

Foundations Stockport Limited

Company Limited by Shares
Charitable Community Benefit Society
Financial Statements

Year ended 31 March 2021

Registered Number: 7953

Foundations Stockport Limited

Report and Financial Statements for the year ended 31 March 2021

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Board Members Annual Report for the year ended 31 March 2021

The Board Members present their report and accounts for the year ended 31 March 2021. 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 2018)”

Foreword by Chair

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

Foundations, like virtually every other organisation in the country, has had to quickly adapt to delivering services during a global pandemic, ensuring existing services continue to be delivered wherever practicable whilst meeting new demand. Nowhere is this more apparent than within Your Local Pantry, which during the first lockdown provided emergency food across the Borough, responding to need from both our own customers and those contacting Stockport Metropolitan Borough Council’s Covid-19 helpline. With support from colleagues across Stockport Homes over 4,500 parcels of food were provided.

This year has seen Foundations continue to work with some of the most vulnerable households within the community, with staffing resources provided to support the Government’s ‘Everyone In’ campaign to accommodate rough sleepers within Greater Manchester (‘GM’) hotels during the first lockdown and their subsequent return to the Borough as this provision ended. Additional funding has also been secured from the Rough Sleepers Initiative to extend the support offered to this very vulnerable cohort. The GM Housing First pilot and Move-On Fund accommodation continue to offer an alternative housing option for rough sleepers and those experiencing homelessness, with some notable successes achieved with a number of people with very complex needs who had sadly been sleeping rough for many years.

Foundations continues to build its employment support offer, with a range of new apprenticeships created and additional funding secured to deliver the Motiv8 service, for those people furthest from the labour market, until early 2023. Foundations has also secured other external funding to support activities, including £15K from the Clothworkers Foundation to purchase an additional delivery van for the Furniture Recycling Service, over £17K for Your Local Pantry from a range of funders and over £16K to support the provision of activity packs for children and food to tackle holiday hunger.

Some activities and progress have been inhibited by the restrictions imposed during the Covid-19 pandemic, most notably in respect of work undertaken with children and young people in schools and holiday clubs. Foundations has adapted its services, working with partners to deliver a wide range of virtual and safe face-to-face activities during school holidays coupled with provision of packed lunches and food to tackle ‘holiday hunger’.

Foundations has now developed its first Business Plan which provides an ambitious framework to develop and grow over the coming five years, delivering a range of services and outcomes which will benefit some of the most disadvantaged households in Stockport and Greater Manchester.

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

Objectives and activities

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

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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.

The Aims of Foundations 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 has been able to take responsibility for a number of existing Social Inclusion projects which were established within Stockport Homes, which clearly align with the Foundations' Aims. This supports Foundations in establishing its identity and building a track record, whilst also enabling it to bid for funding that may otherwise have been unavailable. Services within Foundations' remit include Motiv8, Your Local Pantry, the Furniture Recycling Project and Fabulous Foundations.

Key areas of activity

Foundations is still a young organisation and it is recognised that activity to meet all Aims cannot be developed all at once. Progress this year have been particularly affected by the impact of the pandemic resulting in some areas of work developing quickly in order to meet new, immediate need and other areas inhibited by government restrictions to manage the spread of the pandemic. 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 outcomes. The charitable aims are furthered 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 was received enabling work with an additional 1,080 participants until the end of December 2021. Following further work with the lead for

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the contract (Jigsaw Homes) and commissioners, an additional £3.5m funding has been awarded to the programme enabling delivery to continue across GM until March 2023.

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 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.

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 (Helping the Homeless into Housing). 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 foodbank 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 usually provide a wide variety of youth activities during the course of the year, such as holiday clubs in schools, which unfortunately could not be delivered due to the Covid-19 restrictions in place. Traditional service provision was adapted wherever feasible to facilitate virtual activities and safe face-to-face provision as and when restrictions eased.

GM Housing First

Foundations worked with a range of GM partners to secure the GM Housing First contract which began in April 2019. 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.

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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 can therefore only be part of a range of offers, 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 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:

- **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.

Move-On Fund / Rough Sleeper Accommodation Programme

Funding was secured in 2020 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 abuse³. Stockport Homes submitted a bid for funding to acquire and refurbish 6 x 1 bedroomed self-contained properties to meet the needs of people in temporary accommodation and ready to move into independent living. The Fund also provided revenue funding to deliver support services with a dedicated Support Officer employed by Foundations for a 12-month period.

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

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.

³ £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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The Move-On Fund is being replaced in April 2021 by the Rough Sleeper Accommodation programme (RSAP) and SHG will again be submitting a bid for a similar level of units over the year. This will have three years of revenue funding attached, and if successful a full-time support worker would be employed through Foundations.

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, in 2019 Foundations Stockport successfully secured a grant from the Government's Rough Sleeping Initiative. At a GM level, this included 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 were initially grouped together due to their geographical proximity and a similar rough sleeping profile, with two workers based across the localities. A new bid for 2021/22 is likely to see Stockport having two workers dedicated to the Borough; one focusing on street outreach and the other 'navigator' role working on helping people make the transition out of rough sleeping and into accommodation.

The posts will seek to both have a practical impact upon levels of rough sleeping and 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 as Probation, Social Care and Health Services, and collaborative working with cross local authority bodies such as Pennine Care.

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 3⁴ 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.

Youth Diversionary Activity

A Youth Diversionary Officer post has been 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 Justice system, but who have been identified as being in danger of becoming involved with ASB and offending behaviour.

⁴ Sector 3 is a network of third sector organisations set up in Stockport in 2017 to improve the resilience and sustainability of sector organisations by bringing them together to share resources, expertise and voice.

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Income and expenditure from these activities is not significant and is incorporated into the aims above.

Achievements and performance

Notable achievements for 2020/21 include:

Motiv8

During 2020/21 Motiv8 received a total of 226 new referrals across Stockport and Rochdale. 183 people were successfully supported and closed during this period and 140 people continue to receive support.

Participants in the programme achieved over 970 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 41 participants moved into educational and training provision in a range of areas including Maths & English, IT, Construction and Social Care. 35 participants commenced job searching and an additional 8 participants secured employment in a range of sectors including Delivery Driving, Cleaning, Retail and Warehousing. In addition, 19 participants undertook volunteering activities within charity shops and organisations providing support during the Covid-19 pandemic.

Case Study

Cathy required intensive support to address mental health issues and homelessness and to enhance poor levels of self confidence after leaving an abusive relationship. Cathy struggled to manage day-to-day, with no access to a bank account or GP, a history of self-harm and was sofa surfing with friends. After past experiences of physical abuse as a child were disclosed to the Motiv8 Key Worker it was discovered that Cathy had never received any counselling or specialist mental health support.

Cathy was immediately referred to Shelter for housing support and advice around housing options and completed an application for rehousing with Stockport Homes. Cathy's Motiv8 Key Worker supported her to register with a GP which allowed Shelter to obtain medical evidence to support her housing application.

Whilst bidding for housing, Cathy found she was no longer able to remain at her friend's house. Cathy's Key Worker contacted Stockport Homes who were able to provide emergency Temporary Accommodation. During this period Cathy secured a permanent tenancy with Stockport Homes and was allocated a Tenancy Ready Officer who supported her to obtain carpets, furniture and white goods.

Cathy's Motiv8 Key Worker referred her to OWLs, a peer support group for women who have experienced domestic abuse. She has subsequently attended the Freedom Programme and is receiving weekly telephone calls from the specialist service. A grant was also secured from 500 Acts of Kindness to support Cathy to begin divorce proceedings to permanently end the connection to her abusive relationship. Cathy was also referred to Healthy Minds and is now accessing remote counselling sessions to improve her mental health and process her experiences without returning to self-harming.

Cathy was registered by Motiv8 with Startpoint and was loaned a laptop to complete a Social Care Training Course through Future to Learn. The Motiv8 Employment Engagement Officer also supported Cathy to secure an interview to volunteer at Stepping Hill Hospital. Following interview preparation sessions and on receiving a new interview outfit provided by Smart Works, Cathy was successful in securing the volunteering opportunity.

Reflecting on her time working with Motiv8, Cathy expressed that her self-confidence and ability to manage independently has increased significantly following the one-to-one coaching and mentoring she received from her Key Worker and the impact of engaging with other services and being supported to take steps forward.

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Apprenticeships

Foundations continues to undertake significant work to identify entry-level roles within Stockport Homes which could form part of a comprehensive apprenticeships programme and be transferred to Foundations.

To date 14 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 and provides ongoing support throughout their programme. In addition, a mentor is provided to each apprentice within their service area.

Most apprentices will work towards a Level 2 or 3 Apprenticeship in Housing Management although other suitable apprenticeship programmes are discussed with the apprentice, manager and training provider ensuring they receive the best quality learning experience and supporting the development of the apprentice and bringing in the skills needed to Stockport Homes.

Towards the end of an apprenticeship programme apprentices are offered employment support if they are looking to apply for a permanent position at Stockport Homes, or moving on.

Furniture Recycling Project

Between April 2020 and March 2021, the Furniture Recycling Project collected furniture from 454 households and delivered to 515 households in need with 1125 individual pieces of furniture and white goods provided. A total of 44.45 tonnes was diverted away from landfill.

The Furniture Recycling project has also renewed a service level agreement with Great Places to provide furniture for their customers and continues to work in partnership with other housing providers, Adult and Children's social care, Age UK, The Prevention Alliance (TPA), Probation Services and Leaving Care Team to support the residents of Stockport.

Covid-19 provided many challenges for the team to continue the service particularly during lockdowns. Despite this the team won the Housing Heroes "Frontline Team of the year" recognising their tenacity and flexibility to provide a service to those in crisis setting up a new home. The award particularly praised the work of the team to furnish a property quickly for NHS nurses who were isolating from their families.

Age UK Stockport also contacted the service during this period to say:-

"I know the Furniture Project has been facing huge challenges to assist people during the current crisis, I was so impressed he was able to help my client so quickly given the current difficulties."

The changes to the Stockport Local Assistance Scheme (SLAS) meant that customers in crisis had less access to white goods and furniture than previous years through the local authority. The Furniture Team had to find new ways to support customers with essential items. The team forged a partnership with Rotherham Council to purchase refurbished items at low cost for customers to purchase. In addition to this the team received £12,000 from the Covid-19 Winter Fund grant which has provided 32 families and 32 single vulnerable households with essential cooking facilities.

The Furniture team have successfully bid to the Clothworkers Foundation for a second van, with £15,000 awarded. This will enable the team to increase capacity by at least 30% in the next financial year.

The service continues to grow in reputation and the feedback from both donors and customers has been excellent. One customer in crisis said:

"I have been homeless and would not have been able to furnish my home - thank you."

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Your Local Pantry (YLP)

YLP is part of a national franchising scheme with Church Action on Poverty (CAP). There are 46 YLPs across England, Scotland and Wales, with five YLPs in Stockport. Across the 46 YLPs, there are at least 4,845 members supporting approximately 8,000 adults and 5,500 children⁵. 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 over the past year, YLP have built a stronger relationship with CAP and will be collectively developing a YLP Stakeholder Group that will oversee the decision-making aspects of YLP with Foundations Stockport being a key partner in this.

Since April 2020, YLPs in Stockport have attracted 532 new members with an active membership of 374. The number of active memberships is slightly lower than last year due to the temporary closures of three pantries during the first national lockdown. They are, however, on the rise from 236 active memberships in Quarter 1 to 374 active memberships in Quarter 4. 7,290 visits have been made across the five YLPs, offering potential savings for members of £824 per household per year with total savings to customers across the membership amounting to £120,285 in 2020/21.

During 2020/21 YLP launched three new initiatives aimed at helping to alleviate school holiday hunger. The 'Grab a Pantry Packed Lunch' project provided 2,492 packed lunches over the year for young people. A family membership was also introduced across all the five pantries, offering members with more than three people in their household 20 items for £6.50. CAP is now also interested in rolling this membership out across the pantry network after an initial trial period.

Over the past year, the YLPs generated £73,109 of social value⁶ as a result of volunteering alone, with 2,997 hours of volunteer time committed. During the last 12 months, 18 new volunteers have been recruited and supported through a comprehensive induction programme, including training in manual handling and Food Hygiene Level 2. Three pantry volunteers have gone on to paid employment; two of these within Stockport Homes.

During the first national lockdown, YLP significantly scaled up its operations to meet demand, with 53 staff from across SHG volunteering to help stock collections, bag pack and deliver six days a week. During this period alone, YLP provided 4,576 food parcels to households who were vulnerable or self-isolating across the Borough. This included processing 1,277 emergency referrals from both the Coronavirus Helpline and Stockport Homes' staff and delivering 2,792 food parcels to people at home within 24 hours of referral. 433 food parcels were delivered to 28 care leavers in partnership with Stockport Family, leading to funding for care leavers to become pantry members in 2021.

It became apparent older people were overrepresented amongst those accessing the delivery service, so once restrictions eased, a Mobile Pantry scheme for over 55s in the Cheadle area was launched in partnership with the Independent Living Team. Members choose their ten items from a shopping list which is processed and delivered weekly. With an active membership of 17 households, the pantry team are now looking to expand this service to other areas of the Borough.

"The best thing is that it saves us lots of money. What I get from the pantry keeps us going all week."

"Going to the pantry is the highlight of our week, we love trying new things and there's lots of variety."

"Your act of kindness in delivering my pantry essentials makes a difference to my day and my wellbeing."

⁵ Social Impact Report 2021, produced by CAP

⁶ Social value based on HACT's Social Value calculator 2018

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"If I wasn't a member of the pantry, we'd be spending more money on a food shop, we also wouldn't be preparing healthy meals. Having the pantry open is the one thing you know that's going to be here in these uncertain times."

Youth Provision

Due to the closure of schools and the introduction of class and year group 'bubbles', Foundations were not able to run the usual holiday provision, 'Fabulous Foundations'.

To support more vulnerable families in Stockport, Foundations put together craft and activity packs. Throughout the year 3,230 packs were distributed either directly to families or through schools. These were produced from Summer 2020 up to the Easter holidays in March 2021. Food packs were also provided for the Easter 2021 holidays. This project was funded by the Department of Education HAF (Holiday Activities and Food project). In total, Foundations provided 1,000 activity packs and 500 'four meal' food packs. 1,155 additional packed lunches were produced to support physical activity sessions delivered by Life Leisure and Manchester United.

A hate crime module called 'Heartstone' developed for key schools to support the reduction of anti-social behaviour will be delivered by the worker as soon as school closures are lifted. The aim of the Heartstone programme is to train teachers and social workers to allow this to continue in schools and be rolled out across Stockport.

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). 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.

Two dedicated Housing First Officers are supporting 13 customers, 11 of whom have been accommodated in homes in their areas of choice. This includes two customers who were entrenched rough sleepers who had been sleeping rough for in excess of four years, both of whom are adjusting well to their new lives.

Customers have been supported to achieve a wide range of outcomes including reconnecting with family and friends, successful engagement with substance misuse services and detox programmes, addressing physical and mental health needs, many of which have not been addressed for many years, and decorating and furnishing their homes.

"...he had nothing but complimentary and positive things to say about you and the valuable support you have provided to date. You have clearly made a real change in his life and it is very reassuring and protective factor knowing he has you as part of his support network"

Feedback from a Dual Diagnosis practitioner working with a Housing First Customer

Case Study

Fred first drank alcohol aged just seven and was alcohol and substance dependent by 15. With no family support, having never attended a health appointment and having rough slept or sofa surfed since 16, he recalls "I want to better myself and try to open post and have a better outlook for my future. My GMHF worker has made this possible. She's found me a house, helped me make it a home, helped me shop and budget, I've joined a gym and love bike rides now. After years of suffering with vision problems I am under a great consultant who my worker supports me to meet with regularly and I'm getting help for my

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addictions. What has been great, is she does not give up on me, she's always there and just talking to her helps calm me down. I am grateful for HF giving me a new lease of life"

Mental Toughness

Due to the impact of Covid-19, Foundations was not able to deliver any Mental Toughness sessions in schools during this financial year. Schools were restricted to working in class and year group 'bubbles' and did not allow external visitors. The content of the sessions has been revised and delivery is scheduled to restart following the Easter 2021 school holidays and subsequent easing of the lockdown restrictions.

Rough Sleeper Initiative

Since 2019 the Rough Sleeping Initiative has funded two outreach workers through Foundations to address street homelessness in Trafford and Stockport. From 2021/22, pending final approval from the Ministry of Communities Housing and Local Government, there will be two workers focusing on Stockport alone.

One of these workers will have an initial outreach role, while the other will support people in the transition to settled accommodation.

Many of the people engaged with have multiple and complex needs with a long history of rough sleeping, but in conjunction with the Housing First scheme there have been some real successes in helping move away from street homelessness. For example, one person had been evicted from numerous tenancies and temporary accommodation placements, but after working with the RSI workers began to work with services and accepted a Housing First tenancy, with the longest period of settled housing for most of his adult life.

Key outcomes achieved over the year include:

- Responding to over 340 reports of rough sleeping, of which 102 resulted in identifying a person who was rough sleeping
- 50% reduction in the numbers identified as rough sleeping at the annual Rough Sleeping count in November (from 12 to 6)
- 11 rough sleepers accommodated during the 'Everyone In' initiative during the first lockdown - seven of whom are now in settled accommodation
- Five individuals found to be rough sleeping from outside the area supported to reconnect with their local area through the Personalisation Fund
- Over 50 Rough Sleepers supported into Temporary Accommodation

Move-On Fund

To date six properties have been purchased and refurbished by Stockport Homes under the Move-On Fund with a dedicated Support Officer employed by Foundations to support people accommodated within the properties. All six customers supported by the service have a wide range of support with three of those accommodated have come from a rough sleeping and offending background, five have a history of substance misuse issues and all six have 6 have mental health diagnosis.

All six are sustaining their tenancies and have been supported with obtaining furniture, claiming benefits and organising utility payments. All have expressed interest in being supported into employment or with volunteering but due to Covid-19 this has been delayed primarily due to customer's advising of feeling anxious at this time. This will be progressed as restrictions ease.

Youth Diversionary Activities

A Youth Diversionary Officer role supports young people aged under 25 who are at risk of offending and / or failing in their tenancies. Each young person benefits from a tailored action plan and smart goals to

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promote positive behaviours, self-esteem and help achieve their potential. The role also works in identified anti-social behaviour hot spot areas to redirect young people towards more positive activities. This is co-ordinated through a multi-agency approach including the Youth Offending Service to make the best use of knowledge to target resources.

This detached youth worker funding has initially been identified for two years and if successful, will be continued from the funding that SHG ASB team receive from the Community Safety budget.

The Officer has been in post since August 2020 delivering both detached youth work sessions and support for young people managing tenancies. Seven young people have been supported on an individual basis to ensure tenancies are sustained. Weekly detached sessions have been carried out in the Edgeley and Brinnington areas. These sessions aim to advise young people on Covid-19 and the measures needed to stay safe, build relationships with young people and keep them positively engaged and off the streets. Attendance at these sessions varies greatly each week but has been up to 25 young people.

Supporting the development of the Third Sector

Foundations has worked closely with Sector 3 to develop a range of projects and events to support and grow the Third Sector in Stockport. The Funding Officer has provided a “funding surgery” at various Sector 3 online meetings: providing instant recommendations to groups on the most appropriate funds for their projects. In January 2021, Foundations worked with Sector 3, the Council and other agencies to run the first online only “Sector Connector” meeting, which saw 60 groups meet via Zoom to make “asks and offers” of help. The Funding Officer has set up a series of ‘Local Intelligence’ meetings which bring together all of the active funders in Stockport; including Stockport Homes/Foundations, Life Leisure, Great Place, the Council, Sector 3 - to share knowledge and ensure that local groups receive appropriate support and introductions to appropriate funds, but do not bid for the same project to multiple funds. Further online events will be taking place during 2021 including ‘meet the funder’ with Manchester Airport, National Lottery and later in the year a larger multi-funder ‘Funding the Future’ (nine to 12 funding providers and 60 community groups) event, in person at the Cornerstone building as restrictions allow. Working directly with local civil society groups, Foundations has supported the securing of £488,425 of grant income into the Stockport borough in 2020-21. A Funding Officer supports over 130 civil society groups each year through the ‘LIFE’ model (Lead, Influence, Follow, Exit). LIFE is the process by which we provide support at a variety of different levels of sophistication to civil society groups to help them learn, grow and do more for Stockport and their local community.

Support given under LIFE can range from:

- a funding search and recommendations as to which funds to apply to
- developing a funding bid in detail
- providing statistical data
- reading and editing funding bids as a ‘critical friend’

Some highlights include: Rising Stars North West have been supported since 2014 by Foundations and formerly Stockport Homes and provide a range of youth and employment focused projects from their base in Vernon Mill. Rising Stars have been awarded £30,000 from the United Inclusive Recovery Fund. Support has also been provided to Ongoing Women’s Local Support (OWLS), OWLS is a voluntary group which supports women who are experiencing or recovering from coercive control and other forms of domestic abuse. The National Lottery have awarded £9,200 of Coronavirus Community Support Grant to cover the lease costs of the OWLS drop in hub in Higher Hillgate. The Heaton Norris Pavilion Committee have been supported for a number of years and have been awarded a further allocation of ESF grant for £19,420 by The Workers Educational Association, £16,950 from the ASDA Foundation to refurbish the kitchen and buy new white goods and £2,595 from the Manchester Guardian Society to build new storage cupboards.

A number of partnerships have been developed over the course of the year to explore funding opportunities and bid for tenders. This has included work with Stepping Stone and NACRO to identify potential opportunities to bid collaboratively for work under various Ministry of Justice commissions and

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2021

close working with local Food Banks to ensure a co-ordinated and aligned food offer is delivered in the borough during the pandemic and beyond.

Financial review

The 2020/21 financial year has been the second full year of operation for Foundations Stockport and the organisation is reporting an increase in funds for the year.

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.

Foundations funds have grown by £584,000 for the year which is mainly due to the Gift Aid donations received in March 2021. This surplus, along with the brought forward funds of £321,000 will be used to support the planned continuation and enhancement of projects through the financial year 2021/22 and 2021/23, 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 months' expenditure relating to projects where any of the income received is from an external source outside of Stockport Homes. Based on the budget for 2021/22 this indicates a level of reserves of £55,000. 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 2021 is £905,000 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 2021, which will be used to fund the continuation of projects through the financial year 2021/22.

Principal risks and uncertainties

A risk register is in place for Foundations 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 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, 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 organisation has successfully achieved this in 2020/21 and will continue to focus on this in the future.

Plans for future periods

Foundations is still a relatively young organisation, 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. Foundations has developed its first Business Plan which provides a clear framework for operations and priorities over the next five years, whilst remaining flexible and agile in order to be able to respond to funding and partnership opportunities as they arise. Particularly as a result of the pandemic, commissioners and funders have changed the focus and range of support available and it is vital that Foundations is sufficiently agile to take advantage of these opportunities as well as growing existing services and developing planned projects. A clear Board focus on securing resources to support offenders has already resulted in an Offender Officer being recruited, and further opportunities around this cohort will be proactively identified with Foundations continuing to explore opportunities offered by acceptance on the Dynamic Framework for the Ministry of Justice and expected commissions around the Prison Leavers Project. Opportunities relating to Skills and Employment Support are likely to increase as part of the response to the economic impact of the Covid-19 pandemic, with Foundations well placed to respond

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2021

to these as they arise. Funding has recently been secured from the Kickstart scheme, which provides quality work placements to young people aged 18 to 24 who are on Universal Credit.

Another particular emphasis will be put on delivering Foundations' Aim around supporting groups who may face more disadvantage, such as BAME and those with complex needs and of encouraging and supporting mutual aid activities. This has also been identified as a priority in SHG's Social Investment and Customer Voice & Influence Strategies, demonstrating an organisation-wide commitment to ensuring all customer voices are heard and appropriate resources accessed to reduce disadvantage and enhance life chances. A potential project to support the Ministry of Defence in providing accommodation and support to current and former locally employed staff in Afghanistan is currently being explored. A key area of growth for Foundations over the next few years relates to the potential to transfer existing Stockport Homes roles, which align clearly with Foundations aims, to the subsidiary as they become vacant. These are typically roles and services within SHG that support customers directly, with a proposal agreed internally to transfer individual roles as and when they become vacant. A total of nine services and up to 125 roles have been identified as appropriate for delivery within Foundations across a range of teams. It is estimated that turnover is likely to be approximately 10-15 roles per year therefore, any movement to Foundations would be incremental and over a number of years. In addition to being the most appropriate positioning of services within the Group structure, moving staff from SHL to Foundations would offer a sustainable and financially efficient way of delivering those services, ensuring Foundations Stockport can operate in a competitive market whilst remaining an employer of choice.

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.

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 Small Charities 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 Business Transformations and Major Projects Lead, the Director of Resources and the Director of Operations. 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.

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2021

Public benefit

The main activities are outlined in the section above. They are all undertaken to further Foundations Stockport'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 organisation 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 is 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

The name by which the organisation 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 (Business Transformation and Major Projects Lead) (Lead Officer)
- John Bowker (Director of Operations)
- 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.

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2021

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).

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.

Foundations Stockport Limited

Board Members Annual Report for the year ended 31 March 2021

Auditors

A resolution for the appointment of auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Approval

This report was approved by the Board on 19th July 2021 and signed on its behalf by



Roger Phillips

Chair of the Board

Foundations Stockport Limited

Independent auditor's report (continued)

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

Opinion

We have audited the financial statements of Foundations Stockport Limited ('the Charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. 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 2021 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 Co-operative 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 Charity 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 Board's 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 Charity'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 Board 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 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 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

Foundations Stockport Limited

Independent auditor's report (continued)

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

- the Charity has not maintained a satisfactory system of control over transactions; or
- the Charity has not kept proper accounting records; or
- the Charity's financial statements are not in agreement with 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 15, 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 determines 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 Charity'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 intends to liquidate the Charity 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.

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 addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Charity, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following area: laws related to regulated nature of the Charity's activities.

Foundations Stockport Limited

Independent auditor's report (continued)

-
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
 - We enquired of the Board about actual and potential litigation and claims.
 - We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
 - In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

This report is made solely to the Charity, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Charity those matters we are required to state to it 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 Charity for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Beever and Struthers
Statutory Auditor
St George's House
215/219 Chester Road
Manchester
M15 4JE

Date: 19/1/21

Foundations Stockport Limited
Statement of Financial Activities for the year ended 31 March 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Income from:					
Donations and legacies	3	804	7	811	427
Income from charitable activities					
<i>Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills</i>		611	22	633	201
<i>Supporting customers in local communities and delivering support services to help people live independently</i>		87	10	97	42
<i>Empowering communities to develop networks of support</i>		88	9	97	18
Total incoming resources		1590	48	1,638	688
Expenditure on:					
Expenditure on charitable activities	4				
<i>Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills</i>		771	25	796	306
<i>Supporting customers in local communities and delivering support services to help people live independently</i>		130	12	142	39
<i>Empowering communities to develop networks of support</i>		105	11	116	22
Total expenditure		1,006	48	1,054	367
Net income/(expenditure)		584	-	584	321
Transfers between funds		-	-	-	-
Net Movement in funds		584	-	584	321
Reconciliation of Funds					
Total Funds brought forward		321	-	321	-
Total Funds carried forward		905	-	905	321

All Incoming resources and resources expended derive from continuing activities.

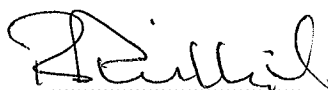
Foundations Stockport Limited
Statement of Financial Position at 31 March 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Current assets					
Debtors	9	165	10	175	102
Cash and cash equivalents	10	973	(7)	966	426
Total current assets:		1,138	3	1,141	528
Liabilities:					
Creditors: amounts falling due within one year	11	233	3	236	207
Net current assets		905	-	905	321
Total assets less current liabilities		905	-	905	321
Creditors: amounts falling due after more than one year		-	-	-	-
Total net assets		905	-	905	321
The funds of the charity:					
Unrestricted Funds		905	-	905	321
Restricted Funds		-	-	-	-
Total charity funds		905	-	905	321

The financial statements were approved by the Board of Directors and authorised for issue on 19 July 2021.

Signature:







Name:

SANDRA COLEING

R PHILLIPS

ROBYN BUNN

Secretary

Member 1

Member 2

The notes on pages 22 to 32 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 2021

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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 2021 (*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's restricted funds tend to result from appeals for specified purposes.

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 2021 (*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 2021 (*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 2021 (*continued*)

3 Incoming resources from donations and legacies

	Total 2021 £'000	Total 2020 £'000
<u>Unrestricted Income</u>		
<i>Gift aid</i>	660	283
<i>Donations in kind for services</i>	140	126
<i>Donations and gifts</i>	4	18
Total unrestricted incoming resources from donations and legacies	804	427
<u>Restricted Income</u>		
<i>Gift aid</i>	-	-
<i>Donations in kind for services</i>	7	-
<i>Donations and gifts</i>	-	-
Total restricted incoming resources from donations and legacies	7	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

4 Analysis of charitable expenditure

	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	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
Costs directly allocated to activities					
Salaries, NI and pensions	576	95	34	705	255
Other staff costs including training and uniforms	3	1	27	31	-
Premises costs, licenses and health and safety	12	-	-	12	5
Your Local Pantry costs	34	1	-	35	41
Depreciation	-	-	-	-	-
Personalisation costs and participant expenses	-	6	26	32	4
Other costs	29	12	-	41	1
Support costs and governance costs allocated to activities					
Support costs (see note 5)	93	12	13	118	36
Governance costs (see note 5)	25	3	4	32	25
Total unrestricted	772	130	104	1,006	367

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2021 *(continued)*

	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	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
Costs directly allocated to activities					
Salaries, NI and pensions	-	7	-	7	-
Other staff costs including training and uniforms	-	-	-	-	-
Premises costs, licenses and health and safety	-	-	-	-	-
Your Local Pantry costs	7	-	-	7	-
Depreciation	-	-	-	-	-
Personalisation costs and participant expenses	8	-	-	8	-
Other costs	6	3	10	19	-
Support costs and governance costs allocated to activities					
Support costs (see note 5)	3	2	1	6	-
Governance costs (see note 5)	1	-	-	1	-
Total restricted	25	12	11	48	-

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

5 Analysis of governance and support costs

Analysis of support costs

	Raising funds	Charitable activities	Total	Total	Basis
	£'000	£'000	2021	2020	
			£'000	£'000	
Salaries, NI and pensions	-	106	106	34	Expenditure
Bank charges	-	1	1	-	Expenditure
Miscellaneous	-	17	17	2	Expenditure
Total	-	124	124	36	

Analysis of governance costs

	Raising funds	Charitable activities	Total	Total	Basis
	£'000	£'000	Funds	Funds	
			2021	2020	
			£'000	£'000	
Salaries, NI and pensions	-	28	28	21	Expenditure
External audit	-	5	5	4	Expenditure
Total	-	33	33	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. Expenses totalling £184.16 were claimed for the financial year 2020/21 (2020: nil).

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 2021 Fiona Kennedy continued to act as a Board Member. Rent charged to tenant Board members during the period was £8,052 (2020: £8,927). Tenant Board members had arrears of £439 at the reporting period end (2020: £370).

7 Analysis of staff costs and remuneration of key management personnel

	2021	2020
	£'000	£'000
Salaries and wages	621	204
Social security costs	45	15

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

Employers pension contribution	45	13
	711	232

The average number of full time equivalent employees within 2020/21 was 26 (2020 average: 8).

No employees had emoluments in excess of £60,000 (2020: none).

Key management personnel of the organisation comprise the Board Members, the Chief Executive Officer, the Assistant Chief Executive Officer, the Director of Resources, the Director of Operations and the Business Transformation and Major Projects Lead. The services of the key management personnel of the organisation were donated with a calculated benefit of £20,635 (2020: £13,787) included within governance costs.

8 Auditors remuneration

The auditor's remuneration of £4,800 (2020: £4,000) related solely to the audit and £360 for additional work being undertaken (2020: £nil).

9 Analysis of current debtors

Debtors under 1 year	Unrestricted funds £'000	Restricted funds £'000	2021 £'000	2020 £'000
Prepayments	1	-	1	1
Accrued income	25	-	25	3
Trade debtors	28	-	28	8
Intercompany debtors	38	10	48	3
Amounts owed by SMBC and associated companies	73	-	73	87
Total	165	10	175	102

10 Analysis of cash and cash equivalents

Debtors under 1 year	Unrestricted funds £'000	Restricted funds £'000	2021 £'000	2020 £'000
Cash in hand	973	(7)	966	426
Total	973	(7)	966	426

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

11 Analysis of Creditors: amounts falling due within one year

	Unrestricted funds £'000	Restricted funds £'000	2021 £'000	2020 £'000
Creditors falling due within 1 year				
Trade creditors	3	-	3	10
Accruals and deferred income	188	3	191	76
Taxation and social security	17	-	17	10
Other creditors	3	-	3	4
Intercompany creditors	22	-	22	107
Total	233	3	236	207

12a Analysis of unrestricted fund movements

	Balance B/Fwd £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains & losses £'000	Balance C/Fwd £'000
General fund	321	1,591	(1,007)	-	-	905
Total	321	1,591	(1,007)	-	-	905

Foundations Stockport Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

12b Analysis of restricted fund movements

	Balance B/Fwd £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains & losses £'000	Balance C/Fwd £'000
Brinnington Your Local Pantry Personal Hygiene Essentials	-	2	(2)	-	-	-
CAF C19 Emergency Fund	-	7	(7)	-	-	-
National Lottery	-	8	(8)	-	-	-
Coronavirus Community Support Fund	-	19	(19)	-	-	-
Holiday Activities and Food	-	12	(12)	-	-	-
Move On Revenue Grant	-					
Total	-	48	(48)	-	-	-

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:

	2021 £'000	2020 £'000
Other income receivable - unrestricted - Stockport Homes	1,146	449
Other income receivable - unrestricted - SMBC	88	18
Net amounts owed to/(from) Stockport Homes	(27)	105
Net amounts owed to/(from) SMBC	(73)	(87)
	1,144	485

During the year, Stockport Homes provided services relating to the operation of the organisation. The calculated benefit of these service is £146,724 (2020: £125,752).