rise



Expanding our domestic abuse work and securing a three-year National Lottery grant to develop this further

Consolidating our Targeted Youth Support offer with eight distinct projects



Achievements and Performance continued

Diversifying our women's services offer with a broader range of funding streams; and taking further steps towards a new women's centre building

Taking the first significant steps towards digital transformation and successfully mobilising home and remote working



Implementation of Year 1 of our Income Diversification Project, meeting our additional income targets

Continued improvements to staff engagement through a range of initiatives led by our Workplace Engagement Group, with a particular emphasis on staff wellbeing



Development of our new strategy with the Board and SMT

Better use of our designated reserves, including our Programme Investment Fund, in order to fully utilise our assets to achieve our mission



Achievements and Performance continued

Although our successes and achievements have been broad and deep, we remain acutely aware of and attuned to the risks we face. Additional challenges have emerged within the year, not least the extent and length of the Coronavirus pandemic (COVID) – something which could not have been anticipated in early 2020. This has provided immense challenges to our beneficiaries and to our charity's methods of operation and finances. People's needs are in some cases changing and becoming greater or more entrenched. Therefore, our capacity to respond and our need to change the way we work in order to help people effectively and fulfil our charitable objectives are both challenges. We have also had to stop delivering services from our St Mary's premises as the building has reached an advanced state of disrepair. We are mindful that the year ahead will be more challenging financially, with an unprecedented commitment to fund services ourselves from our reserves and a forecast deficit at the end of the year.

In spite of unprecedented uncertainties, we conclude the year in a position of considerable strength, ready to face these challenges and to celebrate even greater success next year, as we continue to create opportunities that help people to build better futures for themselves, their families and communities.





The Work of the Charity

Our work this year has been delivered through four thematic areas: **Child and Youth Development**; **Targeted Youth Support**; **Women's Services**; and **Targeted Adult Support**.



Child and Youth Development

Our Child and Youth Development work has spanned a breadth of areas, including National Citizen Service (NCS), and a range of careers aspiration and work readiness programmes.



We successfully delivered the NCS programme to **330** young people from Salford and Trafford this year, through distinct programmes run in the summer and autumn periods. Both programmes were significantly different from previous years as the summer programme was delivered entirely as a digital programme and there was only limited face-to-face work undertaken in the autumn programme. Unfortunately, none of the usual residential experiences could take place, due to COVID restrictions. The switch to digital was both challenging but also opportunistic – young people facing different challenges in terms of teambuilding and having the chance to be part of the solution to some of the pandemic's social challenges.

We are extremely proud that our young people delivered a total of **41** social projects, equating to around **8,000** hours of time that they invested in improving our local communities. In so doing, we also worked in collaboration with a wide range of voluntary and community organisations, adding value to the great work that they are each doing already. Our partnerships with schools in Salford and Trafford and with both Salford and Trafford Colleges have been of paramount importance in enabling young people to access the programme and we are grateful to them for their assistance.

Young people and their parents have continued to provide exceptional feedback about their NCS experience, which gives a real sense of the impact that taking part has had on them. One group of young people decided to respond to the impetus of the 'Black Lives Matter' movement. They identified that certain historical statues were receiving negative attention across Greater Manchester. Using social media as a tool to engage audiences, they developed a campaign to dispel myths and educate people on the facts. Images superimposed in place of statues gave viewers a platform to discuss how best to educate people on historical figures and how their legacy may affect racism. One of the participants said: **"We have decided that we can change racism in the UK."**



The Work of the Charity continued

We have continued our focus on raising the aspirations of children and young people in schools through our 'Inspired to Aspire' mentoring programme; our digital and financial education programmes; and our Business Education Partnership (BEP) activities. These programmes collectively provided resources and inspirational experiences to **7,011** children and young people across Greater Manchester.

Similar to most of our services, our 'Inspired to Aspire' mentoring programme had to entirely change its operating model, to deliver digitally, utilising a range of platforms and resources. This was also in the context of school closures, remote learning and reduced timetables. In spite of these challenges, **245** young people aged 12-14 participated in the project, from schools in local authority areas across Greater Manchester, with a further **1,396** young people accessing resources remotely. The programme, focusing on the development of skills for life, school and work, has been facilitated by corporate volunteers who have come from a wide range of business sectors and sizes. We are grateful to the Careers & Enterprise Company and to the JD Sports Foundation for funding this programme.

Our Business Education Partnership (BEP) has provided work-related preparation and activities to **3,793** students this year. This work has been carried out in schools across Greater Manchester, funded primarily by the Careers & Enterprise Company. The vast majority of this work had to be delivered digitally and we are very grateful for the wide range of business volunteers who found innovative ways of continuing to support students with their careers aspirations and work readiness skills.

For example, **300** students from St Anthony's College in Trafford took part in a 'virtual careers day.' The young people took part in World of Work, Tycoon Launch and Work Preparation sessions on a carousel, with business volunteers connecting virtually either from their homes or their offices. One student said: **"It stretched me to be better with my communication skills as the volunteers were on Zoom. I learnt a lot about how people's jobs have changed when they aren't based in an office and the different skills you need to be successful."**





The Work of the Charity continued

Our digital and financial education programmes, funded by BNY Mellon, have continued to go from strength to strength. **1,577** children and young people and **66** adults have taken part, predominantly from Salford and Trafford.

At the very start of lockdown, we realised that people who are not digitally literate were significantly disadvantaged. Those without the means of skills to communicate online – many of whom were also shielding – were extremely socially isolated. We therefore launched the 'Digital Buddies' project as an immediate response, linking digitally savvy young people to older people, helping them resolve their digital challenges. This has included skills such as using Zoom or WhatsApp effectively, to doing online shopping and setting up email accounts. The human connection and intergenerational contact have also been an important facet of the programme, with friendships formed and loneliness combatted. The project has been very successful, enjoying some national profile and being featured on a BBC Radio 5 live programme that was guest edited by HRH Duchess of Cornwall. We also held a 'Digital Buddies Summit' in response to the many enquiries we have received from organisations across the UK who want to set up similar schemes. We were delighted that Baroness Diana Barran, Minister for Civil Society, agreed to be our keynote speaker.

One participant commented: **"This programme is a great way of staying in touch. I look forward to our weekly calls to see if we can resolve any technical issues. I also love sharing my experiences from my long life."** Her buddy said: **"I have really enjoyed being a digital buddy. As well as the technology side of your relationship, you also make a friend to talk to at this time which is potentially so lonely."**

Throughout the year we have delivered the 'Money Matters' programme, upskilling older teenagers to navigate the financial opportunities and challenges that will face them in the years ahead. This programme was also delivered predominantly digitally this year. In addition to delivering the programme to groups of students in further education, this year we have particularly focused on those who are new to working life. This has included all the young adults on the government's Kick Start programme in association with Salford City Council, to groups of apprentices and to those taking part in the 'Build Salford' traineeship course.



I just didn't have a clue about tax or how to understand my bank statement or how to budget or anything. Money Matters has taught me so much – and just in time, before my first pay day!





The Work of the Charity continued

Targeted Youth Support

Providing targeted youth support has remained a high priority, as we help young people to navigate the additional challenges that a small but significant proportion of teenagers face – many of which have been heightened during lockdown. This year we supported **808** young people.

STEER - our project working with young people affected by gangs and serious violence – continues to make a significant difference. This year we supported **91** young people in Salford, Bolton and Trafford. Working with young people with some of the most entrenched and enduring challenges is never easy, but we have continued to see strong results and a significant impact on life chances.

'Frank', a 14-year old, had entered the project having lost hope, with significant challenges, including domestic violence, carrying weapons and prolonged periods missing from home. He finished his time on the project saying: "I am so excited about the next stage of my life."

**“He’s doing really well now.
With your help, he’s got a job.
His attitude at home has
improved a lot.**

- Parent of STEER participant”

Our 'Engage Trafford' targeted mentoring projects have supported **127** young people throughout the year. Young people themselves and parents have been extremely grateful for the support provided. **"He doesn't break or destroy things anymore and he's now learnt to apologise after he's made a mistake. You've no idea what a massive difference your work has made to our family's life."** Another parent said: **"My son is so much nicer to be around. I don't feel like I'm walking on eggshells with him. He's so much more mature and it's great to see."** A similar project in Salford supported **32** young people in the first half of the year.

We have diversified our targeted mentoring offer in Salford with the launch of two new projects. Following analysis of the numbers of young people accessing our targeted services who have experienced or witnessed domestic abuse, we launched the RISE project. RISE aims to increase young people's awareness and understanding of trauma and adverse childhood experiences, enabling more positive, safe and aspirational choices which shape their future and build resilience. This has been funded from our own reserves and latterly by the National Lottery Community Fund. We have also launched the YEF project, funded by the Youth Endowment Fund. This focuses on 8-14 year olds who are at risk of serious youth violence and who are expected to struggle with their return to education following this year's school closures. Both projects have made encouraging starts, supporting **63** young people. For many of these young people, the development of emotional intelligence is a key foundation in controlling impulsivity and promoting appropriate responses to challenging situations. As one 11-year old commented: **"Having a mentor is giving me the time to talk about how I'm feeling and what I can do when I'm not feeling good."**





The Work of the Charity continued

'Boost'- our project targeting children's mental health and emotional well-being - has enjoyed a strong year, using a hybrid model of in-person and digital delivery. **414** Year 5 pupils in primary schools have been supported – a **265%** increase on 2019/20. The project uses the 'mental toughness' framework to develop resilience in 9 and 10 year olds, before they face the additional challenges and stresses associated with the transition to high school and adolescence. These challenges have been accentuated this year due to the amount of time lost in school as a result of the pandemic. The project is once again being evaluated by Manchester Metropolitan University– using 'distanced travelled' tools completed both by the children themselves and by their teachers.

*One beneficiary of the project this year was Callum. When Callum first joined the project, he was described as **“distracted, quite silly, and having quite a low opinion of himself.”** He struggled socially and was not popular amongst his classmates. He scored especially low in life control and confidence in abilities (scoring 1/10 in both). Following participation in the programme, Callum's teacher's assessment of his overall Mental Toughness had increased. His life control increased to a 4, and his confidence in his abilities leaped from a 1 to a 5 out of 10. Callum said: **“I have been using some of the emotional control techniques when my brother annoys me. They really work!”***



The 'Leadership Academy' project (working with young women who are at risk of coercion, exploitation, and limited aspirations) has supported 63 people. The project has taken a strengths-based approach to supporting the girls in the areas of positive relationships, raising aspirations and interpersonal skills. Like many projects this year, the majority of the interventions were delivered digitally. One of the changes this year has been working with a slightly older cohort of 16-18 year olds and this has proved to be particularly effective. Topics covered have been as diverse as anxiety, grooming and gender-stereotyped job roles. The Pastoral Lead at Worsley College commented: **“The girls have responded very positively and come back with feedback that demonstrates how much they have learned.”**

We have continued to provide support to young people at risk of dropping out of Salford College, due to a range of complex factors. This year we supported **64** students (a significant increase on the 29 students supported last year). Although a relatively small piece of work, its importance and impact should not be underestimated. Phoebe is representative of those supported. She had been estranged from her parents and was living in supported housing. She had been removed from college due to a series of challenging behaviour incidents and felt that she had struggled engaging in college and that she wasn't managing her ADHD very well. After sustained work with her mentor on her interpersonal skills and goals, Phoebe has started a new course with a different training provider. She is also rebuilding her relationship with her parents.



The Work of the Charity continued

Women's Services

This year we have continued to expand and differentiate our offer to vulnerable and disadvantaged women in Salford. Through **5** distinct projects, we have supported **467** women – a 68% increase. Our progress and developments have been driven by our Women's Services Board with significant input from the staff team.

We have continued to support women in the criminal justice system through our 'Together Women Project,' working collaboratively with the Community Rehabilitation Company and the National Probation Service. This year, we supported **177** women in all parts of the criminal justice system, from leaving prison to exiting police cells without charge.

Our women often live extremely challenging lives and are both the perpetrators and victims of crime. Many are affected by issues such as domestic abuse, adverse mental health, drug and alcohol problems and caring responsibilities. For many, their needs have been further exacerbated by the social impacts of COVID. Providing holistic support is therefore both challenging and of critical importance. *One woman who was supported this year – and whose experience is typical- was Jude. Jude was referred by the police after being charged with drunk and disorderly behaviour. She was alcohol dependent, homeless and living in a tent and had a range of other needs and issues. Through working with TWP, Jude has secured a flat. She is now engaging with drug and alcohol services and is receiving support for her mental health issues. She is also beginning to rebuild her relationship with her children. Jude said: “My keyworker never gave up on me and just kept on pushing through all the barriers in our way until I got to where I needed to be.”*

We have always delivered domestic abuse interventions through TWP but this year – as a consequence of lockdown – a significant spike in domestic abuse cases was recognised as a national issue. Through funding from the Ministry of Justice and GMCA we have been able to launch a discrete domestic abuse project, supporting **124** women. The programme is facilitated by a qualified and experienced domestic abuse practitioner and supported by qualified counsellors and involves a range of group-based and one-to-one interventions. The project has been particularly effective in supporting women whose children were at risk of removal to make sustained changes which has resulted in them maintaining custody of their children. At the end of the year, we were delighted to be awarded a substantial grant by the National Lottery Community Fund to continue developing our domestic abuse for a further three years.



The Work of the Charity continued

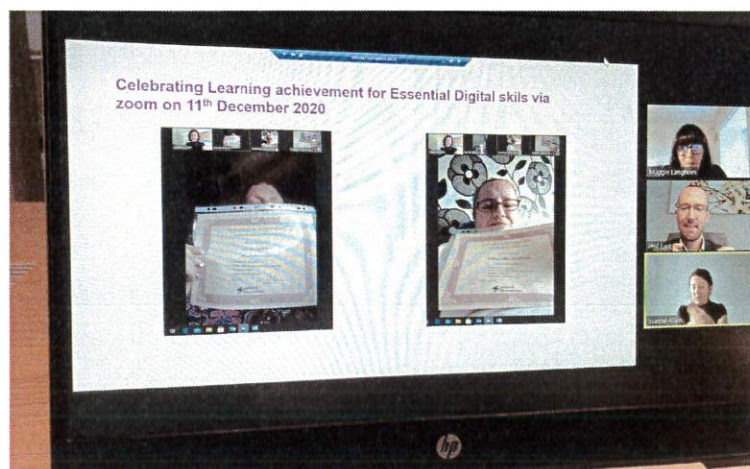


Our 'Emerge' and 'Evolve' projects have supported **121** women with a wide variety of issues including health and wellbeing; loneliness; work readiness and mental health. This has included developing peer support programmes, to help people find pathways beyond our women's centre towards sustainable mutual support in our local communities.

'Sharon' was referred by her Tenancy Sustainment Officer due to significant concerns with her mental health and anxiety. Sharon completed a 12-week course to improve her mental health and wellbeing and then began taking part in small group activities, such as walks and gardening projects. Sharon is now outgoing and friendly and is sustaining her tenancy successfully. She has a new network of friends in her local area. Sharon said:

“I find it hard to believe in myself, after being put down for so many years. I think I am starting to get there though, with the help of this lovely group of ladies.”

This year we also launched our 'Learning City' project. This is aimed at helping women who are furthest from the labour market and who have had negative experiences of formal education to re-engage with their learning and development. Funded by Salford City Council, we have supported **45** women to undertake a range of learning experiences, from sewing classes to confidence building; and from literacy and numeracy to yoga. The project has also had an important role in helping those who are digitally disadvantaged, giving women tablets and data bundles so that they can get online and learn digital skills. This element of the project has been accelerated due to the enhanced needs during lockdown. One participant said: **“I never thought I would be able to understand I.T. but every week I am learning something new and improving my skills. This is also helping with my confidence.”**





The Work of the Charity continued

Adult Inclusion

Our other programmes for adults facing significant challenges have provided invaluable support to **589** people in Salford, Greater Manchester, Cheshire, Lancashire, and Cumbria. Our Achieve keyworkers have supported 193 adults. With the prisons closed to visitors due to COVID throughout the year, this work switched to a combination of community-based support and telephone mentoring. The work is concerned with helping people to take the first steps towards life outside prison and to productive journeys towards employment, instilling hope and a positive belief in the possibility of creating alternative futures. **“I now feel incredibly positive about my future and myself. The work we have undertaken together has helped me no end and there has been a noticeable difference in my attitude and mind-set.”**

We have had a significant amount of work focusing on financial inclusion, debt reduction and fuel poverty. **191** people have been supported by our work in Salford and with the Women's Services Alliance across Greater Manchester. Helping people in the most challenged of material circumstances, when they are making choices - for instance between being warm or eating - which most of us can barely imagine, is both humbling and vital.

‘Sharon’ had a range of health conditions, 2 young children and been moved into emergency accommodation. She needed to keep the flat warm and her medication cold and found that she simply could not afford her utilities, which was causing her stress and anxiety. Thanks to our intervention, Sharon was able to switch her energy provider and was added to the Priority Service Register. She was helped to access the Warm Homes Discount. She now understands her energy tariff, she is less stressed, and she is saving £302.98 per year.

This year we have also launched a new project – The Shed. We come into contact with many men who have complex and multiple needs, but generally we only have the ability to work with them on single issues. Common themes for these men are recent experience of the criminal justice system, worklessness and mental health problems. Utilising some of our reserves, we launched The Shed to work with these men holistically to address their issues and help them to move towards sustainable outcomes. One man said: **“I’ve learnt so much about myself and I’m now ready and able to be the best version of me.”** We are grateful to the National Lottery Community Fund and the Workers Education Association who have also contributed funding.

We have also continued with our Training and Skills provision, providing accredited courses to many of our beneficiaries which have helped them to make successful transitions into work. 130 people completed courses with us this year, including health and safety, manual handling, and food hygiene. Skills and training that move people into paid employment are invaluable and make such a huge difference to people's outlook and circumstances. A significant facet of this work has been working with partners to deliver the ‘Build Salford’ project. Build Salford works with NEET young people, giving them access to construction training and work experience, with a high level of mentoring support.

*One participant, ‘John’ was a care leaver. After completing Build Salford, he is set to begin working through a Kick Start role created specifically for him by the construction firm he did work experience with as they were so impressed with him. He hopes this opportunity will turn into a future apprenticeship. We also supported John by funding his initial tool kit and personal protective equipment. John said: **“I am so excited to get to work as I know it will help to keep me out of trouble and put me on the right path for my future.”***



Future Plans: Opportunities and Risks

We have developed a new Strategy for 2021-24 'Building Better Futures Together.' This sets out our key opportunities and our approach to helping our communities recover from the social effects of COVID in the coming years. Amongst our many priorities, we will focus particularly on helping young people recover from the effects of COVID; delivering domestic abuse services; and developing The Shed project. In so doing, we have committed to using our resources – finance, people and buildings – as proactively and collaboratively as possible to help people create lasting change in their lives. We also plan to renovate and reconfigure our Foundation House head offices as a shared space for beneficiaries and staff. This will include a temporary home for our women's centre and the permanent location for The Shed. We will also continue with our plans to build a new women's centre in Eccles.

This is in addition to our plans to continue developing our four main areas of work: Child and Youth Development; Targeted Youth Support; Women's Services; and Targeted Adult Support. This will continue our plans for a mixed model of consolidation in some areas of our work with modest growth in others.



To enable much of the above, we will continue with our planned income Diversification Project, with our increased bid-writing capacity and the further development of fundraising work with corporate partners and in the community. This will be enabled through an investment from one of our designated reserves, the Programme Investment Fund – a fund which we will fully expend in the course of this year through a range of investments in our own projects and services. This is part of our plan to diversify our income base and achieve greater sustainability, spreading our risks more evenly so that we are not over-reliant on a narrow range of funding streams and we can more confidently invest in future development opportunities.

We recognise that the dramatic changes brought about by the Coronavirus pandemic will be our prevailing context, providing many additional risks. Not least, we anticipate changes to funding priorities and the sums funders across the charitable, public and private sectors have at their disposal. As we continue in a period of significant uncertainty for our whole country and all of its institutions, we will remain mission-focused and endeavour to find the right balance between being courageous in meeting the needs of our beneficiaries and also being financially prudent. In so doing, we are well served by our healthy reserves position which provides a very firm foundation from which to balance our risks and opportunities and to plot our course beyond the pandemic in the next few years ahead.



Financial Review

Principal funding sources

We continue to derive our income from a number of sources. We generate income for the delivery of services for our diverse suite of projects from a range of partners, i.e. statutory bodies, corporates and trusts and foundations. Our funding model is predominantly a mixture of Payment by Results contracts and traditional grant funding.

Results for the year

The Coronavirus pandemic had a significant financial effect in the year to 31 March 2021.

Total income declined by 36% to £1,675,927 (2020: £2,623,290), caused largely by Payment by Results based contracts that were adversely affected by Covid- related lockdowns. This was partially offset by emergency funding received in our Targeted Youth and Adult services teams, which enabled us to respond to increasing needs within our community. Income in the year also reflects the outcome of the liquidation process of our former NCS managing delivery partner, which commenced in 2019 following the collapse of The Challenge Network.

Expenditure declined by a similar percentage from £2,412,574 to £1,521,612, due to much reduced activity predominantly in our Universal Youth services, savings in travel and accommodation costs and also as a result of delayed spend in a number of our designated funds.

Overall, careful management of costs and the outcome of the liquidation process of The Challenge Network resulted in a total surplus on activities in the year of £154,315 (2020: £210,716). £74,476 of this surplus was made up of an increase in restricted funds that will be utilised in 2021/22 (2020: £28,760).

In addition to the remaining balances on designated funds brought forward at the start of the year, the Trustees approved a transfer of additional designated funds (£100,000) to represent our commitment to build a new women's centre in Eccles, in partnership with Salford City Council and For Housing.

For 2021/22 we anticipate that the profound uncertainty caused by the Coronavirus pandemic will result in a deficit position for the year. The Coronavirus designated fund created in 2020 and the balance of our Programme Investment fund will allow us to absorb some of the forecasted shortfalls in funding during 2021-2022 whilst enabling us to continue to meet the needs of our beneficiary groups.

Reserves

Each financial year the Audit Committee and Trustees review our Reserves Policy to establish the level of free reserves needed to enable us to operate effectively and responsibly; representing the funds that might be needed: to support expenditure in the event of reduced income or changes in circumstances; and to support expenditure that might be needed to help develop the charitable offer.



Financial Review continued

Reserves (continued)

A free reserve range of £650,000 to £850,000 was established to take account of anticipated future income and its volatility, the environment, the needs of current and future beneficiaries and the levels of known liabilities. The reserves are intended to provide for contingencies; to absorb setbacks, mitigate for risks and also to be able to take advantage of change and opportunities.

In considering the appropriate level of reserves, the Trustees have taken account of the nature of funds and funding received by the charity and its operations, the assessment of risks to the charity's activities, income and expenditure and the anticipated future requirements of the organisation's plans and budgets.

The Trustees monitor the level of reserves through financial reporting by the organisation's senior management team to the Audit and Risk Committee and through the Board's normal cycle of business. In the event that the level of appropriate reserves cannot be met, the Trustees will establish an intended course of action to bring the level of reserves up to the required level over a period of time. In the event that the level of reserves exceeds the level considered appropriate by the Trustees, the funds will be deployed in the best interests of the charity, which may include investment in new services or designation of funds for a particular project via the Programme Investment Fund.

At 31 March 2021, the charity's total funds were £2,548,229 (2020: £2,393,914) made up of: £104,837 restricted reserves (2020: £30,361), £744,035 fixed asset reserves (2020: £749,452) and £777,201 designated reserves (2020: £730,468). The remainder, £922,156 represented the available free reserves (2020: £883,633), above the Foundation's set target range.

We forecast that the changes brought about by the Coronavirus will result in a deficit for the upcoming year. The usage of specific designated funds available and free reserves above the range required by our reserves policy will allow us to continue to meet the needs of our beneficiary groups through 2021/22.





Financial Review continued

Going concern

Our free reserves at the year-end amount to £922,156 (2020: £883,633). After consideration of the current business plan for 2021/22, levels of agreed funding, planned usage of reserves, and taking into account the effect of Coronavirus, the Trustees consider there is a reasonable expectation that the Foundation has adequate resources to continue to support its charitable objectives for the foreseeable future. There are no material uncertainties that would impact on the charity's ability to continue. Accordingly, we continue to adopt the going concern basis in preparing this annual report and financial statements.

Fundraising

Salford Foundation does not undertake direct fundraising. During the financial year we received a small amount of donations and funds raised by individuals following increased social media reporting of our work.

As part of our income diversification strategy and potential growth in donated income, we are committed to fundraising best practice and abide by the Fundraising Regulator's key principles and behaviours that are enshrined in the Code of Fundraising Practice. There is a clear commitment to be legal, open, honest and respectful in all aspects of our fundraising activity. We undertake to comply with relevant law and regulations, including the Proceeds of Crime Act, Data Protection, Tax and Gift Aid legislation and Charity Commission guidance, and during the year implemented a CRM database and developed internal Fundraising and Ethical Fundraising policies.

We do not utilise external professional fundraisers or commercial participators and have never received a complaint relating to any of its fundraising activities.





Structure, Governance and Management

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles dated 9th February 2016 and is registered with Charity Commission.

Governance

The board has a mix of representatives from business, education, and the community. On-going training of trustees takes place and on appointment, an induction is given by the Chief Executive. The audit, risk and remuneration committee meet as required, with delegated duties approved by the full board. In addition, ad hoc task and finish subgroups of the board are convened with members of the Senior Management Team to expedite the execution of duties. During the financial year two such groups met in respect of the Foundation's income diversification strategy and property development strategies.



Trustee Recruitment

The recruitment of new Trustees is via an advertising campaign using social media and Greater Manchester VCSE networks to ensure that vacancies are disseminated across our communities. Potential new members of the Trustee board are invited to discuss the role informally with the Chair and CEO before attending a Trustee Board meeting as an observer. Successful candidates are appointed as Trustees following a unanimous vote by the board. The board meets, formally, five times during the financial year.



Trustee Training

An induction process is in place, whereby new trustees receive support from the CEO, the Chair and another fellow trustee. Trustees also receive a comprehensive briefing pack on appointment containing information about the organisation and guidance on the role of a trustee from the Charity Commission, including the Charity Governance Code.

The Board arranges an annual strategy and training day, attended by senior managers and trustees. The purpose of these sessions, in addition to discussing wider strategic themes, is to give trustees hands-on experience of the Organisation's work and the services delivered. In addition, the opening agenda item at each board meeting is a showcase by staff and/or services users on a particular programme or initiative.



Structure, Governance and Management

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements

Directors and Trustees

The directors of the charitable company (the Foundation) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees who served the company during the period were as follows:

Key management personnel: Trustees and Directors

Chair:	E Potier
Trustees:	N Abbott (resigned 30 April 2020)
	J C Davies (appointed 01 March 2021)
	K S Francis
	D Graham (appointed 12 June 2020)
	M Marfleet
	M-G Nkeshimana (appointed 15 July 2021)
	M Nuttall (resigned 24 September 2020)
	P Openshaw
	Dr K Potier de la Morandiere
	K Prayle (appointed 15 July 2021)
	C Ramsden
	K Stansfield (appointed 01 June 2021)
	C Tennant (appointed 30 April 2020)
	J Trehane (resigned 9 July 2020)
	S E Wilson-Gibbons

Key management personnel: Principal staff

Chief Executive Officer: P East

Related parties

The Foundation's transactions with related parties are set out in the notes to the financial statements.

Salford Foundation Trust provides grants to beneficiaries in the Salford area - registered charity no 1105303, a company limited by guarantee. Salford Foundation Ltd can appoint three of the eight trustees on the board of Salford Foundation Trust. The remaining five are independent of Salford Foundation Ltd ensuring that the Trust runs as an effective independent body. The Articles of Association of Salford Foundation Trust were amended on 28 January 2021 to remove the nomination allocation of Salford Foundation board members to the board of Salford Foundation Trust.

Salford Compact Ltd (trading as the Foundation for Personal Development), formerly pursued activities that were of a trading nature or work outside the geographical area of that permitted by Salford Foundation's objects. The company is dormant.

Risk Management

The Trustees have examined the major strategic, business, and operational risks that the Charity faces and confirm that systems have been established to enable regular reviews to be carried out so that necessary steps can be taken to manage these risks. The Trustees are satisfied that reasonable steps are being taken to limit the likelihood and the impact of the risks identified.



Statement of Trustees' Responsibilities

The trustees (who are also the directors of Salford Foundation Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charity SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware of; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by order of the Board of Trustees on 23rd September 2021 and signed on its behalf by:

E Potier
Chair

SALFORD FOUNDATION LIMITED

Report of the Independent Auditor to the Members of Salford Foundation Limited For the year ended 31 March 2021

Opinion

We have audited the financial statements of Salford Foundation Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Report of the Independent Auditor to the Members of Salford Foundation Limited

For the year ended 31 March 2021

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

Report of the Independent Auditor to the Members of Salford Foundation Limited For the year ended 31 March 2021

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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

Audit response to risks identified

- the nature of the industry and sector, control environment and business performance.
- results of our enquiries of management about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to the identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance. Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud and the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to the timing of the recognition of income. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override and we identified risk in relation to the posting of unusual journals and the manipulation of accounting estimates.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included Safeguarding, the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK (FRS 102), and the Companies Act 2006.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditor to the Members of Salford Foundation Limited
For the year ended 31 March 2021

Use of our report

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

ABuckley

Alison Buckley (Senior Statutory Auditor)
For and on behalf of Mitchell Charlesworth
3rd Floor
44 Peter Street
Manchester
M2 5GP

23.09.21.

SALFORD FOUNDATION LIMITED

Statement of Financial Activities (Incorporating an Income and Expenditure Account) For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Income							
Donations	5	12,227	-	12,227	28,669	-	28,669
Charitable activities							
Charitable objects	6	1,288,643	362,476	1,651,119	2,490,693	80,974	2,571,667
Investment income	7	12,236	-	12,236	22,954	-	22,954
Other income		345	-	345	-	-	-
Total Income		1,313,451	362,476	1,675,927	2,542,316	80,974	2,623,290
Expenditure							
Cost of raising funds							
Fundraising costs		216	-	216	236	-	236
Charitable activities							
Charitable objects	8	1,232,998	288,398	1,521,396	2,360,124	52,214	2,412,338
Total expenditure		1,233,214	288,398	1,521,612	2,360,360	52,214	2,412,574
Net income		80,237	74,078	154,315	181,956	28,760	210,716
Transfers between funds	15	(398)	398	-	-	-	-
Net movement of funds for the year		79,839	74,476	154,315	181,956	28,760	210,716
Reconciliation of funds							
Total funds brought forward		2,363,553	30,361	2,393,914	2,181,597	1,601	2,183,198
Total funds carried forward		2,443,392	104,837	2,548,229	2,363,553	30,361	2,393,914

All income and expenditure has arisen from continuing activities.

SALFORD FOUNDATION LIMITED

Balance Sheet

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	16		744,252		749,996
Current assets					
Debtors	17	188,912		520,296	
Cash at bank and in hand		2,478,852		2,282,094	
		2,667,764		2,802,390	
Creditors: Amounts falling due within one year	18	(863,787)		(1,158,472)	
Net current assets			1,803,977		1,643,918
Net assets			2,548,229		2,393,914
			<u> </u>		<u> </u>
Funds					
Restricted income funds	19		104,837		30,361
Unrestricted income funds					
General	19	922,156		883,633	
Designated	19	1,521,236		1,479,920	
Net current assets			2,443,392		2,363,553
Total funds			2,548,229		2,393,914
			<u> </u>		<u> </u>

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

The financial statements were approved by the Board of Trustees on _____ and were signed on its behalf by:



.....
E Potier
Chair

SALFORD FOUNDATION LIMITED

Cash Flow Statement

For the year ended 31 March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	25	197,644	68,440
Net cash provided by operating activities		197,644	68,440
Cash flows from investing activities:			
Interest from investments		12,236	22,954
Purchase of property, plant, and equipment		(13,122)	-
Net cash (used in)/provided by investing activities		(886)	22,954
Change in cash and cash equivalents in the reporting period		196,758	91,394
Cash and cash equivalents at the beginning of the reporting period		2,282,094	2,190,700
Cash and cash equivalents at the end of the reporting period		2,478,852	2,282,094

SALFORD FOUNDATION LIMITED

Notes to the Financial Statements

For the year ended 31 March 2021

1. General information

Salford Foundation Limited is a company, limited by guarantee, incorporated in England, and Wales under the Companies Act 2006. Details of the registered office address can be found on page 4 and a description of its principal activities in the Trustees' Report.

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.

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

Salford Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

At the time of approving the financial statements and having due regard to the impact of COVID-19, as referred to in the Trustees' Report, the Trustees have a reasonable expectation that the 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Grants are deferred to future periods only when this is specified or agreed by the funder or other preconditions of the fund are not yet met.

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

Investment income is recognised on a receivable basis.

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

2. Accounting policies [Continued]

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Charitable activities include expenditure associated with the provision of charitable objectives and include both the direct costs and support costs relating to these activities.
- Support costs include central functions and have been allocated to activity cost categories either directly, where identifiable, or on a basis pro-rata with headcount or staff resources absorbed by that activity.
- Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.
- Termination benefits are amounts payable as a result of a decision by the Charity to terminate employment before the normal retirement date. The costs are charged on an accruals basis to the relevant service line in the Statement of Financial Activities when the Charity is demonstrably committed to the termination of the employment.

Funds structure

- Restricted funds are funds subject to specific restrictive conditions imposed by the donor or by the purpose of the contract / monies received. The purpose and use of restricted funds is set out in note 19 to the financial statements.
- General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are funds which have been allocated or designated for specific purposes by the charity out of unrestricted funds. A description of the intended use of the designated funds is set out in note 19 to the financial statements.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. Assets are capitalised if their cost is £1,000 or over.

The principal terms used are:

Freehold property - 50 years
Computers and office equipment - 2 to 8 years

Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Notes to the Financial Statements
For the year ended 31 March 2021

2. Accounting policies [Continued]

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions to the charitable pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due.

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

Creditors and accruals are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Taxation

The charity is exempt from corporation tax on its charitable activities.

3. Legal status of the charity

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members are liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

4. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

5. Donations	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations	12,227	-	12,227	28,669	-	28,669
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes to the Financial Statements
For the year ended 31 March 2021

6.	Income from charitable activities	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
	Work in Schools	226,364	34,963	261,327	215,666	-	215,666
	Youth Intervention Services	348,262	82,993	431,255	342,735	-	342,735
	Universal Youth Services	513,880	-	513,880	1,676,117	-	1,676,117
	Adult Inclusion Initiatives	200,137	244,520	444,657	256,175	80,974	337,149
		<u>1,288,643</u>	<u>362,476</u>	<u>1,651,119</u>	<u>2,490,693</u>	<u>80,974</u>	<u>2,571,667</u>
7.	Investment income	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
	Interest received	12,236	-	12,236	22,954	-	22,954
		<u>12,236</u>	<u>-</u>	<u>12,236</u>	<u>22,954</u>	<u>-</u>	<u>22,954</u>

Notes to the Financial Statements
For the year ended 31 March 2021

8. Analysis of charitable expenditure – current year

	Allocation basis	Work in Schools	Youth Intervention Services	Universal Youth Services	Adult Inclusion Initiatives	Other charitable activities	Total 2021
		£	£	£	£	£	£
Staff costs	Direct	167,680	295,475	185,688	310,990	28,966	988,799
Service delivery costs	Direct	11,950	36,892	11,368	67,169	25,081	152,460
Support costs	Note 11	49,072	84,471	162,383	84,211	-	380,137
Total		228,702	416,838	359,439	462,370	54,047	1,521,396

Analysis of charitable expenditure – prior year

	Allocation basis	Work in Schools	Youth Intervention Services	Universal Youth Services	Adult Inclusion Initiatives	Other charitable activities	Total 2020
		£	£	£	£	£	£
Staff costs	Direct	159,983	224,180	438,527	253,522	-	1,076,212
Service delivery costs	Direct	21,997	60,612	692,145	49,613	25,133	849,500
Support costs	Note 11	43,683	59,749	336,181	47,013	-	486,626
Total		225,663	344,541	1,466,853	350,148	25,133	2,412,338

Expenditure on charitable activities was £1,521,396 (2020: £2,412,338) of which £1,232,998 was unrestricted (2020: £2,360,124) and £288,398 restricted (2020: £52,214).

10. Grants payable	2021	2020
	£	£
Charitable objects	13,904	15,253
The total grants paid to institutions during the year was as follows:		
The Salford Foundation Trust	13,904	13,629
Others	-	1,624
	13,904	15,253

Notes to the Financial Statements
For the year ended 31 March 2021

11. Analysis of governance and support costs – current year

The charity allocates its support costs as shown in the table below and then further apports those costs between the charitable activities undertaken (see note 8). Where practicable any support costs are directly attributed to the activity. Where this is not possible costs are allocated based on staffing resources in that activity, either by headcount or by time spent.

Support costs	General support	Governance costs	2021 Totals
	£	£	£
Wages & salaries	231,242	-	231,242
Bad debts	(22,456)	-	(22,456)
Depreciation	18,866	-	18,866
Facilities, Property & insurance costs	55,393	481	55,874
General management	22,448	10,080	32,528
IT & communications	48,540	-	48,540
Office costs	7,876	-	7,876
Other staff support costs	7,667	-	7,667
	<u>369,576</u>	<u>10,561</u>	<u>380,137</u>

Analysis of governance and support costs – prior year

Support costs	General support	Governance costs	2020 Totals
	£	£	£
Wages & salaries	242,941	-	242,941
Bad debts	26,105	-	26,105
Depreciation	19,688	-	19,688
Facilities, Property & insurance costs	65,018	455	65,473
General management	39,988	10,500	50,488
IT & communications	49,898	-	49,898
Office costs	21,991	-	21,991
Other staff support costs	10,042	-	10,042
	<u>475,671</u>	<u>10,955</u>	<u>486,626</u>

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	7,800	9,000
Depreciation - owned assets	18,866	19,687
Other operating leases	2,196	2,196
	<u>28,862</u>	<u>30,883</u>

Notes to the Financial Statements
For the year ended 31 March 2021

13. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

14. Staff costs	2021	2020
	£	£
Wages and salaries	1,076,963	1,174,136
Social security costs	83,067	94,795
Other pension costs	60,011	50,222
	<u>1,220,041</u>	<u>1,319,153</u>

	2021	2020
	No	No
The average monthly number of employees during the year was as follows:		
Charitable activities	47	45
Support staff	5	5
Temporary programme staff	21	144
	<u>73</u>	<u>194</u>

The average full-time equivalent number of core permanent and support staff was 45 (2020: 40). In order to operate the reduced NCS programme in 2020/21, of the 21 temporary programme staff employed during the summer and autumn programmes (2020: 144), the average number of FTE employees was 1 (2020: 16).

Included in wages and salaries is an amount of £1,410 (2020: £nil) relating to redundancy costs. The amount of accrued redundancy costs at the balance sheet date was £1,410 (2020: £nil).

There were no employees whose employee benefits (excluding pension costs) exceeded £60,000. (2020: None)

The total amount of employee benefits received by the key management personnel was £59,174 (2020: £74,246).

15. Transfers between Funds

Small transfers totalling £398 (2020: £nil) in the year were made from unrestricted funds to reflect minor overspends on certain restricted projects.

Notes to the Financial Statements
For the year ended 31 March 2021

16. Tangible fixed assets	Freehold Property £	Freehold Property Improvements	Computer Equipment £	Total £
Cost				
At 1 April 2020	927,098	-	203,126	1,130,224
Additions	-	13,122	-	13,122
At 31 March 2021	927,098	13,122	203,126	1,143,346
Depreciation				
At 1 April 2020	177,644	-	202,584	380,228
Charge for year	18,541	-	325	18,866
At 31 March 2021	196,185	-	202,909	399,094
Net book value				
At 31 March 2021	730,913	13,122	217	744,252
At 31 March 2020	749,454	-	542	749,996
17. Debtors: Amounts falling due within one year				
			2021	2020
			£	£
Trade debtors			148,343	451,918
Accrued income			30,877	53,012
Prepayments			9,692	15,366
			188,912	520,296
18. Creditors: Amounts falling due within one year				
			2021	2020
			£	£
Trade creditors			415,177	275,881
Accruals			62,840	65,202
Deferred income			385,770	817,389
			863,787	1,158,472
Deferred income includes £385,770 relating to funding received in advance on contracts.				
Balance brought forward			817,389	958,570
Utilised in period			(809,489)	(917,207)
Added in period			377,870	776,026
			385,770	817,389

Notes to the Financial Statements
For the year ended 31 March 2021

19. Movement in funds – Current year	At 1 April 2020 £	Net movement in funds £	Transfers between funds £	At 31 March 2021 £
Unrestricted funds				
General fund	883,633	138,921	(100,398)	922,156
Designated funds				
Freehold property	749,452	(18,542)	-	730,910
Planned maintenance	193,790	-	-	193,790
Puccini's event	3,655	(2,610)	-	1,045
Hardship fund	14,356	-	-	14,356
Programmes Investment Fund	318,667	(37,532)	-	281,135
Coronavirus Response Fund	200,000	-	-	200,000
St Mary's Redevelopment Fund	-	-	100,000	100,000
Total designated funds	1,479,920	(58,684)	100,000	1,521,236
Total unrestricted funds	2,363,553	80,237	(398)	2,443,392
Restricted funds				
Emerge	8,091	(8,174)	83	-
BUPA - Evolve	22,270	(22,264)	-	6
BUPA - Positive Pathways	-	33,898	-	33,898
Co-op Foundation - Leap	-	34,963	-	34,963
Lottery 1 - Women's services	-	(114)	114	-
Lottery 1 - The Shed	-	(73)	73	-
Lottery 2 - Rise	-	1,193	-	1,193
Lottery 2 - The Shed	-	(63)	-	(63)
Lottery 2 - Women's services	-	(438)	-	(438)
Salford CVS - Rise	-	19,898	-	19,898
Youth Endowment Fund - YEF	-	5,539	-	5,539
BBC Children in Need - Leadership Academy	-	1,712	-	1,712
Ministry of Justice - Women's services grant	-	(127)	127	-
GMCA – Domestic Abuse emergency grant	-	206	-	206
Salford CVS - Emergency beneficiary support	-	(1)	1	-
Workers' Educational Association	-	1,490	-	1,490
Princes Trust - Better Build Back Youth Salford	-	6,433	-	6,433
Total restricted funds	30,361	74,078	398	104,837
Total funds	2,393,914	154,315	-	2,548,229

Notes to the Financial Statements
For the year ended 31 March 2021

19. Movement in funds [Continued] – Current year	Incoming Resources	Resources Expended	Movement in funds
	£	£	£
Net movement in funds, included in the above are as follows:			
Unrestricted funds			
General fund	1,313,451	(1,174,530)	138,921
Freehold property	-	(18,542)	(18,542)
Planned maintenance	-	-	-
Puccini's event	-	(2,610)	(2,610)
Hardship fund	-	-	-
Programmes Investment Fund	-	(37,532)	(37,532)
Coronavirus Response Fund	-	-	-
St Mary's Redevelopment Fund	-	-	-
	<u>1,313,451</u>	<u>(1,233,214)</u>	<u>80,237</u>
Restricted funds			
Emerge	36,264	(44,438)	(8,174)
Evolve	-	(22,264)	(22,264)
Positive Pathways	33,898	-	33,898
Leap	34,963	-	34,963
Lottery grant 1 - Women's services	32,052	(32,166)	(114)
Lottery grant 1 - The Shed	12,934	(13,007)	(73)
Lottery grant 2 - Rise	18,993	(17,800)	1,193
Lottery grant 2 - The Shed	11,902	(11,965)	(63)
Lottery grant 2 - Women's services	14,012	(14,450)	(438)
Rise	19,898	-	19,898
Youth Endowment Fund	26,502	(20,963)	5,539
Leadership Academy	17,600	(15,888)	1,712
Ministry of Justice	34,910	(35,037)	(127)
Domestic Abuse emergency grant	39,229	(39,023)	206
Emergency beneficiary support	1,000	(1,001)	(1)
Workers' Educational Association	5,000	(3,510)	1,490
Build Back Youth Salford	23,319	(16,886)	6,433
	<u>362,476</u>	<u>(288,398)</u>	<u>74,078</u>
Total restricted funds	<u>362,476</u>	<u>(288,398)</u>	<u>74,078</u>
Total funds	<u><u>1,675,927</u></u>	<u><u>1,521,612</u></u>	<u><u>154,315</u></u>

Notes to the Financial Statements
For the year ended 31 March 2021

19. Movement in funds (Continued) – prior year	At 1 April 2019 £	Net movement in funds £	Transfers between funds £	At 31 March 2020 £
Unrestricted funds				
General fund	834,716	273,917	(225,000)	883,633
Designated funds				
Freehold property	767,994	(18,542)	-	749,452
Planned maintenance	178,793	(10,003)	25,000	193,790
Puccini's event	5,764	(2,109)	-	3,655
Hardship fund	14,656	(300)	-	14,356
Programmes Investment Fund	379,674	(61,007)	-	318,667
Coronavirus Response Fund	-	-	200,000	200,000
Total designated funds	1,346,881	(91,961)	225,000	1,479,920
Total unrestricted funds	2,181,597	181,956	-	2,363,553
Restricted funds				
Emerge	1,601	6,490	-	8,091
Evolve	-	22,270	-	22,270
Total restricted funds	1,601	28,760	-	30,361
Total funds	2,183,198	210,716	-	2,393,914

Notes to the Financial Statements
For the year ended 31 March 2021

19. Movement in funds (Continued) – prior year	Incoming Resources	Resources Expended	Movement in funds
	£	£	£
Net movement in funds, included in the above are as follows:			
Unrestricted funds			
General fund	2,542,316	(2,268,399)	273,917
Freehold property	-	(18,542)	(18,542)
Planned maintenance	-	(10,003)	(10,003)
Puccini's event	-	(2,109)	(2,109)
Hardship fund	-	(300)	(300)
Programmes Investment Fund	-	(61,007)	(61,007)
Total unrestricted funds	2,542,316	(2,360,360)	181,956
Restricted funds			
Emerge	40,160	(33,670)	6,490
BUPA - Evolve	22,270	-	22,270
Smart Energy	18,544	(18,544)	-
Total restricted funds	80,974	(52,214)	28,760
Total funds	2,623,290	(2,412,574)	210,716

Designated funds:

Freehold property: Amount invested by the charity in freehold property.

Planned maintenance: Amount set aside to carry out maintenance and renewals at Foundation House and St Mary's Centre. A major refurbishment project for Foundation House is planned to take place during Summer 2021.

Puccini's event: A balance remaining from a fundraising event in a previous period. This fund continues to provide welcome Summer breaks and respite to family groups using our services.

Hardship fund: This fund was established to assist participants on the NCS and other Youth Programmes.

Programmes Investment Fund: This fund was established to invest in services when external funding cannot be secured and to seed-fund new and innovative ideas. This fund also supports infrastructure projects and in 2021/22 will be used in part to support our Income Diversification and Digital Transformation projects. The fund was profiled in 2018/19, with a plan agreed to fully utilise the reserve strategically and effectively over a 5-year period.

Coronavirus Response Fund: A fund established in 2019/20 to mitigate risks associated with funding shortfalls as a result of Coronavirus, particularly for PBR related contracts. It is anticipated that this fund will be utilised during 2021/22.

St Mary's Redevelopment Fund: A fund established 2020/21 to fund a new permanent location for our Women's Centre.

Notes to the Financial Statements

For the year ended 31 March 2021

19. Movement in funds [Continued]

Restricted funds:

Restricted funds are grants and contracts funds received for specific projects:

Emerge: A two-year project funded by the National Lottery Community Fund and the UK Government to combat loneliness and social isolation among women in Salford.

Evolve: A project part funded by the BUPA UK Foundation as part of their Mid-life Mental Health funding programme. The project provides mental well-being and recovery support to women who are experiencing problems due to changes in their personal and family life.

Positive Pathways: A project funded by the BUPA UK Foundation supporting women in Salford who are experiencing poverty, social and digital exclusion, and poor mental health.

Leap: A project providing peer-to-peer support to improve the wellbeing of students during the transition from primary school to high school - funded by the Co-op Foundation #iwill School Transitions grant

National Lottery Community Fund: two emergency grants received to deliver services aimed to support our community (via Women's Services, Rise, and the Shed) during the COVID-19 crisis.

Rise: Funding received from the Salford CVS CV-19 Recovery Fund to support the Rise project which works with young people who have witnessed, or been a victim of, historical and significant family conflict at home/ domestic abuse.

Youth Endowment Fund: A programme to support young people aged 10-13 at risk of youth violence and school exclusion.

Leadership Academy: A BBC Children in Need funded project working with targeted year 10 and 11 girls in Salford schools who are experiencing: negative relationships, violence, low aspirations and a lack of positive role models.

Ministry of Justice: Women's Community Sector Funding of core costs.

Domestic Abuse emergency grant: Funding received via GMCA Police and Crime Commissioner to provide domestic abuse services and support.

Emergency Beneficiary Support: A Salford CVS crisis fund grant which allowed our Women's services team to purchase essential items and mobile phones and top up codes for services users who would not be able to continue accessing our services.

Workers' Educational Association: Employability and training programme for unemployed and socially excluded men.

Build Back Youth Salford: BBYS is an employability programme funded by The Prince's Trust, focussing on helping NEET young people in Salford back into education or work.

Notes to the Financial Statements
For the year ended 31 March 2021

20. Analysis of net assets between funds – current year	General Fund	Designated Funds	Restricted Funds	Total 2021
	£	£	£	£
Tangible fixed assets	217	744,035	-	744,252
Cash at bank and in hand	1,596,814	777,201	104,837	2,478,852
Other net current (liabilities) / assets	(674,875)	-	-	(674,875)
	<u>922,156</u>	<u>1,521,236</u>	<u>104,837</u>	<u>2,548,229</u>
Analysis of net assets between funds – prior year				
	General Fund	Designated Funds	Restricted Funds	Total 2020
	£	£	£	£
Tangible fixed assets	542	749,454	-	749,996
Cash at bank and in hand	1,521,267	730,466	30,361	2,282,094
Other net current (liabilities) / assets	(638,176)	-	-	(638,176)
	<u>883,633</u>	<u>1,479,920</u>	<u>30,361</u>	<u>2,393,914</u>

21. Commitments under operating leases

At 31 March 2021 the company had annual commitments under non-cancellable operating leases for other equipment as set out below

	2021	2020
	£	£
Within 1 year	576	576
Within 2 – 5 years	-	2,196
	<u>576</u>	<u>2,772</u>

22. Related party disclosures

During the year, the cost of salary, national insurance, and pension contributions of employees of Salford Foundation Limited that were seconded to The Salford Foundation Trust amounted to £10,428 (2020: £13,629). A donation of £3,476 (2020: £nil) was also made to the same.

At the year-end Salford Foundation Limited owed £nil (2020: £1,346) to The Salford Foundation Trust.

23. Ultimate controlling party

The charitable company is under the control of the trustees who are also the members of the company.

24. Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £60,579 (2020: £50,222).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Notes to the Financial Statements
For the year ended 31 March 2021

25.	Reconciliation of net income to net cash flow from operating activities		2021	2020
			£	£
	Net income for the reporting period (as per the Statement of Financial Activities)		154,315	210,716
	Adjustments for:			
	Depreciation charges		18,866	19,687
	Interest from investments		(12,236)	(22,954)
	Decrease in debtors		331,384	18,539
	(Decrease) in creditors		(294,685)	(157,548)
	Net cash provided by operating activities		<u>197,644</u>	<u>68,440</u>
26.	Analysis of changes in net funds – current year	At		At
		1 April	Cash Flow	31 March
		2020		2021
		£	£	£
	Net cash			
	Cash at bank and in hand	2,282,094	196,758	2,478,852
		<u>2,282,094</u>	<u>196,758</u>	<u>2,478,852</u>
	Analysis of changes in net funds – prior year	At		At
		1 April	Cash Flow	31 March
		2019		2020
		£	£	£
	Net cash			
	Cash at bank and in hand	2,190,700	91,394	2,282,094
		<u>2,190,700</u>	<u>91,394</u>	<u>2,282,094</u>