

Foundations Stockport Limited

Company Limited by Shares
Charitable Community Benefit Society
Financial Statements

Year ended 31 March 2020

Registered Number: 7953

Foundations Stockport Limited

Report and Financial Statements for the year ended 31 March 2020

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Board Members Annual Report for the year ended 31 March 2020

The Board Members present their report and accounts for the year ended 31 March 2020. The accounts have been prepared in compliance with the Companies Act 2006 and “Accounting and Reporting by Charities: Statement of Recommended Practice 2019 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 2015)”

Foreword by Chair

Welcome to Foundations Stockport (“Foundations”) first annual report in what has been a very busy and challenging first year.

Our first project, Your Local Pantry, has seen a notable growth in memberships this year with the opening of our new pantry in Woodley. This is already proving to be a success with 150 memberships already taken up, and so helping to feed households experiencing financial difficulties.

This year we have seen the transfer of the Motiv8 and the Furniture Recycling projects into Foundations. These initiatives support the people of Stockport in very different ways. Motiv8 is helping those people furthest from the job market to gain vital skills and qualifications to secure employment, whilst the Furniture Recycling Project diverts unwanted quality furniture from landfill and redirects it to households in need.

Foundations is also heavily involved with the most vulnerable in society, those without a home. Both the Greater Manchester ‘Housing First’ project and the Rough Sleeper Initiative go a long way to helping people to meet that basic need and I am proud that Foundations is a part of this high profile work.

We have ambitious plans to build on this work, and our work with young people. The very popular Fabulous Foundations holiday clubs will extend to another location during 2020 and a dedicated new post will be in place to support young people at risk of falling into offending behaviour. A range of other new business and tender opportunities are being explored, and the Gift Aid income received will contribute to supporting this expansion.

I would like to thank the Board Members for their continued dedication and support for Foundations, and I look forward to achieving even more over the coming year.

Objectives and activities

Foundations Stockport is a Charitable Community Benefit Society, incorporated on the 10th December 2018 and is a subsidiary of Stockport Homes Limited.

Foundations has four broad key aims stated in its governing document, and activity is structured and prioritised to deliver against these aims;

- Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills;
- Supporting customers in local communities and delivering support services to help people live independently;
- Empowering communities to develop networks of support, including targeted work with people who may experience disadvantage such as people with disabilities, from BAME communities and those with complex needs;
- Working in partnership to reduce demand on statutory services; and supporting the development of the third sector, ensuring additional resources and services are secured.

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The aims of the charity seek to address a wide range of disadvantages experienced by people living within the Borough of Stockport including:

- Economic disadvantage, particularly for those residents who live within social housing
- Disadvantage which is specific to particular groups including people with disabilities, people from BAME communities and those with complex needs
- The difficulties people face in living independently and again recognises that customers with vulnerabilities tend to be concentrated in social and private rented sector housing.

The aims also recognise the need to work in partnership with other third sector organisations in the Borough, harnessing the collective knowledge, experience and skills of organisations to secure additional resources and services, helping to reduce demand on stretched statutory services.

As well as being able to bid for new funding streams and tender opportunities as they arise, Foundations is able to take advantage of a number of existing Social Inclusion projects established within Stockport Homes, which clearly align with the Foundations' aims, and these have been transferred into the company. This supports Foundations establishing its identity and building a track record, whilst contributing to bidding for funding that may otherwise have been unavailable. Services transferred into Foundations Stockport include Motiv8, Your Local Pantry, the Furniture Recycling Project and Fabulous Foundations.

Key areas of activity

Foundations is still in its infancy and it is recognised that activity to meet all aims cannot be developed all at once. Each area of work has been categorised under the aim it most closely aligns with, however many projects deliver a range of benefits and contribute to the achievement of multiple aims. We further our charitable aims by operating in the following key areas:

Aim - Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills:

Motiv8

The Motiv8 service is funded by the Big Lottery and European Social Fund and works with those most removed from the labour market to make progress in their lives and move towards education, training and employment. The contract is delivered across Greater Manchester with four other housing providers, with Foundations Stockport delivering in both Stockport and Rochdale.

The Motiv8 service transferred into Foundations on the 1st November 2019. Due to the success of the service an additional £4.3m funding across Greater Manchester has been received enabling work with an additional 1,080 participants. Work is underway with the lead for the contract (Jigsaw Homes) on the service delivery model to ensure continuation of the programme, with most roles likely to be extended to Autumn 2021 and a smaller number until early 2022.

Apprenticeships

The apprenticeships programme provides people with an opportunity to work whilst obtaining an appropriate qualification over an 18 month / two year period which will then enable the post holder to progress further in their employment. As well as increasing the number of apprenticeship opportunities within SHG it will also provide opportunities for aspiring managers and leaders to gain experience of supporting and mentoring staff, with a bespoke training programme offered and the development of supportive networking groups for both apprentices and mentors.

Furniture Recycling Project

The Furniture Recycling project collects donated furniture and recycles it for provision to households who are experiencing furniture poverty. The project helps alleviate financial hardship through the provision of low or no cost furniture, diverting low-income households away from high cost credit, and thereby

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supporting Stockport's most vulnerable households with the essentials goods fundamental to setting up home initially and sustaining a tenancy. From an environmental perspective recycling of furniture also prevents it from ending up in landfill.

Your Local Pantry

Your Local Pantry (YLP) is a network of community food stores set up to help reduce grocery costs for Stockport residents who are struggling financially. Pantry members pay a weekly £3.50 membership fee, which entitles them to a weekly shop of up to 10 items often to an equivalent value of £15 to £20.

A group of up to 34 community volunteers manage the day-to-day running of each Pantry. This includes taking deliveries and storing and rotating stock, completing opening and closing checks and supporting members with their weekly shop.

Strong links are in place with the third sector, through the charity supplier Fareshare, a strong relationship with the charity Church Action on Poverty (CAP) for a national franchising scheme, and regular food donations to a local homeless charity H3. YLP is also the preferred referral route for clients contacting SLAS (Stockport Local Assistance Scheme), Stockport Probation Service and Stockport Social Services with free monthly memberships given instead of food bank vouchers where appropriate. Weekly donations are also provided by a range of local stores such as ASDA, Aldi, Morrison's and the Co-op as well as regular donations from Nandos and KFC.

Aim - Supporting customers in local communities and delivering support services to help people live independently:

Youth Provision

Foundations ran a wide variety of youth activities during the course of the year including Fabulous Foundations holiday clubs for children in vulnerable and deprived households.

These clubs help to tackle 'holiday hunger' by providing breakfast and lunch for up to 30 young people a day during school holidays. A wide range of activities is provide to support young people's skills development, confidence, and provide a safe and fun environment to support parents over the school holidays. Activities include cooking and arts and crafts. They are delivered by a mixture of staff and external facilitators.

GM Housing First

Foundations Stockport has worked with a range of Greater Manchester (GM) partners to secure the GM Housing First contract. Housing First is a relatively new approach to meeting housing need and homelessness in the UK and can be more commonly found in Europe, the US and Canada.

It marks a move away from a traditional staircase approach¹ to homelessness and is instead based upon the premise that housing is the priority requirement that must be met, which then provides a stable base from which recovery and progress can be made. It is not suitable for everyone and is therefore not a panacea but does have a strong, and growing, evidence base of success.

The success of Housing First is based on access to a home, dedicated, tenacious support, workers with small caseloads who therefore have the time and energy to dedicate to their cases and wider stakeholder engagement.

The pilot requires a high-fidelity service adhering to the seven principles of Housing First, namely:

¹ A staircase approach refers to more traditional approaches to housing and supporting homeless people whereby a person is moved to, (sometimes several different types), of temporary accommodation and having to demonstrate they are 'tenancy ready' before moving into a permanent home

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- **People have a right to a home** - an 'accommodation first' approach is adopted, with housing as a right which must be met upon which progression within other areas of their lives can be built. A commitment made in the tender contracts that accommodation is provided within a variety of tenures, dispersed throughout the Greater Manchester area and near support networks.
- **Flexible support is provided for as long as is needed** - the traditional offer of time-limited support does not address the many and varied needs of people with complex needs, nor does it account for the fact that progression for those with complex needs is not a linear process and that people may well have setbacks.
- **Housing and support are separated** - Housing provision is not conditional on engaging with support nor will people's choices on support affect their housing. In addition support will continue even if a tenancy fails with people being supported to secure and sustain a new home.
- **Individuals have choice and control** - For many people experiencing homelessness the ability to exercise choice and control is often severely limited, leaving people feeling powerless and unable to progress. By placing this principle at the heart of the model people will be able to exercise choice and control whilst being supported and challenged to consider the consequences and realities of their decisions.
- **An active engagement approach is used** - Key to this approach is tenacity and the need to recognise that engagement is an active and fluid process which needs to be tailored to the individual and based on the principles of trauma-informed care².
- **The service is based on people's strengths, goals and aspirations** - A strengths based approach is at the heart of Housing First, recognising that people accessing the service will have strengths and assets that can be built upon to address and overcome the challenges and issues experienced throughout life. Understanding and supporting people to recognise their own goals and aspirations are achievable is central to this model.
- **Harm reduction approach is used** - people accessing the service may engage in harmful and challenging behaviours, Housing First provides a supportive approach to address these openly and minimise risk rather than adopting an unrealistic abstinence approach.

Aim - Empowering communities to develop networks of support, including targeted work with people who may experience disadvantage such as people with disabilities, from BAME communities and those with complex needs:

Mental Toughness

Foundations provides Mental Toughness sessions across primary and secondary schools in Stockport to improve young people's attendance, resilience and overall wellbeing. It is delivered through schools to individuals who would benefit most with around six to nine young people on each programme. These young people may be lacking in confidence, have attendance or behavioural issues or find themselves struggling in classes of 30 or more children.

Rough Sleeper Initiative

In partnership with Stockport Council and five other Greater Manchester local authorities, Foundations Stockport successfully secured a grant from the Government's Rough Sleeping Initiative. At a GM level, this will include employing four specialist workers and a co-ordinator around mental health and substance misuse, along with eight outreach workers working in specific local authority cluster areas. Stockport and Trafford have been grouped together due to their geographical proximity and a similar rough sleeping profile, with two workers to be based across the localities. The posts are for a twelve month period, seeking to both have a practical impact upon levels of rough sleeping over the year and also help develop rehousing pathways and new ways of working as a legacy. The initiative will link closely with Foundations Housing First Project and will help develop the profile of the organisation with key partner agencies such

² Trauma-informed care is a way of providing services that recognise the impact of early adversity in the lives of people, how it shapes a person's fundamental beliefs about the world and affects how they function across their whole life span.

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as Probation, Social Care and Health Services, and collaborative working with cross local authority bodies such as Pennine Care.

In order to fulfil the aims of Foundations Stockport, Board members have agreed a dual approach of planned activities whilst remaining flexible and agile in order to respond to funding and partnership opportunities as they arise.

Aim - Working in partnership to reduce demand on statutory services; and supporting the development of the third sector, ensuring additional resources and services are secured

Supporting the development of the third sector

Foundations has worked with Sector 3 to develop a more consistent joined up voice of the third sector. Sector 3 was set up in 2017 and aims to improve the resilience and sustainability of third sector organisations by bringing them together to share resources, expertise, and voice.

Achievements and performance

Notable achievements for 2019/20 include:

Motiv8

During 2019/20 Motiv8 has received a total of 284 new referrals across Stockport and Rochdale, 261 people have been successfully supported and closed during this period and 113 people continue to receive support (figures will not tally exactly as the programme is on-going with some people supported being referred in the previous year).

Participants in the programme achieved over 920 individual outcomes relating to Health & Well-being (including access to primary health services, reduction in substance misuse and reduction in alcohol misuse), Finance and Employability (including creation of CVs, opening bank accounts, provision of money advice and addressing debts) Self-confidence and Self-development (including accessing social activities and informal networks of support, participating in volunteering and participating in parental courses).

During this period 59 participants moved into educational and training provision in a range of areas including Maths & English, IT, Construction and ESOL. 21 participants commenced job searching and an additional 12 participants secured employment in a range of sectors including Hospitality, Health, Security, Retail and Warehousing. In addition 16 participants undertook volunteering activities within charity shops, at Manchester Cathedral and through peer mentoring schemes.

Case Study

Suzy has been in recovery for over 4 years from substance misuse. She is diagnosed with bi polar disorder and has previously suffered periods of severe depression which has resulted in social isolation and extremely low levels of self-confidence & self-esteem. Suzy has also struggled to manage her finances and budget effectively and has displayed hoarding tendencies.

With support from her key worker, Suzy completed a budget planner as an initial step to improving her finances and addressing her debts. Her key worker supported her to contact the DWP and arranged for her benefits to be paid every 2 weeks instead of monthly, supporting her to budget more effectively. Suzy was referred to Shelter (a specialist partner within the Motiv8 programme) for support completing a work capability assessment and also a Personal independence Payment³ application as her health conditions impacted on her ability to secure and retain employment. In addition to this Shelter

³ A benefit that is paid to those aged 16 or over to help with extra costs as a result of a long-term health condition or disability

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supported Suzy to apply for funding for a new washing machine and sourced a Christmas hamper which included presents for her grandchildren.

During her time with Motiv8 Suzy's confidence and belief in herself increased. She began leaving the house more, demonstrated an increased ability to manage her finances more effectively and started to consider future opportunities in a positive light. Her key worker encouraged her to apply for a peer mentoring scheme with a housing organisation. The position required peer mentors to have life experience of issues that they have overcome in order to encourage and empower others facing challenges in life. Motivational interventions were completed prior to Suzy attending two interviews for the role, she was offered the opportunity to become a volunteer peer mentor and now attends twice a week.

Suzy has undertaken comprehensive peer mentoring training alongside other training elements such as safeguarding. References and a personal development plan are provided after a period of successful volunteering. Since starting with Motiv8, Suzy has gained increased levels of self-confidence demonstrated through leaving the house and attending her peer mentoring programme. Her financial situation has improved as she has developed skills to help her budget more effectively. Suzy has advised her key worker that she previously declined support from agencies as she believed it didn't help her address the issues she faced but that the support and encouragement she received from Motiv8 has inspired her to help others as well as develop new skills which will further improve her future circumstances.

Apprenticeships

Foundations has undertaken significant work during the course of the year to identify entry-level support roles within Stockport Homes Group which could form part of a comprehensive apprenticeships programme and transferred to Foundations.

A large-scale recruitment and marketing campaign was undertaken with all posts advertised at Stockport Jobs Fair and an event held at Cornerstone for potential candidates to come in and meet managers, find out more about the roles available and working at Foundations Stockport, as well as receive support to apply for posts. Guaranteed interviews were also offered for certain cohorts including Care Leavers.

To date 10 roles have been converted to apprenticeships in a wide range of service delivery areas including Anti-Social Behaviour, Carecall & Concierge, Customer Access, Customer Engagement, Customer Finance, Employment Support, Housing Services, Independent Living and Temporary Accommodation. A dedicated member of staff leads on apprentices ensuring a smooth on boarding for new employees. In addition, a mentor is provided to each apprentice within his or her service area. All apprentices will work towards a Level 2 or 3 Apprenticeship in Housing Management.

Furniture Recycling Project

Between April 2019 and March 2020, the Furniture Recycling Project collected furniture from 362 households and delivered to 473 households in need with 781 individual pieces of furniture provided. A total of 33,615kg or 33.6 tonnes was diverted away from landfill.

The Furniture Recycling project also has a service level agreement with Equity Housing Association to provide furniture for their customers and works in partnership with other housing providers, Adult and Children's social care, Age UK, voluntary community sectors, The Prevention Alliance (TPA), probation services, looked after young people, etc. to support the residents of Stockport.

"Service really quick, helpful and a really great help. Really appreciate all the help, thank you." Customer who received furniture.

"5 star service nice and pleasant staff, job well done!" Customer who received furniture.

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“A great service. The two guys couldn’t have been nicer. Helps local people and saves landfill waste. Great ideal!” Customer who donated furniture.

Your Local Pantry

YLP is part of a national franchising scheme with Church Action on Poverty (CAP). There are 14 YLP’s across England and Wales, with five YLP’s in Stockport and nine spread-out across the country. Across the 14 YLP’s there are 1,400 members supporting 3,700 households. Nine new YLP’s opened in this financial year, including one in Stockport. CAP manage the franchise agreement and other organisations can buy into the model to receive how to guides, software, training and publicity materials. Foundations YLP meet on a quarterly basis with CAP to review progress and discuss new developments.

Since April 2019, YLP has attracted 514 new members providing affordable groceries to an average membership of 544 households. 9,232 visits have been made across the five YLP’s, offering potential savings for members of £575 per household per year with total savings across the membership amounting to £106,168 in 2019/20.

During 2019/20, the YLP’s generated £93,652 of social value⁴ as a result of volunteering alone with 4,314 hours of volunteer time being committed. During the last 12 months, 31 volunteers have been supported through a comprehensive induction programme including training in manual handling and Food Hygiene Level 2. Five pantry volunteers have gone on to paid employment; two of these being an apprenticeship role within Stockport Homes.

“Wonderful idea, and very helpful stretching our food budget every week, the staff are lovely.” Pantry member.

“Nice friendly people try their best to help you. It’s a very much needed place.” Pantry member.

Youth Provision

Between April 2019 and March 2020, 244 young people attended Fabulous Foundations holiday clubs.

These clubs run in every school holiday (except Christmas) for four days a week. Fabulous Foundations generated £89,670 of social value⁵ this year as a result of volunteering alone, with seven new youth volunteers joining the project and a total of 942 hours of volunteer time committed. Feedback from the Deputy Headteacher at one of the schools illustrates the benefits of the club to those children who attend.

“[My son] attends lots of different after school classes, as both his parents work. Fabulous Foundations is a very important club for him to go to as it really helps him with his English as an additional language. If he has stayed at home, he would be hearing and speaking the Russian language, and not practicing all the grammar skills and vocabulary we had been teaching him in order to achieve his end of year expectations.”

“[Child] is more confident in group work and has found her voice in a crowd. I can only assume the structure, stimulus and socialisation she experienced over the holidays in Fabulous Foundation is the reason as she usually spends all free time at the local park.”

“[Child] seemed happier after the recent holiday where she attended Fabulous Foundations. She enthusiastically talked about playing with other children, which is wonderful for her personally as she has very little contact with her peers outside school.”

⁴ Social value based on HACT’s Social Value calculator 2018

⁵ The model used to calculate social value of the youth volunteers is a nationally recognised approach developed by HACT (Housing Association Charitable Trust).

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In addition, a summer food programme called Holiday Kitchen was run to provide a structured learning environment for parents and young people. This is an interactive project supporting some of the most vulnerable and marginalised families in Stockport. In summer 2019, 296 families attended.

GM Housing First

Commissioned by the Greater Manchester Combined Authority (GMCA) the GM Housing First service will support between 300-400 households across GM during a three year contract with funding of up to £8million available from the Ministry of Housing, Communities and Local Government (MHCLG). A key objective of the pilot is the development of an evidence base which will demonstrate the value of a Housing First approach and help to inform and influence future funding and decisions.

Foundations Stockport is responsible for the delivery of the pilot within one of four cluster areas (Oldham, Stockport and Tameside). Stockport has capacity for six cases in Year 1. All cases are characterised by a range of complex needs including entrenched rough sleeping, offending behaviour, substance misuse and mental and physical health issues resulting in chaotic and challenging behaviours.

During 2019/20 a total of ten referrals have been received, with seven engaged by the service (two did not engage and one is currently in custody).

Of the seven people supported by the project:

Six have secured accommodation

All seven are addressing their substance misuse issues

Six have developed living skills

Six have been supported to access health services

Case Study

Matt was referred to the Housing First project whilst rough sleeping in Stockport. He was a very chaotic, angry, aggressive man and often under the influence of drugs which made engagement very difficult. The Housing First worker persisted and kept in regular contact despite his resistance and often aggressive behaviour. Matt was very vulnerable, had a really difficult start in life being subject to abuse by his parents and spending time in care. Over time a relationship was established and he agreed to a placement within Temporary Accommodation. Support was provided to attend a PIP assessment, which was subsequently awarded, and to attend a variety of health appointments as Matt had multiple health issues we he had failed to address and seek support for previously. Permanent accommodation was secured with Stockport Homes and a range of practical support was provided to ensure Matt moved in and set up home successfully.

Over time Matt started to disclose information about his interests in life and hopes for the future. Matt had a passion for music and had played the guitar previously, which he believed helped with his anxiety. By utilising the Personalisation Fund a guitar was purchased. Slowly Matt's appearance and dress has much improved. He talks about his loneliness and having no family and was concerned about the support coming to an end. However the Housing First model is built on support being provided for as long as needed and there are still many issues to be addressed. Matt has made significant progress and reports feeling more positive and engaged than he has been for many years.

Mental Toughness

Between April 2019 and March 2020 141 individual young people have benefitted from Foundations Mental Toughness programme across 12 schools in Stockport. This programme also supports a key priority for Stockport Council to increase school attendance and school readiness. A case study from the Head of year 8 at Werneth High School is included below.

Case study - [Child] started the mental toughness course because she would easily get emotional. She would leave lessons on a daily basis to approach her head of year about feeling anxious about friendships, the teacher or something that was playing on her mind. This would mean she was missing a significant amount of learning. [Child's] mother would also be in contact with school on a regular basis

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concerned about how sensitive she was. Since the mental toughness group sessions the number of incidents where [child] has been overly emotional have significantly declined. She seems to be managing her anxiety and has developed strategies to cope without leaving lessons. [Child] still approaches her head of year at breaktime but is not leaving lessons. Since 1-1 sessions, [child] has not been to see me in emotional distress at all. She has been managing her own anxiety and has, as far as I am aware, not had any emotional outbursts.

Rough Sleeper Initiative

Although only delivered since November 2019, the two Foundations outreach workers have been working with 32 rough sleepers across Stockport and Trafford. Most of the people they have been engaging with have been homeless for significant periods of time, refused many previous offers of accommodation and have complex needs. During this time they have managed to encourage eight people to take up offers of housing, and more importantly ensure the support is in place to make placements sustainable.

One of those accommodated has been known to the Housing Options Team at Stockport Homes for over 15 years, and as a result of very intensive daily contact and engagement has now moved into his own tenancy. While still needing a lot of support, and likely to do so for some time, it has been a very significant step for this individual with real benefits to their wellbeing, and leading to a reduction in levels of demand for other services such as Health.

Additional funding has been secured to deliver the service up to April 2021.

Supporting the development of the third sector

Foundations has worked closely with Sector 3 to develop a more consistent joined up voice of the third sector. It aims to improve the resilience and sustainability of third sector organisations by bringing them together to share resources, expertise, and voice. Sector 3⁶ worked with Stockport Council to develop and run 'Sector Connector' events bringing together local businesses with third sector organisations. A funding event known as 'Funding the Future' was run in September 2019 to bring a wide range of funders together with local community organisations. This event brought 58 members of Stockport community groups together with nine different funding organisations who managed 12 grant funds. A wide range of bids are in development following this event.

A number of partnerships have been developed over the course of the year to explore funding opportunities and bid for tenders. This has included a partnership with Stockport MIND and Mastercall to bid for the Mental Health Safe Haven. Although unsuccessful strong relationships have been established and a commitment to work together in the future on other opportunities. Work has also been undertaken with NACRO and Humankind⁷ to evaluate opportunities to bid under the Tampon Tax Fund. Although not pursued good relationships have been developed and work will continue to look for other potential opportunities to work in partnership.

Financial review

The 2019/20 financial year has been the first full year of operations for Foundations Stockport and the organisation is reporting a surplus for the year. The first year of operation has been successful with performance being better than budgeted.

The main sources of income are through Gift Aid donations, in delivery of services funded by the local authority, and through other government contracts and membership/subscription fees.

⁶ Sector 3 is a network of third sector organisations set up in 2017 in Stockport to improve the resilience and sustainability of sector organisations by bringing them together to share resources, expertise and voice.

⁷ Humankind is a national charity delivering a range of specialist services include substance use, clinical, employment training and education, housing services, housing support and health, young people and families services.

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Foundations Stockport's surplus for the year is £320,134 which is mainly due to the Gift Aid donations received in March 2020. This surplus will be used to support the planned continuation and enhancement of projects through the financial year 2020/21, as it is not the aim of Foundations to hold higher levels of reserves than it deems necessary.

Reserves policy

Reserves are needed to bridge the timing gap between expenditure and the receipt of income, and to provide a level of protection against unplanned events. The Board Members consider that the current minimum level of reserves should be equivalent to 1 month's expenditure relating to projects where any of the income received is from an external source outside of SHG. Based on the budget for 2020-21 this indicates a level of reserves of £25,000. This level will continue to be reviewed in future years in line with Foundations' growing activities.

The total level of reserves at the end of March 20 is £320,134 which are all unrestricted for use. The level of reserves held is higher than the minimum level due to the timing of the Gift Aid donation received in March 2020, which will be used to fund the continuation of projects through the financial year 2020/21.

Principal risks and uncertainties

A risk register is in place for Foundations Stockport which is approved by the Board. This risk register allows Foundations Stockport to manage risk and embrace opportunities, and therefore supports the delivery of its charitable objectives. Each year, Foundations Stockport assesses the internal and external operating environment and identifies those risks (and opportunities) which could affect performance and achievement of agreed objectives. Quarterly risk update reports are then provided to the Board describing progress against delivery of risk control actions, highlights any exceptions, and identifies any new or emerging risks which the organisation needs to take account of.

Due to the relatively recent incorporation of Foundations Stockport, and hence limited trading history, a key risk which is focused on is the ability of the organisation to successfully expand its offer and satisfy its charitable objectives. The organization has successfully achieved this in 2019/20, and will continue to focus on this in the future.

Plans for future periods

Foundations Stockport is still in its infancy and is developing its strategic direction, with work on a Business Plan commencing later in 2020/21. However, it has achieved a significant amount during the short time it has been in operation and Board members are keen to build on the achievements to date. It continues to explore a range of opportunities to grow and establish a sound track record. Officers are concentrating their efforts on appropriate funders and new business and tender opportunities within the wider market. Having an independently audited Annual Report and accounts in place will also enable Foundations to bid for a number of funding streams that have previously been inaccessible due to not meeting this requirement.

Funding has recently been secured from Homes England's Move-On Fund, to increase the availability of affordable move-on housing for rent for people affected by homelessness and / or domestic abuse⁸. Stockport Homes submitted a bid for funding to acquire and refurbish 12 x 1 bedroomed self-contained properties to meet the needs of those presenting as homeless or where temporary accommodation is not working, with funding successfully secured for an initial six properties. The Fund also provides revenue funding to deliver support services and a bid to fund a post employed within Foundations was successful. Work is underway to identify and purchase suitable properties.

A new Youth Diversionary Officer post will be established within Foundations working to prevent Anti-Social Behaviour (ASB) amongst young people and young tenants. The aim of the post is to engage with young people up to the age of 25 years who have not yet entered the Youth Justice system/Criminal

⁸ £44m of capital and £6m of grant funding is available to support delivery of up to 879 bed spaces outside London by March 2021

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Justice system, but who have been identified as being in danger of becoming involved with ASB and offending behaviour. Funding for the post is via efficiencies within the group structure.

The Greater Manchester Combined Authority (GMCA) and other local commissioners have commenced a process of market engagement on a commission of up to £8 million to develop a new model of homelessness prevention for under 35 year olds delivered through a social outcomes based contract. Priorities include provision of comprehensive prevention services to the cohort, access to suitable and appropriate housing, progress in education, training and employment and integration with other elements of the homelessness system. This opportunity will continue to be evaluated as more information becomes available. Should a decision be made to pursue this then given the scale of the commission it is likely it will be in partnership with others.

Initial conversations have commenced with Maximus UK⁹ regarding potential opportunities to work together following the planned changes to the National Probation Service and the Ministry of Justice's intention to commission other key services such as Unpaid Work (Community Service), Accredited Programmes and other resettlement and rehabilitative interventions from the private and voluntary sector markets.

A small grants programme run by The Fore¹⁰ where charities and CBS with less than £500,000 of annual income can apply for up to £30,000 of unrestricted funding is being explored. The fund is administered via three funding rounds per year with funding granted to organisations registering an interest and then submitting an application.

A bid to the National Lottery Awards for All scheme will be submitted to expand the work of Fabulous Foundations holiday clubs following completion of the Annual Report (as per the requirements of submission process).

The Gift Aid donations received in 2019/20 will be utilised to provide an enhanced Furniture Recycling project to customers. Options to be explored include securing premises which will enable greater storage and a shop where customers can view and select the items they want as well as enable the sale of the larger and more unusual items which are donated, employment of a second Furniture Assistant and the purchase of a second van, enabling greater capacity for both collections and delivery of items.

Due to the current situation regarding the nationally reported Covid-19 coronavirus pandemic, some funding and tender opportunities may be delayed and / or may be withdrawn. Foundations Stockport will continue to keep the situation under constant review.

The Board recognise the social and economic impacts resulting from Covid-19 on society as a whole, and have considered how these affect the operations of Foundations Stockport Limited. Based on the information currently available, the Board consider there to be no significant adverse impacts to the operations of Foundations Stockport Limited resulting from Covid-19. Though a short term reduction in Youth Provision activities is expected in 2020/21, these do not represent a significant area of activity. Other areas of activity have not been adversely affected to date, with the Your Local Pantry service expanding during this time to provide emergency food provision to people across the borough, in partnership with Stockport MBC. The positive net asset position at 31 March 2020 results in Foundations Stockport Limited being in a strong position to carry out its activities during 2020/21.

Structure, governance and management

Foundations Stockport is a Charitable Community Benefit Society that is limited by shares. The date Foundations Stockport was incorporated is 10th December 2018.

⁹ Maximus UK is a provider of end to end health and employment services including capability assessments, occupational health and well-being services, employment support, skills and training and support to offenders

¹⁰ The Fore provides seed funding to the non-profit sector

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2020

Foundations Stockport is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 and is governed under its Rules.

Foundations Stockport adheres to the Charity Governance Code.

Foundations Stockport is controlled by Stockport Homes Limited, who has the right to appoint or remove any or all Board Members. Stockport Homes Limited produces consolidated accounts which are available to members of the public from its registered office: Stockport Homes Limited, Cornerstone, 2 Edward Street, Stockport SK1 3NQ.

Stockport Metropolitan Borough Council is the ultimate controlling party of the Company. Stockport Metropolitan Borough Council produces consolidated accounts which are available to members of the public from its registered office.

Key management personnel of the organisation comprise the Foundations Stockport Board members, and the senior management team who are employed by Stockport Homes, comprising the Chief Executive Officer, the Assistant Chief Executive Officer, the Director of Resources and the Director of Neighbourhoods, Access and Support. The Board members are not remunerated for their duties in relation to Foundations Stockport. However, they can claim expenses to reimburse them for costs that they incur in fulfilling their duties relating to Stockport Foundations - these include travelling specifically for charitable funds committee meetings and charity specific training events. The remuneration of key management personnel is set by Stockport Homes Limited and the calculated benefit based on the estimated percentage of their time spent on Foundations Stockport activities.

Foundations Stockport works in collaboration with Jigsaw Homes for the Motiv8 service, which is funded by the Big Lottery and European Social Fund. The contract is delivered across Greater Manchester with four other housing providers, with Foundations Stockport delivering in both Stockport and Rochdale. Foundations Stockport also works in collaboration with a range of Greater Manchester (GM) partners on the GM Housing First contract, Great Places Housing being the lead partner on this contract.

Public benefit

The main activities are outlined in the section above. They are all undertaken to further the charity's purpose for the public benefit, with due regard to the Charity Commission's guidance on this subject, including the guidance "Public benefit: running a charity (PB2)."

Recruitment and appointment of Board Members

Foundations Stockport has a Board that directs the affairs of the Charity in accordance with its objects and the Rules to ensure that its functions are properly performed.

The Board shall consist of between three and nine Board Members (excluding co-optees) as may be determined by the Board. The Independent Board Members who do not also sit on the Stockport Homes Board shall be a majority of the Board Members at all times. Board Members will be appointed for a fixed term of three years and no Board Member may serve beyond nine consecutive years in office.

Foundations Stockport Board Members are recruited through an open and transparent process. The advertisement of vacancies are broad and far-reaching to encourage applications from a diverse range of applicants.

Board Member induction and training

A Board Member induction plan has been developed to ensure that newly appointed Board Members are provided with relevant and required information to provide them with the best platform to be effective Board Members. Board Members also meet with senior managers at the beginning of their tenure in order to learn as much as possible about Foundations Stockport.

Reference and administrative details

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2020

The name by which the charity is registered is Foundations Stockport Limited. Registration Number: 7953. The address of the registered office is Cornerstone, 2 Edward Street, Stockport, SK1 3NQ.

Key personnel: Board Members

- Roger Phillips (Chair) (appointed 10th December 2018)
- Robin Burman (appointed 10th December 2018)
- Fiona Kennedy (appointed 10th December 2018)
- David Nicholson (appointed 10th December 2018)
- Alanna Vine (appointed 10th December 2018)

Key personnel: Senior Management Team

- Helen McHale (Chief Executive)
- Simon Welch (Director of Neighbourhoods and Support) (Lead Officer)
- John Bowker (Director of Property and Neighbourhood Services)
- Carmel Chambers (Director of Resources)
- Sandra Coleing (Assistant Chief Executive)

The Board of Foundations Stockport meet quarterly and are responsible for providing strategic direction. The Senior Management Team are responsible for delivering the strategy which the Board set. The Scheme of Delegation sets out the responsibilities which the Board reserve for itself and those which it delegates.

Auditors:

Beever and Struthers
St George's House
215-219 Chester Rd
Manchester
M15 4JE

Bankers:

Barclays Bank Limited
PO Box 190
Leeds
LS1 5WU

Solicitors:

Stockport MBC
Stopford House
Stockport
SK1 3XE

Board Members Responsibilities

The Board members are responsible for preparing the board members report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2020

Company law requires the board members 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 these financial statements, the board members are required to:

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

The board members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to Auditors

In so far as the Board Members are aware:

- (a) there is no relevant information of which the charitable company's auditor is unaware, and
- (b) the Board Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Beever and Struthers have indicated their willingness to continue.

A resolution proposing that Beever and Struthers be reappointed as auditors will be considered by the Board.

Approval

This report was approved by the board on 7th September 2020 and signed on its behalf by



Roger Phillips

Chair of the Board

Foundations Stockport Limited

Independent auditor's report

Independent Auditor's Report to the Members of Foundations Stockport Limited

Opinion

We have audited the financial statements of Foundations Stockport ("the Charity") for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 Charity's affairs as at 31 March 2020 and of 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 Cooperative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association 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

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

Foundations Stockport Limited

Independent auditor's report (continued)

whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Cooperative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 13, the Board is 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 Board 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 Board is responsible for assessing the Association'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 Board either intend to liquidate the association 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the association's members, as a body, in accordance with section 87 of the Cooperative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body for our audit work, for this report, or for the opinions we have formed.

Foundations Stockport Limited

Independent auditor's report (continued)

Beever and Struthers

Sue Hutchinson (Senior Statutory Auditor)

For and on behalf of Beever and Struthers

Statutory Auditor

St George's House
215/219 Chester Road
Manchester
M15 4JE

Date: *7 September 2020*

Foundations Stockport Limited
Statement of Financial Activities for the year ended 31 March 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020 £'000	Total Funds 2019 £'000
Income from:					
Donations and legacies	3	427	-	427	-
Income from charitable activities					
<i>Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills</i>		201	-	201	-
<i>Supporting customers in local communities and delivering support services to help people live independently</i>		42	-	42	-
<i>Empowering communities to develop networks of support</i>		18	-	18	-
Total incoming resources		688	-	688	-
Expenditure on:					
Expenditure on charitable activities	4				
<i>Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills</i>		306	-	306	-
<i>Supporting customers in local communities and delivering support services to help people live independently</i>		39	-	39	-
<i>Empowering communities to develop networks of support</i>		22	-	22	-
Total expenditure		367	-	367	-
Net income/(expenditure)		321	-	321	-
Transfers between funds		-	-	-	-
Net Movement in funds		321	-	321	-
Reconciliation of Funds					
Total Funds brought forward		-	-	-	-
Total Funds carried forward		321	-	321	-

All Incoming resources and resources expended derive from continuing activities.

Foundations Stockport Limited
Statement of Financial Position at 31 March 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020 £'000	Total Funds 2019 £'000
Current assets					
Debtors	9	102	-	102	-
Cash and cash equivalents	10	426	-	426	-
Total current assets:		528	-	528	-
Liabilities:					
Creditors: amounts falling due within one year	11	207	-	207	-
Net current assets		321	-	321	-
Total assets less current liabilities		321	-	321	-
Creditors: amounts falling due after more than one year		-	-	-	-
Total net assets		321	-	321	-
The funds of the charity:					
Unrestricted Funds		321	-	321	-
Restricted Funds		-	-	-	-
Total charity funds		321	-	321	-

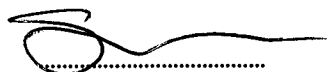
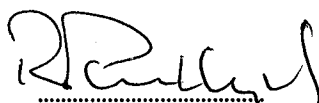
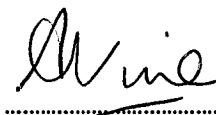
The financial statements were approved by the Board of Directors and authorised for issue on 7th September 2020.

SANDRA
COLEING

ROGER
PHILLIPS

ALANA
VINE

Name:

Secretary

Member 1

Member 2

The notes on pages 20 to 29 form part of these financial statements.

Company Registration Number 7953

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020

INDEX OF NOTES

General notes

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- 2 Accounting policies

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Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

1 Legal status

Foundations Stockport is a Charitable Community Benefit Society that is limited by shares. Foundations Stockport was incorporated on 10th December 2018. Its registered address is: Cornerstone, 2 Edward St, Stockport, SK1 3NQ.

Foundations Stockport is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 and is governed under its Rules.

2 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the 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 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and are presented in sterling £ rounded to the nearest £'000.

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

Going concern

The Board Members consider that there are no material uncertainties about Foundations Stockport's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts. The Board recognise the social and economic impacts resulting from Covid-19 on society as a whole, and have considered how these affect the operations of Foundations Stockport Limited. Based on the information currently available, the Board consider there to be no significant adverse impacts to the operations of Foundations Stockport Limited resulting from Covid-19.

Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:

- A restricted fund or
- An endowment fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Foundations Stockport has no restricted funds within the financial accounts for 2019/20.

Those funds which are neither endowment nor restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the Board Members have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the Board Members discretion, including the general fund which represents the charity's reserves.

Incoming resources

Income is derived from the provision of goods/services and stated after trade discounts, other sales taxes and VAT where applicable.

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

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

Income from government and other grants, whether “capital” grants or “revenue” grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the goods or services being provided is deferred until the criteria for income recognition are met. Income is also deferred where it is either refundable, where performance or time related conditions have not been met, or where other terms and conditions limit the recognition of the income.

Income from donations and legacies

Such income is received by way of grants, donations and gifts and is included in full in the SOFA when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Where income is received in relation to a particular project or activity to be carried out over a specified period, the relevant proportion of such income is deferred so that it is recognised in the same period that the relevant expenditure is incurred.

Gifts and donated services

Donated facilities and services that are consumed immediately are recognised as income, with an equivalent amount recognised as an expense under the appropriate heading in the statement of financial activities (SoFA).

As the value of services provided to the charity by volunteers cannot be quantified they have not been included in these accounts.

Resources expended and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- there is a present legal or constructive obligation resulting from a past event
- it is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- the amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, human resources, insurance, irrecoverable VAT and assurance costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management and administration of the charity.

Support costs have been apportioned between charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 5.

Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 4.

Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90 day notice interest bearing savings accounts.

Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

Amounts which are owed in more than a year are shown as long-term creditors.

Financial instruments

Foundations Stockport only has financial assets and 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.

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. The estimates and associated assumptions are continually reviewed and are based on experience and other factors considered to be relevant. No estimates, assumptions or judgements are deemed to be critical to the organisation's financial statements.

Pension costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either other creditors or accruals at the year end.

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

3 Incoming resources from donations and legacies

	Total 2020 £'000	Total 2019 £'000
<u>Unrestricted Income</u>		
<i>Gift aid</i>	283	-
<i>Donations in kind for services</i>	126	-
<i>Donations and gifts</i>	18	-
Total unrestricted incoming resources from donations and legacies	427	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

4 Analysis of charitable expenditure

	Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills £'000	Supporting customers in local communities and delivering support services to help people live independently £'000	Empowering communities to develop networks of support £'000	Total 2020 £'000	Total 2019 £'000
Costs directly allocated to activities					
Salaries, NI and pensions	212	26	17	255	-
Other staff costs including training and uniforms	-	-	-	-	-
Premises costs, licenses and health and safety	5	-	-	5	-
Your Local Pantry costs	41	-	-	41	-
Depreciation	-	-	-	-	-
Personalisation costs and participant expenses	-	4	-	4	-
Other costs	-	1	-	1	-
Support costs and governance costs allocated to activities					
Support costs (see note 5)	28	5	3	36	-
Governance costs (see note 5)	20	3	2	25	-
Total unrestricted	306	39	22	367	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

5 Analysis of governance and support costs

Analysis of support costs

	Raising funds £'000	Charitable activities £'000	Total 2020 £'000	Total 2019 £'000	Basis
Salaries, NI and pensions	-	34	34	-	Expenditure
Bank charges	-	-	-	-	Expenditure
Miscellaneous	-	2	2	-	Expenditure
Total	-	36	36	-	

Analysis of governance costs

	Raising funds £'000	Charitable activities £'000	Total Funds 2020 £'000	Total Funds 2019 £'000	Basis
Salaries, NI and pensions	-	21	21	-	Expenditure
External audit	-	4	4	-	Expenditure
Total	-	25	25	-	

6 Board Member remuneration, benefits and expenses

Members of Foundations Stockport board give their time freely and receive no remuneration for the work that they undertake in relation to Stockport Foundations. However, they can claim expenses to reimburse them for costs that they incur in fulfilling their duties relating to Stockport Foundations - these include travelling specifically for charitable funds committee meetings and charity specific training events. No expenses have been claimed for the financial year 2019/20.

The Board includes one tenant member who holds a tenancy agreement on normal terms; this member cannot use their position to their advantage. At 31 March 2020 Fiona Kennedy continued to act as a Board Member. Rent charged to tenant Board members during the period was £8,927. Tenant Board members had arrears of £370 at the reporting period end.

7 Analysis of staff costs and remuneration of key management personnel

	2020 £'000	2019 £'000
Salaries and wages	204	-
Social security costs	15	-
Employers pension contribution	13	-
	232	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

The average number of full time equivalent employees within 2019/20 was 8 (2018/19 average nil).

No employees had emoluments in excess of £60,000 (2019: none).

Key management personnel of the organisation comprise the Board Members, the Chief Executive Officer, the Assistant Chief Executive Officer, the Director of Resources and the Director of Neighbourhoods, Access and Support. The services of the key management personnel of the organisation were donated with a calculated benefit of £13,787 (2019: nil) included within governance costs.

8 Auditors remuneration

The auditor's remuneration of £4,000 (2019: £nil) related solely to the audit with no other additional work being undertaken (2019: £nil).

9 Analysis of current debtors

Debtors under 1 year	2020 £'000	2019 £'000
Prepayments	1	-
Accrued income	3	-
Trade debtors	8	-
Intercompany debtors	3	-
Amounts owed by SMBC and associated companies	87	-
Total	102	-

10 Analysis of cash and cash equivalents

Debtors under 1 year	2020 £'000	2019 £'000
Cash in hand	426	-
Total	426	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

11 Analysis of Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Creditors falling due within 1 year		
Trade creditors	10	-
Accruals and deferred income	76	-
Taxation and social security	10	-
Other creditors	4	-
Intercompany creditors	107	-
Total	207	-

12 Analysis of unrestricted fund movements

	Balance B/Fwd £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains & losses £'000	Balance C/Fwd £'000
General fund	-	688	(367)	-	-	321
Total	-	688	(367)	-	-	321

13 Related party disclosures

Foundations Stockport is controlled by Stockport Homes Limited, who has the right to appoint or remove any or all Board Members. Stockport Homes Limited produces consolidated accounts which are available to members of the public from its registered office: Stockport Homes Limited, Cornerstone, 2 Edward Street, Stockport SK1 3NQ.

Stockport Metropolitan Borough Council is the ultimate controlling party of the Company. Stockport Metropolitan Borough Council produces consolidated accounts which are available to members of the public from its registered office.

The following transactions took place between Foundations Stockport, Stockport Homes and Stockport Metropolitan Borough Council during the year:

	2020 £'000	2019 £'000
Other income receivable - unrestricted - Stockport Homes	449	-
Other income receivable - unrestricted - SMBC	18	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

Net amounts owed to Stockport Homes	105	-
Net amounts owed to SMBC	(87)	-
	485	-

During the year, Stockport Homes provided services relating to the operation of the organisation. The calculated benefit of these service is £125,752 (2019: nil).

