

SHEFFIELD FUTURES

England & Wales · Charity number 1044940

Details

Other names	SHEFFIELD CAREERS GUIDANCE SERVICES
Status	Registered
Legal form	Charitable company
Company number	02963378
Registered	1995-03-14
Register	View on the Charity Commission register

Contact

Address	Star House 43 Division Street Sheffield S1 4GE
Phone	01142012800
Email	enquiries@sheffieldfutures.org.uk
Website	www.sheffieldfutures.org.uk

Activities

Objects: (1) THE ADVANCEMENT OF EDUCATION THROUGH THE PROVISION OF CAREERS GUIDANCE AND ADVICE ON THE CHOICES AND OPPORTUNITIES IN EDUCATION TRAINING AND EMPLOYMENT AVAILABLE TO ALL PERSONS UNDERGOING FULL TIME AND PART TIME EDUCATION WHETHER IN SECONDARY SCHOOLS, GRANT MAINTAINED SCHOOLS OR INDEPENDENT SCHOOLS AND IN FURTHER AND HIGHER EDUCATION INSTITUTIONS (2) THE PROVISION OF CAREERS GUIDANCE AND ADVICE ON THE CHOICES AND OPPORTUNITIES IN EDUCATION TRAINING AND EMPLOYMENT TO PEOPLE WITH DISABILITIES (3) THE ADVANCEMENT OF THE EDUCATION OF ALL PERSONS BY THE PROVISION OF PRIMARY SECONDARY AND FURTHER EDUCATION AND THE PROVISION OF TRAINING, ORGANISED LEISURE TIME, RECREATION AND SOCIAL AND PHYSICAL TRAINING AND BY THE PROVISION OF ADVICE, GUIDANCE, INFORMATION, SUPPORT AND MENTORING (4) TO PROMOTE ANY CHARITABLE PURPOSE AND IN PARTICULAR CHARITABLE PURPOSES DIRECTED TO THE BENEFIT OF PEOPLE SUFFERING THROUGH UNEMPLOYMENT, THE ADVANCEMENT OF EDUCATION AND THE RELIEF OF POVERTY.

Activities: Sheffield Futures is committed to helping people who are most at risk and vulnerable to make a successful transition into learning and work. Focusing on young people, we offer mental health and wellbeing

support, employability and targeted youth services to encourage the people of Sheffield to achieve their full potential.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training
- **Who:** Children/young People, Other Defined Groups

Geography

- **Area of benefit:** NOT DEFINED- IN PRACTICE THE CITY OF SHEFFIELD AND SURROUNDING AREAS
- Sheffield City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,307,002	£1,982,517	£2,782,145	57
2024-03-31	£1,425,920	£2,235,304	£3,457,660	61
2023-03-31	£1,826,277	£2,436,314	£4,030,140	48
2022-03-31	£1,920,728	£2,422,730	£4,108,877	48
2021-03-31	£3,407,121	£3,675,481	£4,213,879	76

Trustees

Name	Role	Appointed
Christopher Paul Humphreys	Chair	2014-10-23
Elizabeth Howard		2020-06-10
Eve Willis		2022-10-01
Luke Clewes		2014-02-21
Martin Philip Harrison		2022-01-27
Matilda Mabel Bean Hilton		2024-04-10
Nathan Woodhams		2023-05-25
Susan Catherine Wood		2015-05-13
Zaina Hyatt		2023-05-25

SHEFFIELD FUTURES

England & Wales - Charity number 1044940

Accounts

Charity registration number 1044940 (England and Wales)

Company registration number 02963378

SHEFFIELD FUTURES

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SHEFFIELD FUTURES

(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

L Clewes
M Harrison
L Howard
C Humphreys
Z Hyatt
E Willis
S Wood
N Woodhams
M Hilton
F Mowlana

(Appointed 10 April 2024)
(Appointed 1 September 2024)

Secretary

J Braithwait

Strategic Leadership Team

C Louca
M Taylor
K Sandamas

Head of Delivery
Operations Manager
Communications and
Business Development
Manager

Members

Sheffield City Council
The Sheffield College

Charity number

1044940

Company number

02963378

Registered office

Star House
43 Division Street
Sheffield
S1 4GE

Auditor

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Bankers

Royal Bank of Scotland
42 High Street
Sheffield
S1 2GE

Solicitors

Hemingway Solicitors Limited
11 Westbourne Road
Sheffield
S10 2QQ

SHEFFIELD FUTURES

(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Trustees' report	1 - 12
Independent auditor's report	13 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 36

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Foreword – Chair of the Board of Trustees

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing youth focused, employability and mental health and wellbeing support to those who need it most.

The current landscape is challenging for all those working in the Charity Sector, but particularly for a Charity such as Sheffield Futures working with young people still feeling the negative impact that the pandemic, cost of living increases and general economic uncertainty continue to have on their wellbeing. We will do everything we can to support young people in whatever way we can, and in doing so recognise that the modern world is a difficult place to navigate.

2025 sees Sheffield Futures reach its 30th Anniversary – this is naturally a cause for celebration and a tremendous reflection of the longevity of the work undertaken by all at Sheffield Futures. We're not resting on our laurels however – further changes to our management team and trustees see us well placed to tackle the future head on, the immediate objective being to achieve multiyear funding solutions and financial sustainability whilst continuing to deliver high quality, imaginative and empathetic support to people in our city. I'm confident we can do it - here's to the next 30 years!

On behalf of the Board of Trustees, I would like to take this opportunity to thank all our partners, supporters and funders for their continued contribution to and involvement in our work, and to offer a huge thank you to all our staff and volunteers for all the fantastic work they do.

Chris Humphreys, Chair of the Board of Trustees

Our purpose

Aims and objectives

Within our three-year strategy (2022-2025), we set out to ensure that all of our services and projects will work with young people to have a demonstrable impact against one or more of these goals by 2025:

- What we do is clear to those who work for us, with us, use us and fund us
- Our support is developed to include more people who need our help
- We use what we have - our influence, our buildings and our money - responsibly and well
- We are the kind of employer people want to work for

To achieve these goals, in 2024 we set out to:

1. Continue to revise our corporate structures, with a stronger emphasis on business development to increase our charitable profile as well as developing new channels of income whilst continuing to reduce costs.
2. Prioritise reducing costs to ensure we have a cost-effective infrastructure, and, building on our efforts in 2022/23, continued our analysis of our Star House asset as a financially viable space for young people across the city.
3. Secure replacement funding for European Social Funds, which ceased in December 2023, to fund our well-regarded, impactful employability offer, and to increase the breadth and coverage of our mental health and wellbeing offer, Door 43, to meet the increased demand from young people.

Progress Against Objectives

We recruited a new Chief Executive Officer in November 2023, intending to create a seamless handover from the outgoing CEO in December 2023 with no loss of momentum and with the new appointee bringing with them experience in business development and income generation. Unfortunately, this appointment did not yield the desired outcomes which led to the role becoming vacant in June 2024 and remaining vacant for the remainder of the accounting year. The Strategic Leadership Team performed strongly in taking on additional responsibilities

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

and effectively sharing the management of the organisation during the interim period. The Board committed to recruiting to the vacancy in early 2025 with the successful and experienced candidate assuming the role in May 2025.

A small restructure of the business development function took place in order to introduce a specific role aimed at building corporate and high donor relationships. This role was recruited to in early 2025 and has already started to generate new corporate relationships with local businesses.

After ongoing operational challenges relating to the daily management of Star House facilities and the continued operating loss as a result of the building being majority vacant, a proposal to sell Star House was taken to the Board in late 2024; the Board reached consensus to proceed with the sale and a buyer was quickly found.

Note: In 2025, the new CEO reviewed the decision to sell in view of the challenges securing suitable alternative accommodation and feedback from key stakeholders. The decision to suspend the sale and seek resources to repair and renovate the building and seek new tenants was approved by the board with a commitment to review in early 2026. Remaining in Star House aligned with and informed the evolving strategic planning that was given a renewed and optimistic focus with the CEO's arrival. The aspiration to reestablish Sheffield Futures as an anchor organisation within the Sheffield youth sector and Star House as a multi-agency youth Hub is inextricably linked and co-dependent.

We were successful in our bid to become one of 24 pilot areas for the Department for Health and Social Care-Funded Early Support Hubs. This contract allowed us to expand our early intervention mental health and wellbeing provision to provide group outreach in schools and community group settings, with a particular focus on the North East of Sheffield as an area of high deprivation. To deliver our objective to provide a holistic provision of mental health, wellbeing and employability support, in recognition of the interconnected dynamics between poor mental health and high NEET levels, our Early Support Hub model includes 1:1 employability coaching for young people alongside group wellbeing support.

We also won the contract to be the local delivery partner in Sheffield for the UK Youth Summer Jobs Programme, funded by the Youth Endowment Fund. This programme will take place over the summer holidays and supports 16-20-year-olds who have been identified as at risk of violence by providing them with paid work placements.

We continued to deliver the UKSPF-funded Ambition programme in 2024-2025, supporting care leavers into employment, education and training. Working with this marginalised group required specialist care and we utilised lived experience of staff alongside regular client feedback to ensure that our work continued to meet the needs of this cohort. This programme concluded in March 2025, with 100% of service user feedback stating that they "always felt listened to by their Coach."

Principle activities

Our charity operates a flexible model that ensures the needs of young people are met effectively. To achieve this our principal activities and interventions are:

CEIAG

The CEIAG team provide independent and impartial advice to schools and academic trusts as a traded service. Their focus is to provide careers advice and guidance to Year 10 and Year 11 pupils. The Career Advisers guide the pupils through their post-16 options, exploring career ideas and supporting applications for apprenticeships, further or higher education.

Aims and Objectives

The CEIAG team set out to identify gaps in careers related support within schools to promote the development of alternative offers to meet the needs of schools and students. Also, the development of our Options booklet was a focus, specifically to explore the potential income of funding through Options sales and advertisement.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Outcomes

- 100% of young people agreed that they understood their options following their session with the Careers Adviser.
- 100% of young people agreed that the Sheffield Futures Careers Adviser helped them plan their next steps.
- 97% of young people agreed that they felt more confident about their next steps following their session with the Sheffield Futures Careers Adviser.
- 77% rated their Careers Advisor session as 5 out of 5 (with an average of 4.74 across the 637 responses).

Employability

The Employability team provide predominantly NEET young people aged 16 – 25 with empathic support to aide them to overcome personal challenges to secure meaningful employment, education or training opportunities. The Team provides a tailored support service on a case-by-case basis; this includes assisting them to create CVs, job searching, writing applications, and employer visits. The Team provides a safe and welcoming safe to enable the YP to express their ideas and aspirations in a non-judgemental environment. At times the Team advocate for YP with employers.

Aims and Objectives

The Employability team were focused on increasing referrals from the Leaving Care service by working collaboratively with colleagues to promote our offer and ensure understanding in support of our Ambitions project. Alongside this project, the team were to review existing provision across the city, connecting with alike provision where possible (e.g. See It, Be It) to design a new delivery model that aimed to distinguish us from others while continuing to meet the needs of young people in Sheffield.

Outcomes

- 100% of service users who responded said they always felt listened to by their Coach.
- 87% said they always found it easy to talk to their Coach.
- 93% said their views and worries were always taken seriously.
- 87% said they felt their Coach always knew how to help them.
- 100% said their Coach was always respectful of their identity.
- 93% rated the Employability service 4 or 5 out of 5 (with an average of 4.67 across the 15 responses).
- 93% said they would recommend the Employability service to a friend.

Door43 Counselling

Three separate delivery teams make up the broader SF Counselling Team: Central Counselling, Domestic Abuse (DA) Counselling and UTC Counselling. Each team has a separate funding stream and therefore a different delivery model. Central Counselling primarily delivers up to 12 sessions of counselling from Star House. UTC delivers up to 6 sessions within 3 colleges: 2 in Sheffield (Olympic Legacy Park and City) and one in Derby (Pride Park). The DA Counselling Project delivers up to 16 hours of counselling into schools, refuges and Star House; working with 11–18-year-olds and offering a service which includes trauma counselling (EMDR and TF-CBT).

Aims and Objectives

The Counselling team focused on establishing regular delivery of art therapy to groups of children and young people. Also, a desire for more qualitative impact data led to the objective to increase the gathering of longer-term impact data by conducting 3-month post intervention follow-up reviews with young people.

Outcomes

- 100% of service users who responded agreed they felt safe with their Counsellor.
- 100% agreed they felt understood and listened to by their Sheffield Futures Counsellor.
- 94% agreed they felt ready and supported ending therapy when their Counselling sessions ended.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- 100% agreed that their experience of Door 43 Counselling was beneficial.
- 94% rated the Central Counselling service 4 or 5 out of 5 (with an average of 4.41 across the 17 responses).
- 100% said they would recommend the Door 43 Counselling service to a friend.

Door43 Early Support Hub

Funded by the Department for Health and Social Care the ESH team delivers early intervention mental health support through a series of 3 x 1-hour sessions to young people aged 11 – 25 years-old, in connection with school and local community groups.

Aims and Objectives

The ESH team was offering a new service therefore the main objectives were to co-design a programme of support that could be delivered to all children and young people while conducting a review process throughout to understand the impact on young people and whether needs are being met. Collaboration with schools and community groups was therefore vital, and further to this, the evaluation of the feedback would support the development of an additional offer including a more targeted approach for cohorts of young people facing specific mental health challenges.

Outcomes

- 92% of service users rated the Hub sessions 'Excellent' or 'Good'.

Door43 Health & Wellbeing

The Health and Wellbeing Team offers early intervention emotional wellbeing and mental health support to young people aged 13-25, including three tiers of support which increase in intensity. The first being Wellbeing Cafe's including two groups, 13-17's and 18-25's, both running on Tuesdays from 5pm to 6:30pm at Star House. These are open access group provisions for young people who may struggle with social isolation or anxiety or those who want to form positive friendships with others. The team offer group activities for young people to learn how to socialise as well as how to maintain or improve their emotional wellbeing. The second tier is Wellbeing Wednesdays which again takes place at Star House, on Wednesdays from 11am to 4pm. This is also an open access provision, specifically for young people to come and speak to one of the Health and Wellbeing Practitioners about their wellbeing or issues which are impacting on them. This is predominantly a listening or signposting service. The third tier is Structured Support involving both in-person and remote sessions. This offer provides young people with up to 6 sessions of support focusing on a specific wellbeing issue such as anxiety, low mood, self-harm, anger management and more.

Aims and Objectives

The Health & Wellbeing team had ambitions to extend our mental health support to younger children; therefore, one objective was to conduct research with Primary Schools to understand the mental health challenges faced by 10–12-year-olds in Sheffield. Also, partnership work was a key focus as another target was to develop a multi-agency wellbeing offer delivered from Star House, expanding on the existing Wellbeing Wednesday service, to provide a range of targeted themes all under one roof (e.g. provision focusing on eating disorders, substance misuse, domestic abuse, anxiety and depression).

Outcomes

- 92% of service users who responded said they always felt listened to by their Health & Wellbeing Practitioner.
 - 97% said their views and worries were always taken seriously.
 - 95% said they always felt safe during their Health & Wellbeing sessions.
 - 77% rated the Health & Wellbeing service 5 out of 5 (with an average of 4.75 across the 64 responses).
 - 95% said they would recommend Door 43 to a friend who needed help.
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SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Door 43 Social Prescribing

The Social Prescribing team supports young people aged 13-25 to connect with local wellbeing-boosting activities and services facilitating community participation. Combining this with the offer of emotional wellbeing interventions aims to support both mental and physical health and wellbeing. The team operates across 6 Primary Care Networks alongside a citywide worker. Support generally lasts up to 3 months for each young person, through one-to-one delivery in GP surgeries and Star House, as well as group provision in schools, resembling Wellbeing Cafe's and structured group work as previously mentioned, offering open access wellbeing activities, and support on targeted mental health themes, respectively.

Aims and Objectives

The Social Prescribing team were focused on connecting local partner organisations with existing group provision in schools to raise awareness of support available to young people and promote access to such services amongst those in need. Additionally, the team were to complete a review and update of service criteria and thresholds and clearly communicate to referrers including GP's and schools to promote more suitable referrals to the service.

Outcomes

- 95% of young people said they always felt listened to by the Link Worker.
- 97% said their views and worries were always taken seriously.
- 98% said they always felt safe during their Social Prescribing sessions.
- 78% rated the Social Prescribing service 5 out of 5 (with an average of 4.75 across the 106 responses).
- 95% said they would recommend Door 43 to a friend who needed help.

MEASURING OUR IMPACT

During a young person's intervention with Sheffield Futures various assessment tools are completed depending on which service provides the support, mostly revolving around wellbeing scores, to showcase the impact on everyone. For example, our Counselling service utilises CORE-10 assessment to monitor levels of distress or symptom severity. This data showed that 78% of young people experienced an improvement in scores and therefore reduced distress. Similarly, our Health & Wellbeing service utilises the Warwick-Edinburgh Mental Wellbeing Scale to measure mental wellbeing. This data displayed that 76% of young people experience and improvement in scores thus improved mental wellbeing. Lastly, our Social Prescribing service utilises the Measure Yourself Concerns and Wellbeing questionnaire which is designed for evaluating holistic and personalised approaches to supporting people and assessing general wellbeing.

On completion of interventions, service users are asked to fulfil a user feedback survey via an online form to highlight thoughts and reflections regarding what went well and what could be improved within our services. Across all our services (except the Hub), 98% of service users who gave us feedback rated the service 4 or 5 stars out of 5 (average of 4.74 out of 5). To specify, 76% rated our service 5 stars. Also, 96% of service users who gave us feedback said they would recommend the service to a friend who needed help. Qualitative feedback demonstrated that our support helped raise awareness of local education, training and employment opportunities, improved understanding of what positive mental health means and knowledge of services available to offer related support, helped develop coping strategies to better manage anxiety and depression and reduce social isolation, and improved self-esteem supporting young people to find activities to enjoy and form friendships.

Statement of public benefit

Our Trustees have complied with their duties in accordance with The Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Our future plans

In 2025-26, we will be rolling out our new strategy which reestablishes Sheffield Futures as a charity that exists to provide a safe, supportive environment for young people, giving them the tools and opportunities they need for a healthy, happy life. Our vision is for Sheffield to be a safe, happy and inclusive city for young people where there is accessible support, opportunities and a sense of belonging. Our aims for 2025-2028 are focused within three strategic strands: Young Person-centred Support, Youth Voice, and Community. All of our services and projects operate towards specific aims within these strands.

Looking ahead, we remain focused on the following objectives:

- Securing long-term and sustainable income streams to ensure continuous delivery of our core charitable activities while allowing space for creativity and innovation to flourish.
- Continuing to meet the needs of local young people by ensuring that their voices are heard, amplified and embedded in all our work.
- Being responsible and effective stewards of our city centre youth space.

Financial review

	2025	2024
	£	£
Income generated in the year	1,307,002	1,425,920
Expenditure against income	1,982,517	2,235,304
Resulting in a net deficit	(675,515)	(809,384)
Actuarial gain on defined benefit pension scheme	nil	262,000

The net loss for the year was £676k before pension adjustments. The overall pension liability has remained at a nil position (2024: £nil) This is reflected in Note 16.

Total funds as at 31 March 2025 was a surplus of £2,782k (2024: £3,458k). Excluding pension funds, reserves were a surplus £2,782k (2024: £3,458k). The trustees consider the overall reserves position to remain strong.

Cash reserves remain healthy at £1,570k (2024: £2,085k). At over £1.5m, cash reserves are in excess of the trustees' reserves policy to hold as a minimum 3 months full forward expenditure. The trustees therefore consider the current cash reserves position to remain strong.

Operating performance

Overall contract income increased by £31k in this financial year to £509k.

During 2024/25 we have continued to successfully deliver across a range of funded multi-year grant awards, representing approximately 38% of turnover in 2024/25. The funding grants were received from a wide variety of funders including Primary Care Networks (£217k), the Mental Health/Early Support Hub (£224k) and UKSPF (£49k). New grants included the Summer Jobs Programme (£1k), the majority of which will be delivered in 25/26.

Other income decreased by £108k which is mainly due to a reduction in CEIAG income from schools with increasingly limited budgets, and a fall in rental income.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Pension: South Yorkshire Pension Authority

The defined benefit pension scheme valuation has resulted in a scheme asset. This has been assessed alongside our other net assets and there is no significant effect to the overall balance sheet position of the charity. This has been restricted to nil and not recognised on the balance sheet due to future reductions in pension payments being uncertain and therefore not meeting the recognition criteria of FRS102.

Our Governance Arrangements

Sheffield Futures is a charitable company limited by guarantee which was incorporated on 31 August 1994 (Company registration number: 02963378); and registered as a charity on 14 March 1995 (Charity registration number: 1044940). The registered office is Star House, 43 Division Street, Sheffield S1 4GE. The charitable company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

As a company limited by guarantee, the charitable company has members in the place of shareholders. The role of the membership is to safeguard the business of the charitable company as defined in the memorandum of association. This activity is transacted in accordance with company law which stipulates due process and procedure. The current membership of the charitable company comprises Sheffield City Council and The Sheffield College. Both member organisations have one representative each and representatives are also trustees. Declaration of interests are made at the start of each meeting. The trustees are confident that no excess influence has been applied by any of its members.

The Trustees and Management Structure

Sheffield Futures is controlled by a Board of Trustees. Trustees are also directors for the purpose of Company Law. Our Articles of Association allow for between 4 and 14 trustees at any one time. The term that trustees can serve is not time limited. The trustees have responsibility for the sole and entire management of the business of the charity. The day to day running of the charity and the exercise of executive responsibility is delegated to the Chief Executive Officer.

Trustees are a group of volunteers with expertise in a wide range of fields. The Board of Trustees formally meets six times per year to monitor and review service delivery and agree areas of policy. The trustees receive a range of reports and presentations at formal Board meetings to keep them well informed about the work of Sheffield Futures. Between formal Board meetings, a number of Board workshops are scheduled each year where trustees can consider and advise on individual service delivery and developments area in more depth. Trustee learning workshops are also provided where required. Trustees also engage with the charity, staff and volunteers in a wide variety of ways throughout the year - including supporting new initiatives and visiting projects; and act as champions across a range of key areas – including Health & Safety and Quality & Impact. We have a trustee with lead responsibility for safeguarding.

Names of Sheffield Futures trustees who served during the 2023/24 period, as well as the name of the Chief Executive Officer, other members of the Senior Leadership Team, and other relevant people and organisations are detailed on the Legal and Administrative Information page. The trustees, who are also directors for the purpose of the company law, and who served during the year and up to the date of signature of the financial statements were:

L Clewes
D Fox (Resigned 01/09/2024)
M Harrison
L Howard
C Humphreys
E Willis
S Wood

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

N Woodhams

Z Hyatt

M Hilton

F Mowlana

(Appointed 01/09/2024)

On appointment, trustees undertake an induction programme and undergo a structured introduction to the operation of the charity. They also receive a Trustee Pack to familiarise them with the work of Sheffield Futures, and their roles and responsibilities as a trustee. The Board of Trustees carries out a Board review on an annual basis.

Trustees are invited to complete an annual skills audit, and development opportunities are provided where gaps in skills have been identified.

Sheffield Futures aims to ensure a Board reflecting both the local population and the skillset required for strong governance. Following a targeted recruitment drive starting in 2014, over 50% of trustees are women and we continue to work on recruiting trustees from a diverse and representative backgrounds. Two Board positions are offered to young people who have been recipients of our services in the past, appointed through the nomination process recommended and enacted by our panel of Young Advisers. Trustees are recruited for their skills and experience in the areas of children and young people, and in business. They are sought in a variety of ways including, but not limited to, specific recruitment and advertising, hosted events, and through attendance at network meetings. The members, in accordance with the Memorandum and Articles of Association, select the trustees. In addition to their duties as trustees, Board members are responsible for developing new external relationships and building on positive working partnerships for the charity.

Sheffield Futures operates a Conflicts of Interest policy. Conflicts of interest are made and recorded at the start of every formal meeting.

The Board of Trustees currently has one sub-committee – The Audit Committee. This ensures the adequacy of internal controls, reviews the management of risk within Sheffield Futures, and monitors the relationship with the external auditors. The committee also retains an overview of the strategies, policies and operations of Sheffield Futures to ensure effective management of the charitable company's financial resources. The role includes recommendations to the Board of Trustees for the formal approval of the Annual Report and Accounts. The Audit Committee meets quarterly, minutes are circulated to the full Board, and decision making is escalated to the full Board for approval where required.

Strategy and decision making processes

The Board of Trustees and Senior Leadership Team agree our organisational strategy. The Senior Management Team – in agreement with the Board of Trustees – also produces an annual plan identifying vision for the year ahead, highlighting key targets and development goals over the period. Progress against this plan is measured on a frequent basis by Senior Leadership through meetings to review budgets, contract management processes, new and on-going business development matters, and recommendations which are presented to the Board. Each service area produces an annual delivery plan taking account of contractual requirements. Decision making is delegated to services and teams, and performance management meetings take place for each service area to enable Senior Management to provide a support and challenge function and close monitoring and review of progress to date. This process is informed by the relevant service level data.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Sheffield Futures for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Trustees are required to:

- Select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Risk management

The Board oversees all risks annually, particularly those of a strategic nature, and is supported in this by the Audit Committee through which the assessment of operational risk is delegated and reviewed quarterly. The key risks facing the organisation have been identified in a Risk Register.

Risk management is embedded throughout the organisation, led by the Chief Executive and senior leaders, who obtain detailed risk profiles from service managers following local reviews of processes. The results and recommendations from these reviews are provided to the Audit Committee for presenting to the full Board.

Principal risks and uncertainties

As with many charities at the current time, sustainability of our organisation remains a key challenge. We continue to balance our income targets so that we achieve a varied portfolio of funds providing excellent services and make strategic investments and funding decisions to balance risk. Each funding opportunity is carefully considered against our core criteria of financial, operational and strategic risk.

With our main contract with Sheffield City Council having ended, our charity has restructured into a much smaller organisation with a refreshed focus. An initial eighteen month transformation programme has been delivered and

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

our Board of Trustees continue to approve investment that ensure long-term sustainability; and we are fortunate to have healthy reserves and a city-centre asset – Star House.

We are making robust plans where possible, funding opportunities for charities continue to reduce for our sector – particularly unrestricted funding; and there is also increased competition. As such, we plan to continue to sustain and develop new partnerships across the public, charity and private sectors.

Internal control and risk management

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A company business plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results and variance from budgets
- Delegation of authority
- Appointment of internal auditors
- Identification and management of risks.

Risk managers are charged with responsibility for ensuring mitigating action is undertaken to protect the charitable company against all identified risks, with priority given to the highest scoring, biggest impact risks.

The trustees are of the opinion that sufficient procedures, internal controls and systems are in place to mitigate the highest impact risks faced by the charitable company.

Financial risk management objectives and policies

All charities consider the effective use of its financial instruments to manage its financial risk. The stability of our future income will be a key factor in the health of the charity. The general economic climate and loss of a major source of income will change the activities delivered. Our analysis of our policies and objectives will remain aligned with the overall strategic direction of the charity.

With current sufficient reserves in excess of the current policy of 3 months reserves, we are in a place to continue to manage our liquidity, whilst still ensuring that we invest the highest levels of funding into front line service delivery. The Board, in consultation with the Senior Leadership Team are exploring opportunities to develop our effectiveness in the following key areas:

Interest rate risk

The charity does not have any material borrowings other than creditor balances that are normal in the process of operating any organisation. Therefore interest rate risk is mitigated and further lending will only occur with the strictest scrutiny of our Board. The FRS102 pension deficit interest risk currently identified will also significantly decrease in future years following the changes in the pension liability following the transfer of the Youth Services contract.

Liquidity risk

The charity seeks to manage its financial risk by ensuring that we have the right level of liquid funds to meet expected future cash outflows. Cash is invested into low risk financial holdings, typically associated with banks.

Insurance effected for Trustees

The charity company has purchased insurance for the trustees of the charity against liability arising for negligence in relation to the charitable company, as permitted under the Companies Act 2006.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Reserves

The charity reserves policy makes provision to retain a minimum of three months of normal operating costs. This should be sufficient to fund any planned and unforeseen falls in the short-term working capital needs between major strands of contract income.

Included within the total reserves in the prior year is the FRS 102 defined benefit pension scheme deficit valuation. This figure is based on actuarial assumptions of the liability following the tri-annual valuation. In the current and prior year, the FRS 102 defined benefit pension scheme valuation identified a scheme asset which has not been recognised in the financial statement in accordance with FRS102 due to the uncertainty of future reductions in pension payments.

The trustees continually review the appropriateness of our reserves policy on an annual basis.

Our policies and standards

Sheffield Futures pay policy

In setting overall pay levels for our staff, Sheffield Futures takes account of pay practice in other similarly sized charities and, where necessary, private sector organisations for specialist and technical roles.

We aim for a sustainable and consistent pay policy which meets the needs of our organisation and is supported by a robust performance management process for all employees in the organisation. Sheffield Futures has applied for accreditation with the Living Wage Foundation.

Pay policy for Senior Management

The pay of the senior staff is reviewed annually and any increases in remuneration are in line with increases applied to the pay scales used for other staff within the organisation. As part of the Sheffield Futures terms and conditions of employment, the organisation has agreed a locally defined approach to pay scales that are benchmarked against organisations of a similar size and sector.

Performance management

The organisation has robust policies and procedures in place to address individual performance concerns and all staff receive regular feedback on performance via regular Performance Development Reviews. Standards of behaviour are clearly expressed in the Code of Business Conduct and any failure to adhere to these is appropriately addressed.

Certifications

Sheffield Futures works to the following standards and certifications:

The Code of Fundraising Practice – outlines the quality and legal standards expected of all charitable fundraising organisations across the UK. Sheffield Futures' fundraising approach is governed by the Sheffield Futures fundraising policy, which includes both the charity and anyone acting on its behalf, either as a voluntary fundraiser or commercial support. The policy states that Sheffield Futures adheres to all standards expected of charitable fundraising organisations across the UK, made clear in the Code of Fundraising Practice. Sheffield Futures subscribes to the Fundraising Regulator, which stands for best practice in fundraising, to protect donors and support the vital work of fundraisers. There have been no failures by the charity to meet the fundraising standards or schemes that Sheffield Futures is subscribed to, and there have been no complaints received for the purpose of fundraising and fundraising activities.

Matrix Standard – a quality framework to assess and measure information, advice and/or guidance services.

Mindful Employer – an employers' charter promoting good employment practices for employees or job applicants who have mental health problems.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Disability Confident – an employer's charter promoting good employment practices for disabled employees or job applicants.

Sheffield Volunteer Standard - a locally developed quality mark giving independent recognition that an organisation manages a structured volunteering programme.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to December 2025 will ensure that there is sufficient funding to support our existing commitments. As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12-month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Statement as to disclosure to our auditors

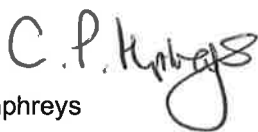
This is the first year in office for the new auditors Hart Shaw LLP, following the resignation of Grant Thornton UK LLP.

We, the trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board



C Humphreys

Chair

24 September 2025

SHEFFIELD FUTURES

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SHEFFIELD FUTURES

Opinion

We have audited the financial statements of Sheffield Futures (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees 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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SHEFFIELD FUTURES

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 Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. Owing to the size, nature and complexity of the organisation and the applicable laws and regulations to which it must adhere, the risk of material misstatement was deemed to be low, therefore the procedures performed by the audit team were limited to:

- Communicating identified laws and regulations at planning throughout the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing minutes of meetings of charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHEFFIELD FUTURES**

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud. Management override is the most likely way in which fraud might present itself and as such is inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of business, especially with related parties
- Fraudulent revenue recognition, including fictitious income and income being recorded in the wrong period.
- Presenting bias in accounting judgements and estimates, particularly ones that are key to the business.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of material journal entries made throughout the year as well as those made to prepare the financial statements
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business.
- Increased revenue substantive testing across all material income streams.
- Review of legal fees.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hannah Jones (Senior Statutory Auditor)

For and on behalf of Hart Shaw LLP, Statutory Auditor
Chartered Accountants
Europa Link
Sheffield Business Park
Sheffield
S9 1XU
24 September 2025

Hart Shaw LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Contract income	3	-	509,219	509,219	-	540,604	540,604
Grant income	4	-	492,143	492,143	-	501,717	501,717
Bank interest received	5	72,386	-	72,386	41,908	-	41,908
Other income	6	233,254	-	233,254	341,691	-	341,691
Total income		305,640	1,001,362	1,307,002	383,599	1,042,321	1,425,920
Expenditure on:							
Charitable activities	7	910,819	1,071,698	1,982,517	1,129,008	1,106,296	2,235,304
Total expenditure		910,819	1,071,698	1,982,517	1,129,008	1,106,296	2,235,304
Net expenditure		(605,179)	(70,336)	(675,515)	(745,409)	(63,975)	(809,384)
Transfers between funds		(42,371)	42,371	-	(81,754)	81,754	-
Other recognised gains and losses:							
Actuarial gains on defined benefit pension schemes		-	-	-	262,000	-	262,000
Net movement in funds	9	(647,550)	(27,965)	(675,515)	(565,163)	17,779	(547,384)
Reconciliation of funds:							
Fund balances at 1 April 2024		3,385,260	72,400	3,457,660	3,950,423	54,621	4,005,044
Fund balances at 31 March 2025		2,737,710	44,435	2,782,145	3,385,260	72,400	3,457,660

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

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		1,346,572		1,370,561
Current assets					
Debtors	14	108,151		242,857	
Cash at bank and in hand		1,569,576		2,085,415	
		1,677,727		2,328,272	
Creditors: amounts falling due within one year	15	(242,154)		(241,173)	
Net current assets			1,435,573		2,087,099
Total assets less current liabilities			2,782,145		3,457,660
Net assets excluding pension liability			2,782,145		3,457,660
Defined benefit pension liability	17		-		-
Net assets			2,782,145		3,457,660
The funds of the charity					
Restricted income funds	18		44,435		72,400
Unrestricted funds	19		2,737,710		3,385,260
			2,782,145		3,457,660

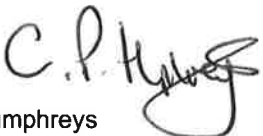
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 24 September 2025


C Humphreys

Company registration number 02963378 (England and Wales)

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(545,991)		(680,746)
Investing activities					
Purchase of tangible fixed assets		(42,234)		(22,567)	
Investment income received		72,386		41,908	
Net cash generated from investing activities			30,152		19,341
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(515,839)		(661,405)
Cash and cash equivalents at beginning of year			2,085,415		2,746,820
Cash and cash equivalents at end of year			1,569,576		2,085,415

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Sheffield Futures is a private company limited by guarantee incorporated in England and Wales. The registered office is Star House, 43 Division Street, Sheffield, S1 4GE.

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing mentoring and specialist support to those who need it most.

1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grant Income

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period where they are deferred to the Balance Sheet and released in future periods.

Contract Income

Contract income relates to the income streams received for the delivery of specific services as part of our charitable activities. Contract Income is recognised as incoming resources when they match the contract conditions. All other funds are deferred to the Balance Sheet and released in future periods.

Other Income

Other income represents a mix of Sales, Rental Income and incoming resources from other miscellaneous activities. The following narrative provides further detail of each of these incoming funded objects.

Sales Income - Charitable trading income that is generated from contracts or services is recognised when it is earned. Such income is received in advance of entitlement and is deferred to the Balance Sheet to be released to the Statement of Financial Activities in future periods.

Rental Income - Rental income is the funds received from various partners who hold licences to co-occupy our multi-site facilities and pay a contribution towards the day to day running costs. Income is recognised when it matches the agreed terms in the occupancy licence agreement.

Miscellaneous Income - Miscellaneous income is generated from fundraising activities and other events that occur in the financial reporting period. Fundraising income is recognised when the cash is received.

1.5 Expenditure

There are three categories of expenditure that are referenced in Note 7 of the financial accounts:

- Expenditure incurred for service delivery are the direct costs associated with the front line activities of the charitable body and the associated direct support costs.
- Expenditure incurred for other running costs includes the costs of our head office, including the staffing costs.
- Expenditure for governance is the annual costs of the charitable audit.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than land) less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures and fittings	20% straight line
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

1 Accounting policies

(Continued)

1.10 Retirement benefits

Defined Benefit Pension Scheme

The charitable company participates in the South Yorkshire Pension Fund. The scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the prospective benefits method on the basis of quadrennial valuations and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that is recoverable by the charitable company.

The current service cost and costs from settlements and curtailments are included in the statement of financial activities. Past service costs are spread over the period until the benefit increases. The net of interest on the scheme liabilities and the expected return on scheme assets are included in interest payable or paid as appropriate. Actuarial gains and losses are reported in the statement of financial activities.

Defined Contribution Pension Scheme

The trustees approved a change of provider for the defined contribution pension scheme which commenced in 2020. Newly recruited staff are auto-enrolled into the Aviva and Standard Life schemes. Contributions are currently in line with the contributions set by the Pensions Regulator.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit asset/liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact on the carrying amount of the pension asset/liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pensions asset/liability at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

3 Contract income

	Restricted funds 2025 £	Restricted funds 2024 £
Contract Income		
Door 43	509,219	490,604
Social Prescribing	-	50,000
	<u>509,219</u>	<u>540,604</u>

4 Grant income

	Restricted funds 2025 £	Restricted funds 2024 £
Grant income		
Feel Well Work Well	-	121,705
Social Prescribing PCN	217,313	276,912
Youth Work	-	28,742
Doing Good Business	-	17,800
Mental Health Hub/ Early Support Hub	224,363	24,051
Other income	50,467	32,507
	<u>492,143</u>	<u>501,717</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>72,386</u>	<u>41,908</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
CEIAG	93,413	169,037
Other sales	22,617	11,391
Rental income	106,695	147,593
Miscellaneous	10,529	13,670
	<u>233,254</u>	<u>341,691</u>

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

7 Expenditure on charitable activities

	Service delivery costs 2025 £	Other running costs 2025 £	Governance costs 2025 £	Total 2025 £	Service delivery costs 2024 £	Other running costs 2024 £	Governance costs 2024 £	Total 2024 £
Direct costs								
Staff costs	1,006,424	542,884	-	1,549,308	1,072,785	538,067	-	1,610,852
Premises	90	151,090	-	151,180	1,020	242,521	-	243,541
Transport costs	18,233	-	-	18,233	14,289	-	-	14,289
Other staff related costs	-	3,639	-	3,639	-	10,751	-	10,751
Delivery costs	218,338	-	-	218,338	220,746	-	-	220,746
	<u>1,243,085</u>	<u>697,613</u>	<u>-</u>	<u>1,940,698</u>	<u>1,308,840</u>	<u>791,339</u>	<u>-</u>	<u>2,100,179</u>
Share of support and governance costs (see note 8)								
Support	14,576	7,767	-	22,343	72,781	36,534	-	109,315
Governance	-	-	19,476	19,476	-	-	25,810	25,810
	<u>1,257,661</u>	<u>705,380</u>	<u>19,476</u>	<u>1,982,517</u>	<u>1,381,621</u>	<u>827,873</u>	<u>25,810</u>	<u>2,235,304</u>
Analysis by fund								
Unrestricted funds	185,963	705,380	19,476	910,819	275,325	827,873	25,810	1,129,008
Restricted funds	1,071,698	-	-	1,071,698	1,106,296	-	-	1,106,296
	<u>1,257,661</u>	<u>705,380</u>	<u>19,476</u>	<u>1,982,517</u>	<u>1,381,621</u>	<u>827,873</u>	<u>25,810</u>	<u>2,235,304</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

8 Support costs allocated to activities

	Service delivery costs 2025 £	Other running costs 2025 £	Total 2025 £	Total 2024 £
Depreciation	43,205	23,018	66,223	76,756
General office and finance administration	85,348	45,488	130,836	176,510
Support services	9,038	4,816	13,854	37,642
General recharge of costs	(123,015)	(65,555)	(188,570)	(181,593)
	<u>14,576</u>	<u>7,767</u>	<u>22,343</u>	<u>109,315</u>

Depreciation, Finance and Administration costs are all apportioned using a percentage of the total staff cost for each of these cost categories. All other costs are direct resources expended for these categories.

9 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	19,950	19,000
Depreciation of owned tangible fixed assets	<u>66,223</u>	<u>76,756</u>

10 Auditor's remuneration

	2025 £	2024 £
Fees payable to the charity's auditor:		
For audit services		
Audit of the financial statements of the charity	<u>19,950</u>	<u>19,000</u>

11 Trustees

One or more of the trustees (or any persons connected with them) have been paid remuneration or received others benefits from an employment with their charity during the year.

The following benefits have been paid to trustees during the year from employment within the charity;

E Willis £175, for work as a young advisor.

K Hardy £781, for work as a young advisor.

M Hilton, £1,051, for work as a young advisor.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

12 Employees

The average monthly number of employees during the year was:

2025	2024
Number	Number
57	61

Employment costs

	2025	2024
	£	£
Wages and salaries	1,319,989	1,356,531
Social security costs	110,891	117,473
Other pension costs	118,428	136,848
	1,549,308	1,610,852

Included in wages and salaries are redundancy and termination payments totalling £25,527 which were made in the reporting period (2024: £nil).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
£70,000 - £80,000	-	1

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	208,892	246,532

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2024	2,558,975	657,436	271,314	3,487,725
Additions	26,844	6,814	8,576	42,234
At 31 March 2025	2,585,819	664,250	279,890	3,529,959
Depreciation and impairment				
At 1 April 2024	1,228,106	622,767	266,291	2,117,164
Depreciation charged in the year	51,424	11,119	3,680	66,223
At 31 March 2025	1,279,530	633,886	269,971	2,183,387
Carrying amount				
At 31 March 2025	1,306,289	30,364	9,919	1,346,572
At 31 March 2024	1,330,869	34,669	5,023	1,370,561

All tangible fixed assets were used for charitable purposes.

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	86,910	143,056
Other debtors	-	1,135
Prepayments and accrued income	21,241	98,666
	108,151	242,857

15 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		58,728	33,384
Deferred income	16	113,150	109,760
Trade creditors		6,808	38,058
Other creditors		12,381	11,788
Accruals		51,087	48,183
		242,154	241,173

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

16 Deferred income

	2025	2024
	£	£
Other deferred income	113,150	109,760
	<u>113,150</u>	<u>109,760</u>

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	113,150	109,760
	<u>113,150</u>	<u>109,760</u>
Movements in the year:		
Deferred income at 1 April 2024	109,760	206,704
Released from previous periods	(84,235)	(206,703)
Resources deferred in the year	87,625	109,759
	<u>113,150</u>	<u>109,760</u>
Deferred income at 31 March 2025	113,150	109,760
	<u>113,150</u>	<u>109,760</u>

	2025	2024
	£	£
Included within deferred income are the following:		
CEIAG Services	55,911	74,753
Sheffield CCG (NHS) - Door43 Delivery	10,101	13,263
Sheffield City Council - Social Prescribing	54	3,446
Property Income	4,613	18,298
UTC	2,275	-
Early Support Hub	40,196	-
	<u>113,150</u>	<u>109,760</u>
Total	113,150	109,760
	<u>113,150</u>	<u>109,760</u>

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £34,877 (2024: £47,722).

Defined benefit schemes

The charity operates a defined benefit scheme for qualifying employees. Under the scheme, the employees are entitled to retirement benefits varying between 25.6% and 26.6% of final salary on attainment of a retirement age of 65. No other post retirement benefits are provided.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2025 by Hymans Robertson LLP, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

17 Retirement benefit schemes

(Continued)

Key assumptions

	2025	2024
	%	%
Discount rate	5.80	4.85
Expected rate of increase of pensions in payment	2.75	2.75
Expected rate of salary increases	3.35	3.35

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2025	2024
	Years	Years
Retiring today		
- Males	20.5	20.6
- Females	23.6	23.6
Retiring in 20 years		
- Males	21.3	21.4
- Females	25.0	25.0

Amounts recognised in the profit and loss account:

	2025	2024
	£	£
Current service cost	27,000	57,000
Net interest on defined benefit liability/(asset)	(2,000)	11,000
Total costs	25,000	68,000

Amounts taken to other comprehensive income:

	2025	2024
	£	£
Actual return on scheme assets	(59,000)	(162,000)
Less: calculated interest element	109,000	99,000
Return on scheme assets excluding interest income	50,000	(63,000)
Actuarial changes related to obligations	(410,000)	(246,000)
Effect of changes in the amount of surplus that is not recoverable	360,000	47,000
Total costs/(income)	-	(262,000)

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

17 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2025	2024
	£	£
Present value of defined benefit obligations	1,895,000	2,208,000
Fair value of plan assets	(2,302,000)	(2,255,000)
Surplus in scheme	(407,000)	(47,000)
Restriction on scheme assets	407,000	47,000
Total liability recognised	-	-

Movements in the present value of defined benefit obligations:

	2025
	£
Liabilities at 1 April 2024	2,208,000
Current service cost	27,000
Benefits paid	(45,000)
Contributions from scheme members	8,000
Actuarial gains and losses	(410,000)
Interest cost	107,000
At 31 March 2025	1,895,000

Movements in the fair value of plan assets:

	2025
	£
Fair value of assets at 1 April 2024 (before asset ceiling restriction)	2,255,000
Interest income	109,000
Return on plan assets (excluding amounts included in net interest)	(50,000)
Benefits paid	(45,000)
Contributions by the employer	25,000
Contributions by scheme members	8,000
As at 31 March 2025 (before asset ceiling restriction)	2,302,000

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

17 Retirement benefit schemes

(Continued)

The fair value of plan assets at the reporting period end was as follows:

	2025	2024
	£	£
Equity instruments	1,518,000	1,555,000
Property	230,000	203,000
Cash	23,000	23,000
Bonds	484,000	474,000
	<u>2,255,000</u>	<u>2,255,000</u>

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Feel Well Work Well - ESF	9,620	-	-	-	9,620
Pathways to Success	10,916	-	-	-	10,916
Door 43 - PCN Upper Don Valley	17,212	30,050	(47,262)	-	-
Door 43 - PCN Network North	-	37,840	(41,005)	3,165	-
Door 43 - PCN Porter Valley	1,117	37,564	(40,763)	2,082	-
Door 43 - PCN West Five	4,232	-	(4,232)	-	-
Door 43 - PCN University	6,302	36,552	(42,854)	-	-
Door 43 - PCN Peak Edge	1,665	37,525	(40,181)	991	-
Door 43 - PCN Foundry	456	-	(456)	-	-
Door 43 - PCN SAPA5	-	37,781	(41,144)	3,363	-
Small grants - Various funders	3,476	-	-	-	3,476
Summer Jobs Programme	-	1,184	-	-	1,184
UKSPF	846	49,151	(47,304)	-	2,693
Mental Health Hub/ Early Support Hub	16,057	224,363	(224,375)	-	16,045
Corona Response Fund	501	-	-	-	501
Door 43	-	509,219	(516,387)	7,168	-
Social Prescribing	-	133	(25,735)	25,602	-
	<u>72,400</u>	<u>1,001,362</u>	<u>(1,071,698)</u>	<u>42,371</u>	<u>44,435</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds

(Continued)

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Doing Good Business - ESF	(26,247)	17,800	(9,191)	17,638	-
Feel Well Work Well - ESF	24,443	121,706	(136,529)	-	9,620
Pathways to Success	-	10,961	(45)	-	10,916
Door 43 - PCN Upper Don Valley	16,899	28,855	(28,542)	-	17,212
Door 43 - PCN Network North	1,285	34,721	(36,185)	179	-
Door 43 - PCN Porter Valley	1,248	36,384	(36,515)	-	1,117
Door 43 - PCN West Five	8,203	71,360	(75,331)	-	4,232
Door 43 - PCN University	5,545	35,315	(34,558)	-	6,302
Door 43 - PCN Peak Edge	1,649	36,388	(36,372)	-	1,665
Door 43 - PCN Foundry	2,955	(2,499)	-	-	456
Door 43 - PCN SAPA5	332	36,388	(45,790)	9,070	-
Small grants - Various funders	46	3,430	-	-	3,476
Apollo Too	18,263	990	(60,094)	40,841	-
UKSPF	-	16,383	(15,537)	-	846
Mental Health Hub	-	24,051	(7,994)	-	16,057
Youth Services	-	28,742	(29,905)	1,163	-
Corona Response Fund	-	742	(241)	-	501
Door 43	-	490,604	(499,912)	9,308	-
Social Prescribing	-	50,000	(53,555)	3,555	-
	54,621	1,042,321	(1,106,296)	81,754	72,400

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 April 2024 as restated	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	3,385,260	305,640	(910,819)	(42,371)	2,737,710
Previous year:	At 1 April 2023	Incoming resources as restated	Resources expended	Transfers	At 31 March 2024 as restated
	£	£	£	£	£
General funds	4,192,423	383,599	(1,109,008)	(81,754)	3,385,260
Pension fund	(242,000)	-	(20,000)	-	-
	3,950,423	383,599	(1,129,008)	(81,754)	3,385,260

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

20 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Fund balances at 31 March 2025 are represented by:			
Tangible assets	1,346,572	-	1,346,572
Current assets/(liabilities)	1,391,138	44,435	1,435,573
	<u>2,737,710</u>	<u>44,435</u>	<u>2,782,145</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Tangible assets	1,370,561	-	1,370,561
Current assets/(liabilities)	2,014,699	72,400	2,087,099
	<u>3,385,260</u>	<u>72,400</u>	<u>3,457,660</u>

21 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	<u>1,385</u>	<u>8,463</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

22 Related party transactions

Transactions with related parties

The membership of the charitable company consists of Sheffield City Council and Sheffield College. Due to the nature of the charitable company's operations and the composition of the board and its members (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving organisations in which a member of the board may have an interest are conducted in accordance with the charitable company's normal procurement procedures.

Historically, Sheffield City Council held at least 1/5 of voting rights and therefore under the Local Government and Housing Act 1989 the charitable company was defined under local authority influence, as distinct from local government control. However since the contract with SCC has ceased, so has the significant control.

Although SCC therefore doesn't meet the definition of a related party anymore, these transactions have continued to be disclosed for full transparency.

	Income received		Purchases made	
	2025	2024	2025	2024
	£	£	£	£
Sheffield City Council	17,516	110,843	2,125	7,338
	<u>17,516</u>	<u>110,843</u>	<u>2,125</u>	<u>7,338</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties		Amounts owed by related parties	
	2025	2024	2025	2024
	£	£	£	£
Sheffield City Council	-	-	-	23,632
	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,632</u>

23 Cash absorbed by operations

	2025	2024
	£	£
Deficit for the year	(675,515)	(809,384)
Adjustments for:		
Investment income recognised in statement of financial activities	(72,386)	(41,908)
Depreciation and impairment of tangible fixed assets	66,223	76,756
Difference between pension charge and cash contributions	-	20,000
Movements in working capital:		
Decrease in debtors	134,706	380,019
(Decrease) in creditors	(2,409)	(209,285)
Increase/(decrease) in deferred income	3,390	(96,944)
Cash absorbed by operations	<u>(545,991)</u>	<u>(680,746)</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

24 Analysis of changes in net funds

	1 April 2024	Cash flows	31 March 2025
	£	£	£
Cash at bank and in hand	2,085,415	(515,839)	1,569,576
	<u>2,085,415</u>	<u>(515,839)</u>	<u>1,569,576</u>

25 Members's liability

Under Clause 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1 in the event of it being wound up during their period of membership, or within one year afterwards.

Accounts

Charity registration number 1044940

Company registration number 02963378 (England and Wales)

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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SHEFFIELD FUTURES

(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Clewes M Harrison L Howard C Humphreys Z Hyatt E Willis S Wood N Woodhams M Hilton F Mowlana	(Appointed 25 May 2023) (Appointed 25 May 2023) (Appointed 10 April 2024) (Appointed 1 September 2024)
Secretary	A Morrissey	
Strategic Leadership Team	R D Silva K Challis C Louca M Taylor A Morrissey K Sandamas	Chief Executive Officer (appointed November 2023) Chief Executive Officer (resigned December 2023) Head of Delivery Operations Manager Finance and Compliance Manager Communications and Business Development
Members	Sheffield City Council The Sheffield College	
Charity number	1044940	
Company number	02963378	
Registered office	Star House 43 Division Street Sheffield S1 4GE	
Auditor	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU	
Bankers	Royal Bank of Scotland 42 High Street Sheffield S1 2GE	
Solicitors	Hemingway Solicitors Limited 11 Westbourne Road Sheffield S10 2QQ	

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS**

	Page
Trustees' report	1 - 9
Independent auditor's report	10 - 13
Statement of financial activities	14
Balance sheet	15 - 16
Statement of cash flows	17
Notes to the financial statements	18 - 36

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Foreword – Chair of the Board of Trustees

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing youth focused, employability and mental health and wellbeing support to those who need it most.

We continue to deliver high quality, imaginative and impactful services for people in our city, whilst still feeling and seeing the ongoing negative impacts that the pandemic and unprecedented increases in the cost of living continue to have on young people's wellbeing.

We have further consolidated our leadership team and continued to recruit new trustees with valuable skills and perspectives who can help us take the charity into a new and exciting era.

On behalf of the Board of Trustees, and particularly after a year that has been challenging for many of our colleagues, partners and supporters, I would like to take this opportunity to thank all our partners, supporters and funders for their continued contribution to and involvement in our work, and to offer a huge thank you to all our staff and volunteers for all the fantastic work they do.

Chris Humphreys, Chair of the Board of Trustees

Our purpose

Aims and objectives

The aims of our charity are enshrined in our charitable objects, as set out in our Memorandum and Articles of Association as follows:

- The advancement of education through the provision of careers guidance and advice on the choices and opportunities in education, training & employment available to all persons undergoing full time and part time education whether in secondary schools, grant maintained schools or independent schools and in further and higher education institutions;
- The provision of careers guidance and advice on the choices and opportunities in education training and employment to people with disabilities;
- The advancement of the education of all persons by the provision of primary, secondary and further education and the provision of training, organised leisure time, recreation and social and physical training and by the provision of advice, guidance, information, support and mentoring;
- To promote our charitable purpose and in particular charitable purposes directed to the benefit of people suffering through unemployment, the advancement of education and the relief of poverty.

Despite and because of the ongoing challenges to young people, our purpose remains the same. Sheffield Futures is a charity providing employability and well-being support for those who need it most, with a focus on young people up to 25 years old living in Sheffield.

It is our mission to support, equip and empower people and communities in Sheffield to achieve their full potential in learning, employment and life to secure a positive future.

Our vision is that all people and communities in Sheffield are supported and equipped with the means to achieve their full potential in life.

Principal activities

Our principal activities and interventions are:

- Supporting individuals to manage their mental health and wellbeing, branded as Door43. During the year we have reappraised youth work interventions and these are now firmly based within the wellbeing offer of the charity.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- Delivering careers and employability to help people enter and progress in the labour market, focusing on young people pre 16 in schools and post 16 supporting those who are most vulnerable in the labour market.

Our charity operates a flexible model that ensures the needs of young people are met effectively. To achieve this:

- We build effective partnerships with national commissioning bodies, being highly successful in bidding for European Social Funds which have enabled the delivery of employability programmes until December 2023.
- We work closely with local organisations to fund our wellbeing services, including Door43 in Star House in the city centre, and in local communities through GP surgeries.
- We deliver professional Careers Guidance Services in schools throughout the city, being the largest provider of a pre-16 Career Development offer in Sheffield.
- We target communities most in need, providing an effective youth service in a ward with one of the highest levels of deprivations in the city.
- We support colleagues in the third sector, operating as an effective charity to campaign for and give voice to the needs of disadvantaged young people in the city – those who are unemployed; care leavers; those at risk of poverty.

Every year, Sheffield Futures produces an Impact Report for stakeholders which provides evidence of our annual achievements of which we are justifiably proud and which provides a context to our financial accounts. We remain in a period of strategic change following the insourcing of services by Sheffield City Council in October 2020 and two years of a global pandemic. Our Board of Trustees recognises that these achievements, and this transformation requires investment, which is reflected in our planned year end position.

Statement of public benefit

Our Trustees have complied with their duties in accordance with The Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit.

Our future plans

We continue to operate in the framework of our vision, mission and purpose and build on our incredible impact as well as the changes that were made to our Strategic Leadership Team last year.

We are in the last year of our current three-year Strategic Plan and have strengthened the delivery accountability through our team leader led annual service delivery plans, and an ongoing individual process of target setting (Performance Development Review) to create a golden thread of Corporate -Team- Individual.

All of our services and projects will work with young people and adults to have a demonstrable impact against one or more of these goals, delivered by 2025:

- What we do is clear to those who work for us, with us, use us and fund us
- Our support is developed to include more people who need our help
- We use what we have – our influence, our buildings and our money - responsibly and well
- We are the kind of employer people want to work for

To achieve these goals we have revised our corporate structures, with a stronger emphasis on compliance to maximise our income and business development to increase our charitable profile as well as developing new channels of income whilst continuing to reduce costs.

SHEFFIELD FUTURES

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Reducing costs will remain a focus of attention to ensure we have a cost-effective infrastructure, and, building on our achievement in 2022/23, we will continue our investment in Star House as a space for young people across the city.

Our priority will be to secure replacement funding for European Social Funds, which ceased in December 2023, to fund our well regarded, impactful employability offer, and to increase the breadth and coverage of our mental health and wellbeing offer, Door 43, to meet the increased demand from young people.

We recruited a new Chief Executive Officer in November 2023, helping us to create a seamless handover with no loss of momentum.

Financial review

	2024	2023 (as restated)
	£	£
Income generated in the year	1,425,920	1,801,181
Expenditure against income	2,235,304	2,472,014
Resulting in a net deficit	(809,384)	(670,833)
Actuarial gain on defined benefit pension scheme	262,000	567,000

The net loss for the year was £809k before pension adjustments. The overall pension liability has decreased in the year to a nil position (2023: £242k deficit). This reflects changes in actuarial assumptions in Note 16.

Total funds as at 31 March 2024 was a surplus of £3,458k (2023 as restated: £4,005k). Excluding pension funds, reserves were a surplus £3,458k (2023 as restated: £4,247k). The trustees consider the overall reserves position to remain strong.

Cash reserves remain healthy at £2,085k (2022: £2,747k). At over £2m, cash reserves are in excess of the trustees' reserves policy to hold as a minimum 3 months full forward expenditure. The trustees therefore consider the current cash reserves position to remain strong.

Operating performance

Overall contract income increased by £86k in this financial year to £541k.

During 2023/24 we have continued to successfully deliver across a range of funded multi-year grant awards, representing approximately 33% of turnover in 2023/24. The funding grants were received from a wide variety of funders including Primary Care Networks (£285k). New grants included the Mental Health Hub (£24k) and UKSPF (16K). The last of the funding from the European Social Fund – Feel Well, Work Well (£85k).

Other income decreased by £180k which is mainly due to 2023 figures including £70k profit on investment (re Project Apollo Limited), £64k donation from Project Apollo Limited and a c£38k reduction in rent received from Sheffield City Council as they vacated floor 2 in October 2023.

Pension: South Yorkshire Pension Authority

The defined benefit pension scheme valuation has resulted in a scheme asset. This has been assessed alongside our other net assets and there is no significant effect to the overall balance sheet position of the charity. This has been restricted to nil and not recognised on the balance sheet due to future reductions in pension payments being uncertain and therefore not meeting the recognition criteria of FRS102.

Our Governance Arrangements

Sheffield Futures is a charitable company limited by guarantee which was incorporated on 31 August 1994 (Company registration number: 02963378); and registered as a charity on 14 March 1995 (Charity registration

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

number: 1044940). The registered office is Star House, 43 Division Street, Sheffield S1 4GE. The charitable company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

As a company limited by guarantee, the charitable company has members in the place of shareholders. The role of the membership is to safeguard the business of the charitable company as defined in the memorandum of association. This activity is transacted in accordance with company law which stipulates due process and procedure. The current membership of the charitable company comprises Sheffield City Council and The Sheffield College. Both member organisations have one representative each and representatives are also trustees. Declaration of interests are made at the start of each meeting. The trustees are confident that no excess influence has been applied by any of its members.

The Trustees and Management Structure

Sheffield Futures is controlled by a Board of Trustees. Trustees are also directors for the purpose of Company Law. Our Articles of Association allow for between 4 and 14 trustees at any one time. The term that trustees can serve is not time limited. The trustees have responsibility for the sole and entire management of the business of the charity. The day to day running of the charity and the exercise of executive responsibility is delegated to the Chief Executive Officer.

Trustees are a group of volunteers with expertise in a wide range of fields. The Board of Trustees formally meets six times per year to monitor and review service delivery and agree areas of policy. The trustees receive a range of reports and presentations at formal Board meetings to keep them well informed about the work of Sheffield Futures. Between formal Board meetings, a number of Board workshops are scheduled each year where trustees can consider and advise on individual service delivery and developments area in more depth. Trustee learning workshops are also provided where required. Trustees also engage with the charity, staff and volunteers in a wide variety of ways throughout the year - including supporting new initiatives and visiting projects; and act as champions across a range of key areas – including Health & Safety and Quality & Impact. We have a trustee with lead responsibility for safeguarding.

Names of Sheffield Futures trustees who served during the 2023/24 period, as well as the name of the Chief Executive Officer, other members of the Senior Leadership Team, and other relevant people and organisations are detailed on the Legal and Administrative Information page. The trustees, who are also directors for the purpose of the company law, and who served during the year and up to the date of signature of the financial statements were:

L Clewes	
D Fox	
M Harrison	
L Howard	
C Humphreys	
Z Hyatt	(Appointed 25/05/2023)
E Willis	
S Wood	
N Woodhams	(Appointed 25/05/2023)
M Hilton	(Appointed 10/04/2024)
K Ball	(Resigned 27/09/2023)
K Hardy	(Resigned 30/11/2023)
F Mowlana	(Appointed 01/09/2024)

On appointment, trustees undertake an induction programme and undergo a structured introduction to the operation of the charity. They also receive a Trustee Pack to familiarise them with the work of Sheffield Futures, and their roles and responsibilities as a trustee. The Board of Trustees carries out a Board review on an annual basis.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Trustees are invited to complete an annual skills audit, and development opportunities are provided where gaps in skills have been identified.

Sheffield Futures aims to ensure a Board reflecting both the local population and the skillset required for strong governance. Following a targeted recruitment drive starting in 2014, over 50% of trustees are women and we continue to work on recruiting trustees from a diverse and representative backgrounds. Two Board positions are offered to young people who have been recipients of our services in the past, appointed through the nomination process recommended and enacted by our panel of Young Advisers. Trustees are recruited for their skills and experience in the areas of children and young people, and in business. They are sought in a variety of ways including, but not limited to, specific recruitment and advertising, hosted events, and through attendance at network meetings. The members, in accordance with the Memorandum and Articles of Association, select the trustees. In addition to their duties as trustees, Board members are responsible for developing new external relationships and building on positive working partnerships for the charity.

Sheffield Futures operates a Conflicts of Interest policy. Conflicts of interest are made and recorded at the start of every formal meeting.

The Board of Trustees currently has one sub-committee – The Audit Committee. This ensures the adequacy of internal controls, reviews the management of risk within Sheffield Futures, and monitors the relationship with the external auditors. The committee also retains an overview of the strategies, policies and operations of Sheffield Futures to ensure effective management of the charitable company's financial resources. The role includes recommendations to the Board of Trustees for the formal approval of the Annual Report and Accounts. The Audit Committee meets quarterly, minutes are circulated to the full Board, and decision making is escalated to the full Board for approval where required.

Strategy and decision making processes

The Board of Trustees and Senior Leadership Team agree our organisational strategy. The Senior Management Team – in agreement with the Board of Trustees – also produces an annual plan identifying vision for the year ahead, highlighting key targets and development goals over the period. Progress against this plan is measured on a frequent basis by Senior Leadership through meetings to review budgets, contract management processes, new and on-going business development matters, and recommendations which are presented to the Board. Each service area produces an annual delivery plan taking account of contractual requirements. Decision making is delegated to services and teams, and performance management meetings take place for each service area to enable Senior Management to provide a support and challenge function and close monitoring and review of progress to date. This process is informed by the relevant service level data.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Sheffield Futures for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Trustees are required to:

- Select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Risk management

The Board oversees all risks annually, particularly those of a strategic nature, and is supported in this by the Audit Committee through which the assessment of operational risk is delegated and reviewed quarterly. The key risks facing the organisation have been identified in a Risk Register.

Risk management is embedded throughout the organisation, led by the Chief Executive and senior leaders, who obtain detailed risk profiles from service managers following local reviews of processes. The results and recommendations from these reviews are provided to the Audit Committee for presenting to the full Board.

Principal risks and uncertainties

As with many charities at the current time, sustainability of our organisation remains a key challenge. We continue to balance our income targets so that we achieve a varied portfolio of funds providing excellent services and make strategic investments and funding decisions to balance risk. Each funding opportunity is carefully considered against our core criteria of financial, operational and strategic risk.

With our main contract with Sheffield City Council having ended, our charity has restructured into a much smaller organisation with a refreshed focus. An initial eighteen month transformation programme has been delivered and our Board of Trustees continue to approve investment that ensure long-term sustainability; and we are fortunate to have healthy reserves and a city-centre asset – Star House.

We are making robust plans where possible, funding opportunities for charities continue to reduce for our sector – particularly unrestricted funding; and there is also increased competition. As such, we plan to continue to sustain and develop new partnerships across the public, charity and private sectors.

Internal control and risk management

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A company business plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results and variance from budgets
- Delegation of authority
- Appointment of internal auditors
- Identification and management of risks.

Risk managers are charged with responsibility for ensuring mitigating action is undertaken to protect the charitable company against all identified risks, with priority given to the highest scoring, biggest impact risks.

The trustees are of the opinion that sufficient procedures, internal controls and systems are in place to mitigate the highest impact risks faced by the charitable company.

Financial risk management objectives and policies

All charities consider the effective use of its financial instruments to manage its financial risk. The stability of our future income will be a key factor in the health of the charity. The general economic climate and loss of a major source of income will change the activities delivered. Our analysis of our policies and objectives will remain aligned with the overall strategic direction of the charity.

With current sufficient reserves in excess of the current policy of 3 months reserves, we are in a place to continue to manage our liquidity, whilst still ensuring that we invest the highest levels of funding into front line service delivery. The Board, in consultation with the Senior Leadership Team are exploring opportunities to develop our effectiveness in the following key areas:

Interest rate risk

The charity does not have any material borrowings other than creditor balances that are normal in the process of operating any organisation. Therefore interest rate risk is mitigated and further lending will only occur with the strictest scrutiny of our Board. The FRS102 pension deficit interest risk currently identified will also significantly decrease in future years following the changes in the pension liability following the transfer of the Youth Services contract.

Liquidity risk

The charity seeks to manage its financial risk by ensuring by ensuring that we have the right level of liquid funds to meet expected future cash outflows. Cash is invested into low risk financial holdings, typically associated with banks.

Insurance effected for Trustees

The charity company has purchased insurance for the trustees of the charity against liability arising for negligence in relation to the charitable company, as permitted under the Companies Act 2006.

Reserves

The charity reserves policy makes provision to retain a minimum of three months of normal operating costs. This should be sufficient to fund any planned and unforeseen falls in the short-term working capital needs between major strands of contract income.

Included within the total reserves in the prior year is the FRS 102 defined benefit pension scheme deficit valuation. This figure is based on actuarial assumptions of the liability following the tri-annual valuation. In the current year the valuation identified a scheme asset which has not been recognised in the financial statement in accordance with FRS102 due to the uncertainty of future reductions in pension payments.

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees continually review the appropriateness of our reserves policy on an annual basis.

Our policies and standards

Sheffield Futures pay policy

In setting overall pay levels for our staff, Sheffield Futures takes account of pay practice in other similarly sized charities and, where necessary, private sector organisations for specialist and technical roles.

We aim for a sustainable and consistent pay policy which meets the needs of our organisation and is supported by a robust performance management process for all employees in the organisation. Sheffield Futures has applied for accreditation with the Living Wage Foundation.

Pay policy for Senior Management

The pay of the senior staff is reviewed annually and any increases in remuneration are in line with increases applied to the pay scales used for other staff within the organisation. As part of the Sheffield Futures terms and conditions of employment, the organisation has agreed a locally defined approach to pay scales that are benchmarked against organisations of a similar size and sector.

Performance management

The organisation has robust policies and procedures in place to address individual performance concerns and all staff receive regular feedback on performance via regular Performance Development Reviews. Standards of behaviour are clearly expressed in the Code of Business Conduct and any failure to adhere to these is appropriately addressed.

Certifications

Sheffield Futures works to the following standards and certifications:

The Code of Fundraising Practice – outlines the quality and legal standards expected of all charitable fundraising organisations across the UK. Sheffield Futures' fundraising approach is governed by the Sheffield Futures fundraising policy, which includes both the charity and anyone acting on its behalf, either as a voluntary fundraiser or commercial support. The policy states that Sheffield Futures adheres to all standards expected of charitable fundraising organisations across the UK, made clear in the Code of Fundraising Practice. Sheffield Futures subscribes to the Fundraising Regulator, which stands for best practice in fundraising, to protect donors and support the vital work of fundraisers. There have been no failures by the charity to meet the fundraising standards or schemes that Sheffield Futures is subscribed to, and there have been no complaints received for the purpose of fundraising and fundraising activities.

Matrix Standard – a quality framework to assess and measure information, advice and/or guidance services.

Mindful Employer – an employers' charter promoting good employment practices for employees or job applicants who have mental health problems.

Disability Confident – an employer's charter promoting good employment practices for disabled employees or job applicants.

Sheffield Volunteer Standard - a locally developed quality mark giving independent recognition that an organisation manages a structured volunteering programme.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic

SHEFFIELD FUTURES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to December 2025 will ensure that there is sufficient funding to support our existing commitments. As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12-month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Statement as to disclosure to our auditors

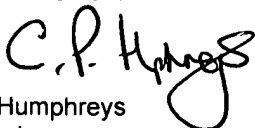
This is the first year in office for the new auditors Hart Shaw LLP, following the resignation of Grant Thornton UK LLP.

We, the trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board



C Humphreys
Chair

24 September 2024

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF SHEFFIELD FUTURES**

Opinion

We have audited the financial statements of Sheffield Futures (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees 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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHEFFIELD FUTURES**

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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHEFFIELD FUTURES**

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. Owing to the size, nature and complexity of the organisation and the applicable laws and regulations to which it must adhere, the risk of material misstatement was deemed to be low, therefore the procedures performed by the audit team were limited to:

- Communicating identified laws and regulations at planning throughout the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing minutes of meetings of charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud. Management override is the most likely way in which fraud might present itself and as such is inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of business, especially with related parties
- Fraudulent revenue recognition, including fictitious income and income being recorded in the wrong period.
- Presenting bias in accounting judgements and estimates, particularly ones that are key to the business.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of material journal entries made throughout the year as well as those made to prepare the financial statements
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business.
- Increased revenue substantive testing across all material income streams.
- Review of legal fees.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHEFFIELD FUTURES**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Hart Shaw LLP

**Hannah Jones (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP**

25 September 2024

**Chartered Accountants
Statutory Auditor**

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Hart Shaw LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		2024	2024	2024	2023	2023	as restated 2023
Notes		£	£	£	£	£	£
Income and endowments from:							
Contract income	3	-	540,604	540,604	454,561	-	454,561
Grant income	4	-	501,717	501,717	-	815,261	815,261
Bank interest received	5	41,908	-	41,908	12,323	-	12,323
Other income	6	341,691	-	341,691	519,036	-	519,036
Total income		383,599	1,042,321	1,425,920	985,920	815,261	1,801,181
Charitable activities	7	1,129,008	1,106,296	2,235,304	1,711,328	760,686	2,472,014
Net expenditure		(745,409)	(63,975)	(809,384)	(725,408)	54,575	(670,833)
Transfers between funds		(81,754)	81,754	-	-	-	-
Other recognised gains and losses:							
Actuarial gains on defined benefit pension schemes		262,000	-	262,000	567,000	-	567,000
Net movement in funds		(565,163)	17,779	(547,384)	(158,408)	54,575	(103,833)
Reconciliation of funds:							
Fund balances at 1 April 2023		3,950,423	54,621	4,005,044	4,108,831	46	4,108,877
Fund balances at 31 March 2024		3,385,260	72,400	3,457,660	3,950,423	54,621	4,005,044

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

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2024

		2024		2023 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,370,561		1,424,750
Current assets					
Debtors	13	242,857		622,876	
Cash at bank and in hand		2,085,415		2,746,820	
		<u>2,328,272</u>		<u>3,369,696</u>	
Creditors: amounts falling due within one year	14	241,173		547,402	
Net current assets			2,087,099		2,822,294
Total assets less current liabilities			<u>3,457,660</u>		<u>4,247,044</u>
Net assets excluding pension liability			3,457,660		4,247,044
Defined benefit pension liability	16		-		(242,000)
Net assets			<u><u>3,457,660</u></u>		<u><u>4,005,044</u></u>
The funds of the charity					
Restricted income funds	17		72,400		54,621
Unrestricted funds			3,385,260		4,192,423
Pension reserve			-		(242,000)
			<u><u>3,457,660</u></u>		<u><u>4,005,044</u></u>

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024**

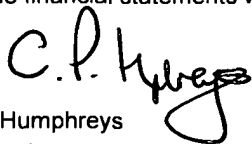
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved and authorised for issue by the trustees on 24 September 2024


C Humphreys
Trustee

Company registration number 02963378 (England and Wales)

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(680,746)		(771,005)
Investing activities					
Purchase of tangible fixed assets		(22,567)		(17,088)	
Investments		-		72,500	
Investment income received		41,908		12,323	
Net cash generated from investing activities			19,341		67,735
Net decrease in cash and cash equivalents			(661,405)		(703,270)
Cash and cash equivalents at beginning of year			2,746,820		3,450,090
Cash and cash equivalents at end of year			2,085,415		2,746,820

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies

Charity information

Sheffield Futures is a private company limited by guarantee incorporated in England and Wales. The registered office is Star House, 43 Division Street, Sheffield, S1 4GE.

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing mentoring and specialist support to those who need it most.

1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are material uncertainties, which cast significant doubt on the ability of Sheffield futures to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grant Income

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period where they are deferred to the Balance Sheet and released in future periods.

Contract Income

Contract income relates to the income streams received for the delivery of specific services as part of our charitable activities. Contract Income is recognised as incoming resources when they match the contract conditions. All other funds are deferred to the Balance Sheet and released in future periods.

Other Income

Other income represents a mix of Sales, Rental Income and incoming resources from other miscellaneous activities. The following narrative provides further detail of each of these incoming funded objects.

Sales Income - Charitable trading income that is generated from contracts or services is recognised when it is earned. Such income is received in advance of entitlement and is deferred to the Balance Sheet to be released to the Statement of Financial Activities in future periods.

Rental Income - Rental income is the funds received from various partners who hold licences to co-occupy our multi-site facilities and pay a contribution towards the day to day running costs. Income is recognised when it matches the agreed terms in the occupancy licence agreement.

Miscellaneous Income - Miscellaneous income is generated from fundraising activities and other events that occur in the financial reporting period. Fundraising income is recognised when the cash is received.

1.5 Expenditure

There are three categories of expenditure that are referenced in Note 7 of the financial accounts:

- Expenditure incurred for service delivery are the direct costs associated with the front line activities of the charitable body and the associated direct support costs.
- Expenditure incurred for other running costs includes the costs of our head office, including the staffing costs.
- Expenditure for governance is the annual costs of the charitable audit.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Fixed assets which individually cost below £500 are not capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets (other than land) less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures and fittings	20% straight line
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

1 Accounting policies

(Continued)

1.10 Retirement benefits

Defined Benefit Pension Scheme

The charitable company participates in the South Yorkshire Pension Fund. The scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the prospective benefits method on the basis of quadrennial valuations and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that is recoverable by the charitable company.

The current service cost and costs from settlements and curtailments are included in the statement of financial activities. Past service costs are spread over the period until the benefit increases. The net of interest on the scheme liabilities and the expected return on scheme assets are included in interest payable or paid as appropriate. Actuarial gains and losses are reported in the statement of financial activities.

Defined Contribution Pension Scheme

The trustees approved a change of provider for the defined contribution pension scheme to commence June 2020. Newly recruited staff will be auto-enrolled into the Aviva and Standard Life schemes. Contributions are currently in line with the contributions set by the Pensions Regulator.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit asset/liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact on the carrying amount of the pension asset/liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pensions asset/liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

3 Contract income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Contract Income						
Door 43	-	490,604	490,604	427,038	-	427,038
Social Prescribing	-	50,000	50,000	27,523	-	27,523
	<u>-</u>	<u>540,604</u>	<u>540,604</u>	<u>454,561</u>	<u>-</u>	<u>454,561</u>

4 Grant income

	Restricted funds 2024 £	Restricted funds as restated 2023 £
Grant income		
Feel Well Work Well	121,705	170,886
Social Prescribing PCN	276,912	308,053
Youth Work	28,742	-
Other grant income	48,916	59,566
Doing Good Business	25,442	186,100
Apollo Too	-	90,656
	<u>501,717</u>	<u>815,261</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>41,908</u>	<u>12,323</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds as restated 2023 £
CEIAG	169,037	-
Other sales	11,391	179,056
Rental income	147,593	184,864
Miscellaneous	13,670	155,116
	<u>341,691</u>	<u>519,036</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on charitable activities

	Service delivery costs 2024 £	Other running costs 2024 £	Governance costs 2024 £	Total 2024 £	Service delivery costs 2023 £	Other running costs 2023 £	Governance costs 2023 £	Total 2023 £
Direct costs								
Staff costs	1,072,785	538,067	-	1,610,852	1,119,073	539,763	-	1,658,836
Premises	1,020	242,521	-	243,541	9,241	258,860	-	268,101
Transport costs	14,289	-	-	14,289	11,815	157	-	11,972
Other staff related costs	-	10,751	-	10,751	1,800	10,519	-	12,319
Delivery costs	220,746	-	-	220,746	298,965	-	-	298,965
	<u>1,308,840</u>	<u>791,339</u>	<u>-</u>	<u>2,100,179</u>	<u>1,440,894</u>	<u>809,299</u>	<u>-</u>	<u>2,250,193</u>
Share of support and governance costs (see note 8)								
Support	72,781	36,534	-	109,315	120,038	66,083	-	186,121
Governance	-	-	25,810	25,810	-	-	35,700	35,700
	<u>1,381,621</u>	<u>827,873</u>	<u>25,810</u>	<u>2,235,304</u>	<u>1,560,932</u>	<u>875,382</u>	<u>35,700</u>	<u>2,472,014</u>
Analysis by fund								
Unrestricted funds	275,325	827,873	25,810	1,129,008	800,246	875,382	35,700	1,711,328
Restricted funds	1,106,296	-	-	1,106,296	760,686	-	-	760,686
	<u>1,381,621</u>	<u>827,873</u>	<u>25,810</u>	<u>2,235,304</u>	<u>1,560,932</u>	<u>875,382</u>	<u>35,700</u>	<u>2,472,014</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on charitable activities (Continued)

Depreciation, Finance and Administration costs are all apportioned using a percentage of the total staff cost for each of these cost categories. All other costs are direct resources expended for these categories.

8 Support costs allocated to activities

	Service delivery costs 2024 £	Other running costs 2024 £	Total 2024 £	Total 2023 £
Depreciation	51,117	25,639	76,756	108,052
General office and finance administration	(3,405)	(1,678)	(5,083)	35,795
Support services	25,069	12,573	37,642	34,089
Redundancy costs	-	-	-	8,185
	<u>72,781</u>	<u>36,534</u>	<u>109,315</u>	<u>186,121</u>

9 Auditor's remuneration

Fees payable to the charity's auditor:	2024 £	2023 £
For audit services		
Audit of the financial statements of the charity	<u>19,000</u>	<u>21,000</u>

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	<u>61</u>	<u>63</u>
Employment costs	2024 £	2023 £
Wages and salaries	1,356,531	1,408,624
Social security costs	117,473	114,951
Other pension costs	136,848	135,261
	<u>1,610,852</u>	<u>1,658,836</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

11 Employees

(Continued)

Redundancy and termination payments totalling £nil were made in the reporting period (2023: £8,185).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-
	<u> </u>	<u> </u>

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	246,532	223,625
	<u> </u>	<u> </u>

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2023	2,558,975	803,383	366,675	3,729,033
Additions	-	18,615	3,952	22,567
Disposals	-	(164,562)	(99,313)	(263,875)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	2,558,975	657,436	271,314	3,487,725
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment				
At 1 April 2023	1,176,926	762,587	364,770	2,304,283
Depreciation charged in the year	51,180	24,742	834	76,756
Eliminated in respect of disposals	-	(164,562)	(99,313)	(263,875)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	1,228,106	622,767	266,291	2,117,164
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount				
At 31 March 2024	1,330,869	34,669	5,023	1,370,561
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	1,382,049	40,796	1,905	1,424,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

All tangible fixed assets were used for charitable purposes.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

13 Debtors

	2024	2023
		as restated
	£	£
Amounts falling due within one year:		
Trade debtors	143,056	381,340
Other debtors	1,135	-
Prepayments and accrued income	98,666	241,536
	<u>242,857</u>	<u>622,876</u>

14 Creditors: amounts falling due within one year

		2024	2023
			as restated
	Notes	£	£
Other taxation and social security		33,384	51,782
Deferred income	15	109,760	206,704
Trade creditors		38,058	93,290
Other creditors		11,788	110,619
Accruals		48,183	85,007
		<u>241,173</u>	<u>547,402</u>

15 Deferred income

	2024	2023
		as restated
	£	£
Other deferred income	109,760	206,704
	<u>109,760</u>	<u>206,704</u>

Deferred income is included in the financial statements as follows:

	2024	2023
		as restated
	£	£
Deferred income is included within:		
Current liabilities	109,760	206,704
	<u>109,760</u>	<u>206,704</u>

Movements in the year:

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

15	Deferred income	(Continued)	
	Deferred income at 1 April 2023	206,704	253,806
	Released from previous periods	(1,282,072)	(1,452,461)
	Resources deferred in the year	1,185,128	1,405,359
	Deferred income at 31 March 2024	109,760	206,704
		2024	2023
			as restated
		£	£
	Included within deferred income are the following:		
	IAG Services	74,753	61,776
	Counselling - Corona Response	-	742
	Sheffield CCG (NHS) - Door43 Delivery	13,263	14,713
	Sheffield City Council - Social Prescribing	3,446	53,446
	Youth Work & Young Advisors Commission	-	20,954
	Pathways to Success	-	14,643
	Property Income	18,297	5,675
	BBO Doing Good Business	-	31,325
	Small Grants	-	3,430
	Total	109,759	206,704

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £47,722 (2023:£90,330).

Defined benefit schemes

The charity operates a defined benefit scheme for qualifying employees. Under the scheme, the employees are entitled to retirement benefits varying between 25.6% and 26.6% of final salary on attainment of a retirement age of 65. No other post retirement benefits are provided.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2024 by Hymans Robertson LLP, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

16 Retirement benefit schemes

(Continued)

Key assumptions

	2024	2023
	%	%
Discount rate	4.85	4.75
Expected rate of increase of pensions in payment	2.75	2.95
Expected rate of salary increases	3.35	3.55

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2024	2023
	Years	Years
Retiring today		
- Males	20.6	20.5
- Females	23.6	23.7
Retiring in 20 years		
- Males	21.4	21.5
- Females	25.0	25.2

Amounts recognised in the profit and loss account:

	2024	2023
	£	£
Current service cost	57,000	107,000
Net interest on defined benefit liability/(asset)	11,000	20,000
Total costs	68,000	127,000

Amounts taken to other comprehensive income:

	2024	2023
	£	£
Actual return on scheme assets	(162,000)	(40,000)
Less: calculated interest element	99,000	55,000
Return on scheme assets excluding interest income	(63,000)	15,000
Actuarial changes related to obligations	(246,000)	(582,000)
Effect of changes in the amount of surplus that is not recoverable	47,000	-
Total costs/(income)	(262,000)	(567,000)

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

16 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2024	2023
	£	£
Present value of defined benefit obligations	2,208,000	2,298,000
Fair value of plan assets	(2,255,000)	(2,056,000)
	<u>(47,000)</u>	<u>242,000</u>
(Surplus)/deficit in scheme		
Restriction on scheme assets	47,000	-
	<u>-</u>	<u>242,000</u>
Total liability recognised	<u>-</u>	<u>242,000</u>

Movements in the present value of defined benefit obligations:

	2024
	£
Liabilities at 1 April 2023	2,298,000
Current service cost	57,000
Benefits paid	(26,000)
Contributions from scheme members	15,000
Actuarial gains and losses	(246,000)
Interest cost	110,000
	<u>-</u>
At 31 March 2024	<u>2,208,000</u>

Movements in the fair value of plan assets:

	2024
	£
Fair value of assets at 1 April 2023	2,056,000
Interest income	99,000
Return on plan assets (excluding amounts included in net interest)	63,000
Benefits paid	(26,000)
Contributions by the employer	48,000
Contributions by scheme members	15,000
	<u>-</u>
At 31 March 2024	<u>2,255,000</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

16 Retirement benefit schemes

(Continued)

The fair value of plan assets at the reporting period end was as follows:

	2024	2023
	£	£
Equity instruments	1,555,000	1,398,080
Property	203,000	164,480
Cash	23,000	20,560
Bonds	474,000	472,880
	<u>2,255,000</u>	<u>2,056,000</u>

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 as restated £	Incoming resources as restated £	Resources expended £	Transfers £	At 31 March 2024 £
Doing Good Business - ESF	(26,247)	17,800	(9,191)	17,638	-
Feel Well Work Well - ESF	24,443	121,706	(136,529)	-	9,620
Pathways to Success	-	10,961	(45)	-	10,916
Door 43 - PCN Upper Don Valley	16,899	28,855	(28,542)	-	17,212
Door 43 - PCN Network North	1,285	34,721	(36,185)	179	-
Door 43 - PCN Porter Valley	1,248	36,384	(36,515)	-	1,117
Door 43 - PCN West Five	8,203	71,360	(75,331)	-	4,232
Door 43 - PCN University	5,545	35,315	(34,558)	-	6,302
Door 43 - PCN Peak Edge	1,649	36,388	(36,372)	-	1,665
Door 43 - PCN Foundry	2,955	(2,499)	-	-	456
Door 43 - PCN SAPA5	332	36,388	(45,790)	9,070	-
Small grants - Various funders	46	3,430	-	-	3,476
Apollo Too	18,263	990	(60,094)	40,841	-
UKSPF	-	16,383	(15,537)	-	846
Mental Health Hub	-	24,051	(7,994)	-	16,057
Youth Services	-	28,742	(29,905)	1,163	-
Corona Response Fund	-	742	(241)	-	501
Door 43	-	490,604	(499,912)	9,308	-
Social Prescribing	-	50,000	(53,555)	3,555	-
	<u>54,621</u>	<u>1,042,321</u>	<u>(1,106,296)</u>	<u>81,754</u>	<u>72,400</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

17 Restricted funds (Continued)

Previous year:	At 1 April 2022	Incoming resources as restated	Resources expended	Transfers	At 31 March 2023 as restated
	£	£	£	£	£
Doing Good Business - ESF	-	186,100	(212,347)	-	(26,247)
Feel Well Work Well - ESF	-	170,886	(146,443)	-	24,443
Pathways to Success	-	18,491	(18,491)	-	-
Door 43 - PCN Upper Don Valley	-	40,686	(23,788)	-	16,898
Door 43 - PCN Network North	-	36,762	(35,477)	-	1,285
Door 43 - PCN Porter Valley	-	33,930	(32,681)	-	1,249
Door 43 - PCN West Five	-	71,134	(62,931)	-	8,203
Door 43 - PCN University	-	31,564	(26,019)	-	5,545
Door 43 - PCN Peak Edge	-	35,832	(34,183)	-	1,649
Door 43 - PCN Foundry	-	20,772	(17,817)	-	2,955
Door 43 - PCN SAPA5	-	37,373	(37,041)	-	332
European Social Fund - Feel Well Work Well	-	41,075	(41,075)	-	-
Small Grants - Various Funders	46	-	-	-	46
Apollo Too	-	90,656	(72,393)	-	18,263
	46	815,261	(760,686)	-	54,621

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 April 2023 as restated	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
General funds	4,192,423	383,599	(1,109,008)	(81,754)	-	3,385,260
Pension fund	(242,000)	-	(20,000)	-	262,000	-
	3,950,423	383,599	(1,129,008)	(81,754)	262,000	3,385,260
Previous year:	At 1 April 2022	Incoming resources as restated	Resources expended	Transfers	Gains and losses	At 31 March 2023 as restated
	£	£	£	£	£	£
General funds	4,847,831	985,920	(1,641,328)	-	-	4,192,423
Pension fund	(739,000)	-	(70,000)	-	567,000	(242,000)
	4,108,831	985,920	(1,711,328)	-	567,000	3,950,423

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

19 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Tangible assets	1,370,561	-	1,370,561
Current assets/(liabilities)	2,014,699	72,400	2,087,099
	<u>3,385,260</u>	<u>72,400</u>	<u>3,457,660</u>
	Unrestricted funds as restated 2023 £	Restricted funds as restated 2023 £	Total as restated 2023 £
Fund balances at 31 March 2023 are represented by:			
Tangible assets	1,424,750	-	1,424,750
Current assets/(liabilities)	2,767,673	54,621	2,822,294
Provisions and pensions	(242,000)	-	(242,000)
	<u>3,950,423</u>	<u>54,621</u>	<u>4,005,044</u>

20 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	8,463	10,087
Between two and five years	-	8,007
	<u>8,463</u>	<u>18,094</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

21 Related party transactions

Transactions with related parties

The membership of the charitable company consists of Sheffield City Council and Sheffield College. Due to the nature of the charitable company's operations and the composition of the board and its members (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving organisations in which a member of the board may have an interest are conducted in accordance with the charitable company's normal procurement procedures.

Sheffield City Council held at least 1/5 of voting rights and therefore under the Local Government and Housing Act 1989 the charitable company was defined under local authority influence, as distinct from local government control. However since the contract with SCC has ceased, so has the significant control.

During the year the charity entered into the following transactions with related parties:

	Income received		Purchases made	
	2024	2023	2024	2023
	£	£	£	£
Sheffield City Council	110,843	70,000	7,338	1,080
	<u>110,843</u>	<u>70,000</u>	<u>7,338</u>	<u>1,080</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties		Amounts owed by related parties	
	2024	2023	2024	2023
	£	£	£	£
Sheffield City Council	-	1,080	23,632	3,060
	<u>23,632</u>	<u>23,632</u>	<u>3,060</u>	<u>3,060</u>

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

22	Cash generated from operations	2024	2023
		£	£
	Deficit for the year	(809,384)	(670,833)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(41,908)	(12,323)
	Depreciation and impairment of tangible fixed assets	76,756	108,055
	Difference between pension charge and cash contributions	20,000	70,000
	Movements in working capital:		
	Decrease/(increase) in debtors	380,019	(435,008)
	(Decrease)/increase in creditors	(209,285)	144,008
	(Decrease) in deferred income	(96,944)	-
	Cash absorbed by operations	(680,746)	(796,101)
	Difference	-	25,096
	Per cash flow statement page	(680,746)	(771,005)
23	Analysis of changes in net funds		
		1 April 2023	Cash flows
		£	£
	Cash at bank and in hand	2,746,820	(661,405)
		2,746,820	(661,405)
			2,085,415

24 Members's liability

Under Clause 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1 in the event of it being wound up during their period of membership, or within one year afterwards.

SHEFFIELD FUTURES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

25 Prior period adjustment

Changes to the balance sheet

	At 31 March 2023		
	As previously reported	Adjustment	As restated
	£	£	£
Current assets			
Debtors due within one year	686,088	(63,212)	622,876
Creditors due within one year			
Deferred income	(244,820)	38,116	(206,704)
Net assets	4,030,140	(25,096)	4,005,044
	<u> </u>	<u> </u>	<u> </u>
Capital funds			
Income funds			
Restricted funds	78,182	(23,561)	54,621
Unrestricted funds	3,951,958	(1,535)	3,950,423
Total equity	4,030,140	(25,096)	4,005,044
	<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

	Period ended 31 March 2023		
	As previously reported	Adjustment	As restated
	£	£	£
Charitable activities	838,822	(23,561)	815,261
Other income	520,571	(1,535)	519,036
Net movement in funds	(78,737)	(25,096)	(103,833)
	<u> </u>	<u> </u>	<u> </u>

Notes to Restatements

Accrued Income

Accrued income relating to Feel Well Work Well, Ambition and Doing Good Business funding was over accrued in the prior year by £63,212. An adjustment has been made to correct the accrued income balances.

Deferred Income

Deferred income relating to the Social Prescribing PCN's included within restricted income had been over deferred by £38,116. A correction has been made in the prior year to correct the deferred income balance.

SHEFFIELD FUTURES

England & Wales - Charity number 1044940

Accounts

Sheffield Futures (a company limited by guarantee)

Annual Report

For the year ended 31 March 2023

Charity No 1044940
Company No 02963378

Sheffield Futures (a company limited by guarantee)
Annual report for the year ended 31 March 2023

Index to the financial statements

Legal and administrative information	1 – 2
Report of the trustees incorporating the Strategic Report	3 – 11
Independent auditor's report	12 – 15
Statement of financial activities (incorporating the income and expenditure account)	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 – 32

Legal and administrative information

Charity registration number: 1044940

Company registration number: 02963378

Registered office: Star House
43 Division Street
SHEFFIELD
S1 4GE

Members: Sheffield City Council
The Sheffield College

Trustees:

K Ball	(resigned 27.09.23)
H Cheung	(resigned 11.10.22)
L Clewes	
D Fox	
K Hardy	
M Harrison	
L Howard	
C Humphreys	
Z Hyatt	(appointed 25.05.23)
E Willis	(appointed 01.10.22)
S Wood	
N Woodhams	(appointed 25.05.23)

Senior leadership team: K Challis (CEO)
C Louca (Health & Wellbeing Services Manager)
A Morrissey (Finance & Compliance Manager)
M Taylor (Operations Manager)

Secretary: A Morrissey

Bankers: Royal Bank of Scotland
5 Church Street
SHEFFIELD
S1 2GF

Legal and administrative information

Solicitors:

Hemingway Solicitors Limited
11 Westbourne Road
SHEFFIELD
S10 2QQ

Auditor:

Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
1 Holly Street
SHEFFIELD
S1 2GT

Report of the trustees

Foreword – Chair of the Board of Trustees

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing youth focused, employability and mental health and wellbeing support to those who need it most.

We continue to deliver high quality, imaginative and impactful services for people in our city, whilst the effects of the Covid 19 pandemic and unprecedented increases in the cost of living continue to have a detrimental effect on the mental and economic health and well-being young people.

The process of change has been challenging and constructive, continues to demand our investment which we recognise will continue in the forthcoming year. We have consolidated our leadership team, begun the process of recruiting new trustees with valuable skills and perspectives to take the charity into a new and exciting era.

On behalf of the Board of Trustees, I would like to take this opportunity to thank all our partners, supporters and funders for their continued support in some of the most difficult times, and to offer a huge thank you to all our staff and volunteers for all the fantastic work they do.

Chris Humphreys, Chair of the Board of Trustees.

Our purpose

Aims and objectives

The aims of our charity are enshrined in our charitable objects, as set out in our Memorandum and Articles of Association as follows:

- The advancement of education through the provision of careers guidance and advice on the choices and opportunities in education, training & employment available to all persons undergoing full time and part time education whether in secondary schools, grant maintained schools or independent schools and in further and higher education institutions;
- The provision of careers guidance and advice on the choices and opportunities in education training and employment to people with disabilities;
- The advancement of the education of all persons by the provision of primary, secondary and further education and the provision of training, organised leisure time, recreation and social and physical training and by the provision of advice, guidance, information, support and mentoring;
- To promote our charitable purpose and in particular charitable purposes directed to the benefit of people suffering through unemployment, the advancement of education and the relief of poverty.

Despite and because of the ongoing challenges to young people, our Purpose remains the same. Sheffield Futures is a charity providing employability and well-being support for those who need it most, with a focus on young people up to 25 years old living in Sheffield.

It is our Mission to support, equip and empower people and communities in Sheffield to achieve their full potential in learning, employment and life to secure a positive future.

Our Vision is that all people and communities in Sheffield are supported and equipped with the means to achieve their full potential in life.

Report of the trustees

Principal activities

Our principal activities and interventions are

- Supporting individuals to manage their mental health and wellbeing, branded as Door43. During the year we have reappraised our youth work interventions and these are now firmly based within the wellbeing offer of the charity.
- Delivering careers and employability to help people enter and progress in the labour market, focusing on young people pre 16 in schools and post 16 supporting those who are most vulnerable in the labour market.

Our charity operates a flexible model that ensures the needs of young people are met effectively. To achieve this

- we build effective partnerships with national commissioning bodies, being highly successful in bidding for European Social Funds which have enabled the delivery of employability programmes until December 2024
- we work closely with local organisations to fund our wellbeing services, including Door43 in Star House in the city centre, and in local communities through GP surgeries
- we deliver professional Careers Guidance Services in schools throughout the city, being the largest provider of a pre-16 Career Development offer in Sheffield
- we target communities most in need, providing an effective youth service in a ward with one of the highest levels of deprivations in the city.
- We support colleagues in the third sector, operating as an effective charity to campaign for and give voice to the needs of disadvantaged young people in the city – those who are unemployed; care leavers; those at risk of poverty.

Every year, Sheffield Futures produces an Impact Report for stakeholders which provides evidence of our annual achievements of which we are justifiably proud and which provides a context to our financial accounts. We remain in a period of strategic change following the insourcing of services by Sheffield City Council in October 2020 and two years of a global pandemic. Our Board of Trustees recognizes that these achievements, and this transformation requires investment, which is reflected in our planned year end position.

Statement of public benefit

Our Trustees have complied with their duties in accordance with The Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit.

Our future plans

We continue to operate in the framework of our vision, mission and purpose and build on our incredible impact as well as the changes that were made to our Strategic Leadership Team last year.

We are half way through our three year Strategic Plan and have strengthened the delivery accountability through our team leader led annual Service Delivery Plans, and an ongoing individual process of target setting (Performance Development Review) to create a golden thread of Corporate -Team- Individual.

All of our services and projects will work with young people and adults to have a demonstrable impact against one or more of these goals, delivered by 2025:-

- What we do is clear to those who work for us, with us, use us and fund us
- Our support is developed to include more people who need our help
- We use what we have – our influence, our buildings and our money - responsibly and well
- We are the kind of employer people want to work for

To achieve these goals we have revised our corporate structures, with a stronger emphasis on compliance to maximise our income and Business Development to increase our charitable profile as well as developing new channels of income whilst continuing to reduce costs.

Report of the trustees

We have refreshed our corporate brand, introduced a new, more accessible website and increased our social media presence and this will enable us to develop the space at our young people's access point, Star House. Reducing costs will remain a focus of attention to ensure we have a cost-effective infrastructure, and, building on our achievement in 2021/22, we will continue our investment in Star House as a space for young people across the city.

Our priority will be to secure replacement funding for European Social Funds, which cease in December 2024, to fund our well regarded, impactful employability offer, and to increase the breadth and coverage of our mental health and wellbeing offer, Door 43, to meet the increased demand from young people.

Our Chief Executive Officer will be retiring from Sheffield Futures in December 2023 and recruitment of a new leader for the charity will be a focus of activity during the summer, to create a seamless handover with no loss of momentum.

Financial review

	2023	2022
	£	£
Income generated in the year	1,826,275	1,920,728
Expenditure against income	<u>2,472,013</u>	<u>2,422,730</u>
Resulting in a net deficit	<u>(645,738)</u>	<u>(502,002)</u>
Actuarial gain on defined benefit pension scheme	<u>567,000</u>	<u>397,000</u>

The net loss for the year was £646k before pension adjustments. The overall pension liability has decreased in the year to £242k (2022: £739k). This reflects changes in actuarial assumptions in Note 15.

Total funds as at 31 March 2023 was a Surplus of £4,117k (2022: £4,108k). Excluding pension liabilities, reserves were a surplus £4,272k (2022: £4,847k). The trustees consider the overall reserves position to remain strong.

Cash reserves remain healthy at £2,747k (2022: £3,450k). At over £2.7m, cash reserves are in excess of the trustees' reserves policy to hold as a minimum 3 months full forward expenditure. The trustees therefore consider the current cash reserves position to remain strong.

Operating Performance

Overall contract income decreased by £1.7m in this financial year to £629k. This was because the contract income from the SCC Youth Services contract stopped in September 2020. The SCC Youth Services contract ran through to 30 September 2020, and we have continued to deliver a high-quality service that supports young people of Sheffield. 2021 income included 6 months of the SCC Youth Service contract whereas the contract income from 2022 is solely from other projects. These include Project Apollo, Door 43, and Social Prescribing.

During 2021/22 we have continued to successfully deliver across a range of funded multi-year grant awards, representing approximately 27% of turnover in 2021/22. The funding grants were received from a wide variety of funders including Primary Care Networks (£253k) and Doing Good Business (£202k), Children in Need – Corona Response (£38k), and a new line of funding from the European Social Fund – Feel Well, Work Well (£28k).

Rental income increased by £98k following the popularity of providing a one stop shop where young people can receive an enhanced range of services in one location. Fundraising and donations decreased during this year because of the impact of Covid 19 restrictions on fund raising events.

Report of the trustees

Pension: South Yorkshire Pension Authority

As at the date of signing these Financial Statements, the Trustees have agreed with Sheffield City Council and South Yorkshire Pension Fund that the liability under the terms of the pension scheme has been transferred to Sheffield City Council. Included in these Financial Statements is the liability under FRS 102, as calculated by independent advisors as at 31 March 2023. After the discussions with Sheffield City Council and South Yorkshire Pension Fund concluded, the final liability being transferred will be agreed.

The revaluation of the South Yorkshire pension deficit has been acknowledged and built into future financial plans and cash flow analysis for the charity. The pension deficit has been assessed alongside our other net assets and there is no material effect to the overall balance sheet position of the charity.

Our Governance Arrangements

Sheffield Futures is a charitable company limited by guarantee which was incorporated on 31 August 1994 (Company registration number: 02963378); and registered as a charity on 14 March 1995 (Charity registration number: 1044940). The registered office is Star House, 43 Division Street, Sheffield S1 4GE. The charitable company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

As a company limited by guarantee, the charitable company has members in the place of shareholders. The role of the membership is to safeguard the business of the charitable company as defined in the memorandum of association. This activity is transacted in accordance with company law which stipulates due process and procedure. The current membership of the charitable company comprises Sheffield City Council and The Sheffield College. Both member organisations have one representative each and representatives are also trustees. Declaration of interests are made at the start of each meeting. The trustees are confident that no excess influence has been applied by any of its members.

The Trustees and Management Structure

Sheffield Futures is controlled by a Board of Trustees. Trustees are also directors for the purpose of Company law. Our Articles of Association allow for between 4 and 14 trustees at any one time. The term that trustees can serve is not time limited. The trustees have responsibility for the sole and entire management of the business of the charity. The day to day running of the charity and the exercise of executive responsibility is delegated to the Chief Executive Officer.

Trustees are a group of volunteers with expertise in a wide range of fields. The Board of Trustees formally meets six times per year to monitor and review service delivery and agree areas of policy. The trustees receive a range of reports and presentations at formal Board meetings to keep them well informed about the work of Sheffield Futures. Between formal board meetings, a number of Board workshops are scheduled each year where trustees can consider and advise on individual service delivery and developments area in more depth. Trustee learning workshops are also provided where required. Trustees also engage with the charity, staff and volunteers in a wide variety of ways throughout the year - including supporting new initiatives and visiting projects; and act as champions across a range of key areas – including Health & Safety and Quality & Impact. We have a trustee with lead responsibility for safeguarding.

Names of Sheffield Futures trustees who served during the 2022/23 period, as well as the name of the Chief Executive Officer, other members of the Senior Leadership Team, and other relevant people and organisations are given on page 1.

Report of the trustees

On appointment, trustees undertake an induction programme and undergo a structured introduction to the operation of the charity. They also receive a Trustee Pack to familiarise them with the work of Sheffield Futures, and their roles and responsibilities as a trustee. The Board of Trustees carries out a Board review on an annual basis. Trustees are invited to complete an annual skills audit, and development opportunities are provided where gaps in skills have been identified.

Sheffield Futures aims to ensure a diverse Board reflecting both the local population and the skillset required for strong governance. Following a targeted recruitment drive starting in 2014, 50% of trustees are women and trustees come from a range of ethnic backgrounds. Two Board positions are offered to young people who have been recipients of our services in the past, appointed through the nomination process recommended and enacted by our panel of Young Advisers. Trustees are recruited for their skills and experience in the areas of children and young people, and in business. They are sought in a variety of ways including, but not limited to, specific recruitment and advertising, hosted events, and through attendance at network meetings. The members, in accordance with the Memorandum and Articles of Association, select the trustees. In addition to their duties as trustees, Board members are responsible for developing new external relationships and building on positive working partnerships for the charity.

Sheffield Futures operates a Conflicts of Interest policy. Conflicts of interest are made and recorded at the start of every formal meeting.

The Board of Trustees currently has one sub-committee – The Audit Committee. This ensures the adequacy of internal controls, reviews the management of risk within Sheffield Futures, and monitors the relationship with the external auditors. The committee also retains an overview of the strategies, policies and operations of Sheffield Futures to ensure effective management of the charitable company's financial resources. The role includes recommendations to the Board of Trustees for the formal approval of the Annual Report and Accounts. The Audit Committee meets quarterly, minutes are circulated to the full Board, and decision making is escalated to the full Board for approval where required.

Strategy and decision making processes

The Board of Trustees and senior leadership team agree our organisational strategy. The senior management team – in agreement with the Board of Trustees – also produces an annual plan identifying vision for the year ahead, highlighting key targets and development goals over the period. Progress against this plan is measured on a frequent basis by senior leadership through meetings to review budgets, contract management processes, new and on-going business development matters, and recommendations which are presented to the Board. Each service area produces an annual delivery plan taking account of contractual requirements. Decision making is delegated to services and teams, and performance management meetings take place for each service area to enable senior management to provide a support and challenge function and close monitoring and review of progress to date. This process is informed by the relevant service level data.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Sheffield Futures for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;

Report of the trustees

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Risk management

The Board oversees all risks annually, particularly those of a strategic nature, and is supported in this by the Audit Committee through which the assessment of operational risk is delegated and reviewed quarterly. The key risks facing the organisation have been identified in a Risk Register.

Risk management is embedded throughout the organisation, led by the Chief Executive and senior leaders, who obtain detailed risk profiles from service managers following local reviews of processes. The results and recommendations from these reviews are provided to the Audit Committee for presenting to the full Board.

Principal risks and uncertainties

As with many charities at the current time, sustainability of our organisation remains a key challenge. We continue to balance our income targets so that we achieve a varied portfolio of funds providing excellent services and make strategic investments and funding decisions to balance risk. Each funding opportunity is carefully considered against our core criteria of financial, operational and strategic risk.

With our main contract with Sheffield City Council having ended, our charity has restructured into a much smaller organisation with a refreshed focus. An initial eighteen month transformation programme has been delivered and our Board of Trustees continue to approve investment that ensure long-term sustainability; and we are fortunate to have healthy reserves and a city-centre asset – Star House.

We are making robust plans where possible, funding opportunities for charities continue to reduce for our sector – particularly unrestricted funding; and there is also increased competition. As such, we plan to continue to sustain and develop new partnerships across the public, charity and private sectors.

Report of the trustees

Internal control and risk management

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A company business plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results and variance from budgets
- Delegation of authority
- Appointment of internal auditors
- Identification and management of risks.

Risk managers are charged with responsibility for ensuring mitigating action is undertaken to protect the charitable company against all identified risks, with priority given to the highest scoring, biggest impact risks.

The trustees are of the opinion that sufficient procedures, internal controls and systems are in place to mitigate the highest impact risks faced by the charitable company.

Financial risk management objectives and policies

All charities consider the effective use of its financial instruments to manage its financial risk. The stability of our future income will be a key factor in the health of the charity. The general economic climate and loss of a major source of income will change the activities delivered. Our analysis of our policies and objectives will remain aligned with the overall strategic direction of the charity.

With current sufficient reserves in excess of the current policy of 3 months reserves, we are in a place to continue to manage our liquidity, whilst still ensuring that we invest the highest levels of funding into front line service delivery. The board, in consultation with the senior leadership team are exploring opportunities to develop our effectiveness in the following key areas:

Interest rate risk

The charity does not have any material borrowings other than creditor balances that are normal in the process of operating any organisation. Therefore interest rate risk is mitigated and further lending will only occur with the strictest scrutiny of our board. The FRS102 pension deficit interest risk currently identified will also significantly decrease in future years following the changes in the pension liability following the transfer of the Youth Services contract.

Liquidity risk

The charity seeks to manage its financial risk by ensuring that we have the right level of liquid funds to meet expected future cash outflows. Cash is invested into low risk financial holdings, typically associated with banks.

Insurance effected for Trustees

The charity company has purchased insurance for the trustees of the charity against liability arising for negligence in relation to the charitable company, as permitted under the Companies Act 2006.

Reserves

The charity reserves policy makes provision to retain a minimum of three months of normal operating costs. This should be sufficient to fund any planned and unforeseen falls in the short term working capital needs between major strands of contract income.

Included within the total reserves is the current FRS 102 pension deficit. This figure is based on actuarial assumptions of the liability following the tri-annual valuation. Future changes to the pension deficit following the loss of the Sheffield City Council Youth Service contract will further improve the overall reserves value.

The trustees continually review the appropriateness of our reserves policy on an annual basis.

Report of the trustees

Our policies and standards

Sheffield Futures pay policy

In setting overall pay levels for our staff, Sheffield Futures takes account of pay practice in other similarly sized charities and, where necessary, private sector organisations for specialist and technical roles.

We aim for a sustainable and consistent pay policy which meets the needs of our organisation and is supported by a robust performance management processes for all employees in the organisation. Sheffield Futures has applied for accreditation with the Living Wage Foundation.

Pay policy for senior management

The pay of the senior staff is reviewed annually and any increases in remuneration are in line with increases applied to the pay scales used for other staff within the organisation. As part of the Sheffield Futures terms and conditions of employment, the organisation has agreed a locally defined approach to pay scales that are benchmarked against organisations of a similar size and sector.

Performance management

The organisation has robust policies and procedures in place to address individual performance concerns and all staff receive regular feedback on performance via regular Performance Development Reviews. Standards of behaviour are clearly expressed in the Code of Business Conduct and any failure to adhere to these is appropriately addressed.

Certifications

Sheffield Futures works to the following standards and certifications:

The Code of Fundraising Practice – outlines the quality and legal standards expected of all charitable fundraising organisations across the UK. Sheffield Futures' fundraising approach is governed by the Sheffield Futures fundraising policy, which includes both the charity and anyone acting on its behalf, either as a voluntary fundraiser or commercial support. The policy states that Sheffield Futures adheres to all standards expected of charitable fundraising organisations across the UK, made clear in the Code of Fundraising Practice. Sheffield Futures subscribes to the Fundraising Regulator, which stands for best practice in fundraising, to protect donors and support the vital work of fundraisers. There have been no failures by the charity to meet the fundraising standards or schemes that Sheffield Futures is subscribed to, and there have been no complaints received for the purpose of fundraising and fundraising activities.

Matrix Standard – a quality framework to assess and measure information, advice and/or guidance services.

Mindful Employer – an employers' charter promoting good employment practices for employees or job applicants who have mental health problems.

Disability Confident – an employer's charter promoting good employment practices for disabled employees or job applicants.

Sheffield Volunteer Standard - a locally developed quality mark giving independent recognition that an organisation manages a structured volunteering programme.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Report of the trustees

Taking account of the above and the level of reserves held, the cash available to the Charity to December 2024 will ensure that there is sufficient funding to support our existing commitments. As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Statement as to disclosure to our auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the charitable company receives notice under Section 488(1) of the Companies Act 2006.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report in their capacity as company directors.

BY ORDER OF THE BOARD



A Morrissey
Company Secretary

Date: 30/11/2023



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Opinion

We have audited the financial statements of Sheffield Futures (the 'charitable company') for the year ended 31 March 2023, which comprise Statement of Financial Activities (the summary Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, 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 Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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

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

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



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Other information

The other information comprises the information included in the 'Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

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 Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the 'Trustees' Responsibilities Statement set out on pages 7 & 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Charities SORP (FRS102), FRS 102, Charities Act 2006, Data protection Act 2018, the Charity code of Governance and the provision of the trust deed.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquires through our review of board minutes and legal expenses.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Audit procedures performed by the engagement team included:
 - Evaluation of the controls established to address the risk related to irregularities and fraud.
 - Testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business.
 - Identifying and testing related party transaction
 - Completion of audit procedures to conclude on the compliance of disclosure in the annual report and accounts with applicable financial reporting requirements.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement teams.
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation.
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity.

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



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink that reads "Grant Thornton UK LLP".

Peter Edwards
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield
Date: 30/11/2023

Statement of financial activities (incorporating the income and expenditure account)

	Note	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
Income from:					
Grant income		838,822	-	838,822	522,126
Contract income		-	454,561	454,561	628,700
Other income	4	-	520,571	520,571	769,555
Bank interest receivable	6	-	12,323	12,323	348
Total income	16	838,822	987,455	1,826,277	1,920,728
Expenditure on:					
Service delivery costs	5	760,686	777,249	1,537,935	1,479,876
Other running costs	5	-	934,079	934,079	942,854
Total expenditure	5	760,686	1,711,328	2,472,014	2,422,730
Net deficit/Surplus		78,136	(723,873)	(645,737)	(502,002)
Other recognised gains/(losses)					
Effects of defined benefit pension settlement	15	-	-	-	-
Actuarial gain/(loss) on defined benefit pension scheme	15	-	567,000	567,000	397,000
Net movement in funds		78,136	(156,873)	(78,737)	(105,002)
Fund balances brought forward at 1 April 2022		46	4,108,831	4,108,877	4,213,879
Fund balances carried forward at 31 March 2023	16	78,182	3,951,958	4,030,140	4,108,877

All income and expenditure relate to continuing operations.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	8	1,424,750	1,515,712
Investments	9	-	72,500
		<u>1,424,750</u>	<u>1,588,212</u>
Current assets			
Debtors	11	686,088	251,085
Cash at bank and in hand		<u>2,746,820</u>	<u>3,450,090</u>
		<u>3,432,908</u>	<u>3,701,175</u>
Creditors: amounts falling due within one year	12	<u>(585,518)</u>	<u>(441,510)</u>
Net current assets		<u>2,847,390</u>	<u>3,259,665</u>
Net assets excluding pension scheme liability		<u>4,272,140</u>	<u>4,847,877</u>
Defined benefit pension scheme liability	15	<u>(242,000)</u>	<u>(739,000)</u>
Net liabilities including pension scheme liability		<u><u>4,030,140</u></u>	<u><u>4,108,877</u></u>
Funds			
Restricted funds	16	78,182	46
Pension reserve	16	(242,000)	(739,000)
Unrestricted funds excluding pension liability	16	<u>4,193,958</u>	<u>4,847,831</u>
Total funds	16	<u><u>4,030,140</u></u>	<u><u>4,108,877</u></u>

The financial statements were approved and authorised for issue by the Board of trustees on 30/11/23

Chris Humphreys

C Humphreys
 Director

Company number: 02963378

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of cash flows

	Note	2023 £	2022 £
Cash (used)/ inflow from operating activities	18	<u>(771,005)</u>	<u>(156,064)</u>
Cash flows from investing activities			
Purchase of fixed assets		(17,088)	(16,573)
Investments		72,500	-
Interest received	6	12,323	348
Cash provided/(used) by investing activities		<u>67,735</u>	<u>(16,225)</u>
(Decrease)/increase in cash and cash equivalents in the year		(703,270)	(172,289)
Cash and cash equivalents at the beginning of the year		<u>3,450,090</u>	<u>3,622,379</u>
Total cash and cash equivalents at the end of the year	20	<u><u>2,746,820</u></u>	<u><u>3,450,090</u></u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Charitable company information

Sheffield Futures is a charitable company limited by guarantee (company number 02963378). The registered office is Star House, 43 Division Street, Sheffield, South Yorkshire, S1 4GE.

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing mentoring and specialist support to those who need it most.

2 Basis of preparation

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

Sheffield Futures meets the definition of a Public Benefit Entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy notes. The financial statements are presented in pound sterling (£).

Basis of Consolidation

Consolidated financial statements have not been prepared on the basis that the directors believe that results of the subsidiary company are not material to the group.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to December 2024 will ensure that there is sufficient funding to support our existing commitments. As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Fund accounting

Unrestricted funds are donations and other income received, or generated, for expenditure, available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for these purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Income

All income and expenditure is accounted for on an accruals basis.

Grant Income

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period where they are deferred to the Balance Sheet and released in future periods.

Notes to the financial statements

Contract Income

Contract income relates to the income streams received for the delivery of specific services as part of our charitable activities. Contract Income is recognised as incoming resources when they match the contract conditions. All other funds are deferred to the Balance Sheet and released in future periods.

Other Income

Other income represents a mix of Sales, Rental Income and incoming resources from other miscellaneous activities. The following narrative provides further detail of each of these incoming funded objects.

Sales Income - Charitable trading income that is generated from contracts or services is recognised when it is earned. Such income is received in advance of entitlement and is deferred to the Balance Sheet to be released to the Statement of Financial Activities in future periods.

Rental Income - Rental income is the funds received from various partners who hold licences to co-occupy our multi-site facilities and pay a contribution towards the day to day running costs. Income is recognised when it matches the agreed terms in the occupancy licence agreement.

Miscellaneous Income - Miscellaneous income is generated from fundraising activities and other events that occur in the financial reporting period. Fundraising income is recognised when the cash is received.

Expenditure

There are three categories of expenditure that are referenced in Note 5 of the financial accounts:

- Expenditure incurred for service delivery are the direct costs associated with the front line activities of the charitable body and the associated direct support costs.
- Expenditure incurred for other running costs includes the costs of our head office, including the staffing costs.
- Expenditure incurred for governance is the annual costs of the charitable audit.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation.

Fixed assets which individually cost below £500 are not capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets held for charity use other than land, by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Freehold buildings	-	2% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

Cash and cash equivalents

Cash at bank and in hand totals all charitable cash holdings, including petty cash balances.

Debtors

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

Investments

Investments are stated at cost less any provision for diminution in value.

Creditors and provisions

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

Notes to the financial statements

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the statement of financial activities over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the lease term. Sheffield Futures does not have any finance leasing arrangement in the reporting period and details of the operating leases can be found in Note 23.

Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Retirement benefits

Defined Benefit Pension Scheme

The charitable company participates in the South Yorkshire Pension Fund. The scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the prospective benefits method on the basis of quadrennial valuations and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the charitable company.

The current service cost and costs from settlements and curtailments are included in the statement of financial activities. Past service costs are spread over the period until the benefit increases. The net of interest on the scheme liabilities and the expected return on scheme assets are included in interest payable or paid as appropriate. Actuarial gains and losses are reported in the statement of financial activities.

Defined Contribution Pension Scheme

The trustees approved a change of provider for the defined contribution pension scheme to commence in June 2020 Newly recruited staff will be auto-enrolled into the Aviva and Standard Life schemes. Contributions are currently in line with the contributions set by the Pensions Regulator.

3 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates are as follows:

Retirement benefit scheme

The determination of the pension cost and defined benefit obligation of the defined benefit pension schemes depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth and mortality. Differences arising from actual experience or future changes in assumptions will be reflected in subsequent periods. Note 15 provides information on the assumptions used in these financial statements.

Notes to the financial statements

4 Other income

	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
Sales	-	180,591	180,591	168,745
Rental Income	-	184,864	184,864	410,877
Miscellaneous	-	155,116	155,116	189,933
	-	520,571	520,571	769,555

5 Total expenditure

	Service delivery costs £	Other running costs £	Governance £	Total 2023 £	Total 2022 £
Costs directly allocated to activities					
Staff costs	1,119,073	539,763	-	1,658,836	1,570,306
Other staff related costs	1,800	10,519	-	12,319	14,321
Premises	9,241	258,860	-	268,101	216,252
Delivery costs	298,965	-	-	298,965	334,381
Transport costs	11,815	157	-	11,972	1,164
Total directly allocated to activities	1,440,894	809,299	-	2,250,193	2,142,322
Support costs allocated to activities					
General office and finance administration	24,148	11,647	-	35,795	108,746
Depreciation	72,893	35,159	-	108,052	112,486
Support services	-	34,089	-	34,089	27,030
Redundancy costs	-	8,185	-	8,185	-
Audit fees	-	-	35,700	35,700	32,146
Total support costs allocated to activities	97,041	89,080	35,700	221,821	280,408
Total Costs	1,537,935	898,379	35,700	2,472,014	2,422,730

Depreciation, Finance and Administration costs are all apportioned using a percentage of the total staff cost for each of these cost categories. All other costs are direct resources expended for these categories.

6 Net interest

Included with the deficit of income over expenditure are the following amounts in respect of net interest.

	2023 £	2022 £
Interest payable:		
Net interest expense on defined benefit pension scheme liabilities	20,000	22,000
Interest receivable:		
Other interest received	12,323	348

Notes to the financial statements

7 Trustees and employees

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,408,623	1,330,872
Social security costs	114,951	102,492
Pension costs	185,261	221,942
	<u>1,708,835</u>	<u>1,655,306</u>
Redundancy costs including pension payments	8,185	-
	<u>1,717,020</u>	<u>1,655,306</u>

The average number of full-time equivalent employees of the charitable company during the year was 48 (2022: 48).

There was one employee earning over £60,000 (2022: one).

No trustees (2022: no trustees) received remuneration in their capacity as a Young Advisor, nor as a trustee. No other trustees or person with a family business connection with a trustee, received remuneration or reimbursement of expenses in the year, directly or indirectly from the charitable company.

8 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computer Equipment £	Total £
Cost				
At 1 April 2022	2,558,975	788,552	364,418	3,711,945
Additions	-	14,831	2,257	17,088
At 31 March 2023	<u>2,558,975</u>	<u>803,383</u>	<u>366,675</u>	<u>3,729,033</u>
Depreciation				
At 1 April 2022	1,125,746	709,139	361,343	2,196,228
Provided in the year	51,180	53,448	3,427	108,055
At 31 March 2023	<u>1,176,926</u>	<u>762,587</u>	<u>364,770</u>	<u>2,304,283</u>
Net book amount at 31 March 2023	<u>1,382,049</u>	<u>40,796</u>	<u>1,905</u>	<u>1,424,750</u>
Net book amount at 31 March 2022	<u>1,433,229</u>	<u>79,412</u>	<u>3,072</u>	<u>1,515,712</u>

All tangible fixed assets were used for charitable purposes.

Notes to the financial statements

9 Investments

Interests in Subsidiary

At 31 March 2023 the company had interests in the following subsidiary:

Subsidiary	Types of shares held	Proportion held (%)	County of incorporation	Nature of business
Project Apollo Limited	72,500 ordinary shares	100%	United Kingdom	Other social work activities
				Total
				£
Cost and net book value				
At 31 March 2022				72,500
Written off in the year				<u>(72,500)</u>
At 31 March 2023				<u><u>-</u></u>

The company invested in the share capital of Project Apollo Limited in 2018, at a cost of £72,500 and held 100% of the ordinary share capital. The registered office was Star House, 43 Division Street, Sheffield, S1 4GE. Upon completion of the project, Project Apollo Limited transferred back to Sheffield Futures Limited the amount paid for the ordinary share capital of £72,500 on 27 March 2023, and the investment of £72,500 was therefore written off to £nil.

10 Results of the subsidiary company

	2023	2022
	£	£
Income	-	324,901
Expenditure	<u>-</u>	<u>245,448</u>
Profit	<u><u>-</u></u>	<u><u>79,453</u></u>

The company was incorporated in the United Kingdom.

11 Debtors

	2023	2022
	£	£
Trade debtors	381,340	197,052
Amounts owed by subsidiary undertakings	-	18,212
Prepayments	74,914	35,821
Accrued income	<u>229,834</u>	<u>-</u>
	<u><u>686,088</u></u>	<u><u>251,085</u></u>

Notes to the financial statements

12 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	93,290	73,050
Other Creditors	105,920	-
HMRC Creditor (including VAT & PAYE)	51,782	48,785
Payroll creditors (including pension contributions due)	4,699	14,196
Accruals	85,007	51,672
Deferred income (note 13)	244,820	253,806
	<u>585,518</u>	<u>441,510</u>

13 Deferred income

	2023	2022
	£	£
Balance at 1 April 2022	253,806	125,118
Amounts released to income	(1,452,461)	(1,103,325)
Amounts received in the year	1,443,475	1,232,012
Balance at 31 March 2023	<u>244,820</u>	<u>253,806</u>

In the year £nil (2022: £nil), of the prior year deferred income balance, was paid back to Sheffield City Council.

Included within deferred income are the following:

	2023	2022
	£	£
Primary Care Network Peak Edge	-	719
Primary Care Network Upper Don Valley	16,899	11,975
Primary Care Network North	1,285	707
Primary Care Network Porter Valley	1,248	937
Primary Care Network West 5 Care	8,202	7,548
Primary Care Network University Health	5,545	6,419
Primary Care Network Peak Edge (New)	1,649	-
Primary Care Network Foundry Medical	2,956	2,578
Primary Care Network SAPA5	332	1,187
The National Lottery Community Fund - Building Better Opportunities	-	7,440
IAG Services	61,776	118,961
Counselling – Corona Response	742	50,842
Feel Well, Work Well	-	2,832
Sheffield CCG (NHS) - Door43 Delivery	14,713	9,262
Sheffield City Council - Social Prescribing	53,446	28,969
Youth Work & Young Advisors Commission	20,954	-
Pathways to Success	14,643	-
Property Income	5,675	-
BBO Doing Good Business	31,325	-
Small Grants	3,430	3,430
Total	<u>244,820</u>	<u>253,806</u>

Notes to the financial statements

14 Financial instruments

	2023	2022
	£	£
Financial assets measured at amortised cost		
Trade debtors	381,340	197,052
Cash at bank and in hand	2,746,820	3,450,090
	<u>3,128,160</u>	<u>3,647,142</u>
Financial liabilities measured at amortised cost		
Trade creditors	(93,290)	(73,050)
Other creditors	(105,920)	-
Deferred income	-	(7,440)
Accruals	(85,007)	(51,672)
	<u>(284,217)</u>	<u>(132,163)</u>
Other assets and liabilities		
Tangible fixed assets	1,424,750	1,588,212
Amounts owed by subsidiary undertakings	-	18,212
Prepayments	74,914	35,821
Accrued income	229,834	-
Payroll creditor	(4,699)	(14,196)
HMRC tax creditor	(51,782)	(48,785)
Deferred income	(244,820)	(246,366)
	<u>1,428,197</u>	<u>1,332,898</u>
	<u>4,272,140</u>	<u>4,847,877</u>

15 Retirement benefits

Defined Contribution Pension Scheme

Sheffield Futures operates a defined contribution scheme administered by Standard Life. However, as of May 2020 the defined contribution is now administered by Aviva instead of Standard Life.

Contributions to the scheme in the year were £90,330 (2022: £72,940).

Defined Benefit Pension Scheme

Some long serving employees of Sheffield Futures participate in the South Yorkshire Pension Fund, a defined benefit statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2023.

Pension costs are assessed in accordance with the advice of a qualified actuary using the accrued benefits method. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The actuarial value of the scheme's assets at 31 March 2023 showed a deficit in relation to the benefits that had accrued to members, after allowing for expected future increases in salary of 3.00%. At the point that employees transferred from Sheffield City Council, the trustees had reached agreement with the policy committee of Sheffield City Council that the past deficit relating to employees of Sheffield Careers Guidance Services would be funded by Sheffield City Council.

Notes to the financial statements

In accordance with FRS 102, the net pension liability of the defined benefits scheme is included on the balance sheet of Sheffield Futures. The most recent actuarial valuation of the scheme has been updated by an independent qualified actuary, taking account of the requirements of FRS 102. Scheme assets are stated at their market value.

The assumptions and movements relating to the defined benefit scheme are shown below:

The principal assumptions used by the actuary were:

	2023	2022	2021
	% pa	% pa	% pa
CPI Inflation	2.80	2.70	2.70
Rate of increase in salaries	3.55	4.20	3.95
Rate of increase in pensions	2.95	3.20	2.80
Discount rate	4.75	2.70	2.10

The post retirement mortality assumptions used to value the liability at 31 March 2023 are based on the "SAPS All pensioners 'amounts' tables, years of birth projection, Long Cohort with a minimum 1.75% improvement".

The assumed life expectations on retirement age 65 are:

	2023	2022
	Years	Years
Retiring today/current pensioners:		
Males	20.5	22.6
Females	23.7	25.4
Retiring 20 years/future pensioners		
Males	21.5	24.1
Females	25.2	27.3

The split of assets in the scheme as at 31 March 2023 was:

	2023	2022
	Value	Value
	£	£
Equities	1,398,080	1,339,140
Government bonds	472,880	486,960
Other bonds	-	-
Property	164,480	182,610
Cash/liquidity	20,560	20,290
Other	-	-
Total market value of assets	2,056,000	2,029,000
Present value of scheme liabilities	(2,298,000)	(2,768,000)
Net pension liability*	(242,000)	(739,000)

Under FRS102 the rate of return is not split between the assets of the scheme.

Included in these Financial Statements is the liability under FRS 102, as calculated by independent advisors as at 31 March 2023.

Notes to the financial statements

The movement in the deficit in the year, included in the financial statements, was as follows:

	2023 £	2022 £
Current service cost	(107,000)	(149,000)
Administration cost	-	-
Past Service cost	-	-
Effect of settlements	-	-
Curtailment cost	-	-
Net interest cost	(20,000)	(22,000)
	<u>(127,000)</u>	<u>(171,000)</u>
Contributions	57,000	64,000
	<u>(70,000)</u>	<u>(107,000)</u>
Actuarial gain/(loss) in respect of current year	567,000	397,000
	<u>497,000</u>	<u>290,000</u>
Deficit in scheme at beginning of year	(739,000)	(1,029,000)
Deficit in scheme at end of year	<u>(242,000)</u>	<u>(739,000)</u>

The unfunded portion of this liability is £Nil (2022: £Nil).

	2023 £	2022 £
Return on plan assets excluding interest income	(15,000)	135,000
Changes in the assumptions underlying the present value of the scheme liabilities:		
current year	582,000	262,000
Actuarial gain/(loss)	<u>567,000</u>	<u>397,000</u>

	2023 £	2022 £
Opening defined benefit obligation at 1 April	2,768,000	2,796,000
Current service cost	107,000	149,000
Past service cost	-	-
Interest cost	75,000	60,000
Employee contributions	18,000	25,000
Actuarial loss/(gain)	(582,000)	(262,000)
Curtailment cost	-	-
Settlements	-	-
Benefits paid	(88,000)	-
Closing defined benefit obligation at 31 March	<u>2,298,000</u>	<u>2,768,000</u>

Changes in the fair value of the plan assets are as follows:

	2023 £	2022 £
Opening fair value of scheme assets at 1 April	2,029,000	1,767,000
Interest income	55,000	38,000
Return on plan assets excluding interest income	(15,000)	135,000
Employer contributions	48,000	64,000
Employee contributions	18,000	25,000
Settlements	-	-
Administration expenses	-	-
Benefits paid	(79,000)	-
Closing fair value of scheme assets at 31 March	<u>2,056,000</u>	<u>2,029,000</u>

Notes to the financial statements

	2023 £	2022 £
Total cost recognised as an expense:		
Current service cost	107,000	149,000
Past service cost	-	-
Curtailement cost	-	-
Interest cost	20,000	22,000
Admin expenses	-	-
Effect of Settlements	-	-
	<u>127,000</u>	<u>171,000</u>

	2023 £	2022 £
The pension cost shown in note 7 includes:		
Defined Contribution Pension Scheme (Aviva)	78,261	72,940
Defined Benefit Contribution Scheme (South Yorkshire Pension Fund)		
- service cost	107,000	149,000
- past service cost	-	-
	<u>185,261</u>	<u>221,940</u>

16 Statement of funds

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Unrestricted funds				
Pension reserve	(739,000)	567,000	(70,000)	(242,000)
General fund	4,847,831	987,455	(1,641,328)	4,193,958
Total unrestricted funds	<u>4,108,831</u>	<u>1,554,455</u>	<u>(1,711,328)</u>	<u>3,951,958</u>
Restricted funds				
Doing Good Business – ESF	-	207,121	(146,443)	60,678
Feel Well Work Well - ESF	-	211,542	(212,347)	(805)
Pathways to Success	-	18,491	(18,491)	0
Door43 – Primary care network Upper Don Valley	-	23,788	(23,788)	0
Door43 – Primary care network Network North	-	35,477	(35,477)	0
Door43 – Primary care network Porter Valley	-	32,681	(32,681)	0
Door43 – Primary care network West Five	-	62,931	(62,931)	0
Door43 – Primary care network University	-	26,019	(26,019)	0
Door43 – Primary care network Peak Edge	-	34,183	(34,183)	0
Door43 – Primary care network Foundry	-	17,817	(17,817)	0
Door43 – Primary care network SAPA5	-	37,041	(37,041)	0
European Social Fund – Feel Well Work Well	-	41,075	(41,075)	0
Small Grants – Various Funders	46	-	-	46
Apollo Too	-	90,656	(72,393)	18,263
Total revenue grants restricted funds	<u>46</u>	<u>838,822</u>	<u>(760,686)</u>	<u>78,182</u>
Total funds	<u>4,108,877</u>	<u>2,393,277</u>	<u>(2,472,014)</u>	<u>4,030,140</u>

Notes to the financial statements

17 Analysis of net assets between funds

	Restricted funds £	General funds £	Total £
Fixed assets	-	1,424,750	1,424,750
Current assets	78,182	3,354,726	3,432,908
Current liabilities	-	(585,518)	(585,518)
Defined Benefit Pension scheme liability	-	(242,000)	(242,000)
Total net assets	78,182	3,951,958	4,030,140

18 Cash (outflow)/inflow from operating activities

	2023 £	2022 £
Net deficit	(645,737)	(502,002)
Depreciation	108,055	112,488
Interest charge	20,000	22,000
Investment income	(12,323)	(348)
(Increase)/decrease in debtors	(435,008)	57,304
Decrease/(increase) in creditors	144,008	69,495
Defined benefit pension scheme costs less payments	50,000	85,000
Net cash (outflow)/inflow from operating activities	(771,005)	(156,062)

19 Reconciliation of net cash inflow/outflow to movement in net funds

	2023 £	2022 £
Decreases in cash in the year and movement in net funds	(703,270)	(172,289)
Net funds at beginning of the year	3,450,090	3,622,379
Net funds at end of the year	2,746,820	3,450,090

Notes to the financial statements

20 Analysis of changes in net funds

	At 1 April 2022	Cash flows	Other non-cash changes	At 31 March 2023
	£	£	£	£
Net cash:				
Cash at bank	3,450,090	(703,270)	-	2,746,820

21 Capital commitments

There were no capital commitments at 31 March 2023 or 31 March 2022.

22 Contingent liabilities

There were no contingent liabilities at 31 March 2023 or 31 March 2022.

23 Leasing commitments

Minimum operating lease and rental payments fall due as follows:

	2023 Land and buildings £	2023 Other £	2022 Land and Buildings £	2022 Other £
In one year or less	-	10,087	-	18,778
Between one and five years	-	8,007	-	18,094
In five years or more	-	18,094	-	36,872

24 Members' funds

Under Clause 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1 in the event of it being wound up during their period of membership, or within one year afterwards.

Notes to the financial statements

25 Transactions with related parties

The membership of the charitable company consists of Sheffield City Council and Sheffield College. Due to the nature of the charitable company's operations and the composition of the board and its members (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving organisations in which a member of the board may have an interest are conducted in accordance with the charitable company's normal procurement procedures.

Sheffield City Council held at least 1/5 of voting rights and therefore under the Local Government and Housing Act 1989 the charitable company was defined under local authority influence, as distinct from local government control. However since the contract with SCC has ceased so as the significant control.

During the year, the charitable company transacted with the following related parties as follows:

	2023	2022
	£	£
Sheffield City Council		
Income received	70,000	457,546
Purchases made	1,080	1,080
Balance payable to Sheffield City Council as at 31 March	1,080	-
Balance owed from Sheffield City Council as at 31 March	3,060	378

	2023	2022
	£	£
Sheffield College		
Income received	-	-
Purchases made	-	-
Balance payable to Sheffield College as at 31 March	-	-
Balance owed from Sheffield College as at 31 March	-	-

	2023	2022
	£	£
Project Apollo Limited		
Income received	-	224,067
Purchases made	-	158,163
Balances payable to Project Apollo as at 31 March	-	-
Balances owed from Project Apollo as at 31 March	-	18,212

SHEFFIELD FUTURES

England & Wales - Charity number 1044940

Accounts

Sheffield Futures (a company limited by guarantee)

Annual Report

For the year ended 31 March 2022

Charity No 1044940
Company No 02963378

Sheffield Futures (a company limited by guarantee)
Annual report for the year ended 31 March 2022

Index to the financial statements

Legal and administrative information	1 – 2
Report of the trustees incorporating the Strategic Report	3 – 11
Independent auditor's report	12 – 15
Statement of financial activities (incorporating the income and expenditure account)	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 – 32

Legal and administrative information

Charity registration number: 1044940

Company registration number: 02963378

Registered office: Star House
43 Division Street
SHEFFIELD
S1 4GE

Members: Sheffield City Council
The Sheffield College

Trustees:

K Ball	
H Cheung	
L Clewes	
A Foulkes	(resigned 26 January 2022)
D Fox	(appointed 15 December 2021)
K Hardy	(appointed 11 November 2021)
M Harrison	(appointed 27 January 2022)
L Howard	
C Humphreys	
V Khan	(resigned 13 July 2022)
J Pawlik	(resigned 7 July 2021)
S Wood	

Senior leadership team: K Challis (CEO)
V Mercer (Head of delivery & Development)
R Parker (Head of People & Resources)

Secretary: K Ball

Bankers: Royal Bank of Scotland
5 Church Street
SHEFFIELD
S1 2GF

Legal and administrative information

Solicitors:

Hemingway Solicitors Limited
11 Westbourne Road
Sheffield
S10 2QQ

Auditor:

Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
1 Holly Street
SHEFFIELD
S1 2GT

Report of the trustees

Foreword – Chair of the Board of Trustees

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing youth focused, employability and mental health and wellbeing support to those who need it most.

We continue to deliver high quality, imaginative and impactful services for people in our city as they face ongoing challenges following the global Covid 19 pandemic, with an unprecedented increase in the cost of living that has a disproportionately effect on young people and those on the brink of poverty.

The process of change has been challenging and constructive, calling for our investment which we recognise will continue in the forthcoming year. We have taken the opportunity to refresh our leadership team and look forward to welcoming in new talent to work with our Chief Executive and continue to take the charity into a new and exciting era.

On behalf of the Board of Trustees, I would like to take this opportunity to thank all our partners, supporters and funders for their continued support in some of the most difficult times, and to offer a huge thank you to all our staff and volunteers for all the fantastic work they do.

Chris Humphreys, Chair of the Board of Trustees.

Our purpose

Aims and objectives

The aims of our charity are enshrined in our charitable objects, as set out in our Memorandum and Articles of Association as follows:

- The advancement of education through the provision of careers guidance and advice on the choices and opportunities in education, training & employment available to all persons undergoing full time and part time education whether in secondary schools, grant maintained schools or independent schools and in further and higher education institutions;
- The provision of careers guidance and advice on the choices and opportunities in education training and employment to people with disabilities;
- The advancement of the education of all persons by the provision of primary, secondary and further education and the provision of training, organised leisure time, recreation and social and physical training and by the provision of advice, guidance, information, support and mentoring;
- To promote our charitable purpose and in particular charitable purposes directed to the benefit of people suffering through unemployment, the advancement of education and the relief of poverty.

During this financial year, we have reappraised our vision, mission and purpose to ensure that they are fit for purpose in a post Covid world where many of our clients are being hit hard by the cost of living increases.

Both because and in spite of this context, our **Purpose** remains the same. Sheffield Futures is a charity providing employability and well-being support for those who need it most, with a focus on young people up to 25 years old living in Sheffield.

It is our **Mission** to support, equip and empower people and communities in Sheffield to achieve their full potential in learning, employment and life to secure a positive future.

Our **Vision** that all people and communities in Sheffield are supported and equipped with the means to achieve their full potential in life.

Report of the trustees

Principal activities

Our principal activities and interventions are

- Supporting individuals to manage their mental health and wellbeing
- Delivering careers and employability to help people enter and progress in the labour market
- Providing youth work interventions that help young people build their confidence and effective citizenship

Our charity operates a flexible model that ensures the needs of young people are met effectively. To achieve this

- we build effective partnerships with national commissioning bodies, being highly successful in bidding for European Social Funds which will enable the delivery of employability programmes until December 2024
- we work closely with local organisations to fund our wellbeing services, including Door43 in Star House in the city centre, and in local communities through GP surgeries
- we deliver professional Careers Guidance Services in schools throughout the city, being the largest provider of a pre-16 Career Development offer in Sheffield
- we target communities most in need, providing an effective youth service in a ward with one of the highest levels of deprivations in the city.
- We support colleagues in the third sector, operating as an effective charity to campaign for and give voice to the needs of disadvantaged young people in the city – those who are unemployed; care leavers; those at risk of poverty.

Every year, Sheffield Futures produces an Impact Report for stakeholders which provides evidence of our annual achievements of which we are justifiably proud and which provides a context to our financial accounts. We remain in a period of strategic change following the insourcing of services by Sheffield City council in October 2020 and two years of a global pandemic. Our Board of Trustees recognizes that these achievements, and this transformation requires investment, which is reflected in our planned year end position.

Statement of public benefit

Our Trustees have complied with their duties in accordance with The Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit.

Our future plans

We continue to operate in the framework of our vision, mission and purpose and build on our incredible impact to date, achieved in the most difficult of circumstances.

This continues to be a challenge to achieve as the changing nature of work affects the income for the charity previously provided for through the provision of a multi-agency access point for young people at Star House, with the associated office accommodation.

We have brought forward our Strategic Plan review by a year to establish a more relevant set of Corporate Goals to guide us through the next three years. Achievement of the Goals is supported by team based annual Service Delivery Plans, and an ongoing individual process of target setting (Performance Development Review) to create a golden thread of Corporate -Team- Individual.

All of our services and projects will work with young people and adults to have a demonstrable impact against one or more of these goals, delivered by 2025:-

- What we do is clear to those who work for us, with us, use us and fund us
- Our support is developed to include more people who need our help
- We use what we have – our influence, our buildings and our money - responsibly and well
- We are the kind of employer people want to work for

Report of the trustees

To achieve these goals we have revised our corporate structures, with a stronger emphasis on compliance to maximise our income and Business Development to increase our charitable profile as well as developing new channels of income whilst continuing to reduce costs.

We have already been successful in drawing in an additional £100k of income for direct delivery for 2022/23, and increased the contribution to our running costs. Reducing costs will remain a focus of attention to ensure we have a cost effective infrastructure, and we have development plans for our use of Star House as a safe space for young people across the city as well as the start of a programme of ethical investment.

Financial review

	2022	2021
	£	£
Income generated in the year	1,920,728	3,407,121
Expenditure against income	2,422,730	3,675,481
Resulting in a net deficit	<u>(502,002)</u>	<u>(268,360)</u>
Actuarial gain/(loss) on defined benefit pension scheme	<u>397,000</u>	<u>(4,998,000)</u>

The net loss for the year was £502k before pension adjustments. The overall pension liability has decreased in the year to 739k (2021: £1,029k). This reflects changes in actuarial assumptions in Note 15.

Total funds as at 31 March 2022 was a Surplus of £4,108k (2021: £4,213k). Excluding pension liabilities, reserves were a surplus £4,847k (2021: £5,242k). The trustees consider the overall reserves position to remain strong.

Cash reserves remain healthy at £3,450k (2021: £3,622k). At over £3.4m, cash reserves are in excess of the trustees' reserves policy to hold as a minimum 3 months full forward expenditure. The trustees therefore consider the current cash reserves position to remain strong.

Operating Performance

Overall contract income decreased by £1.7m in this financial year to £629k. This was because the contract income from the SCC Youth Services contract stopped in September 2020. The SCC Youth Services contract ran through to 30 September 2020, and we have continued to deliver a high-quality service that supports young people of Sheffield. 2021 income included 6 months of the SCC Youth Service contract whereas the contract income from 2022 is solely from other projects. These include Project Apollo, Door 43, and Social Prescribing.

During 2021/22 we have continued to successfully deliver across a range of funded multi-year grant awards, representing approximately 27% of turnover in 2021/22. The funding grants were received from a wide variety of funders including Primary Care Networks (£253k) and Doing Good Business (£202k), Children in Need – Corona Response (£38k), and a new line of funding from the European Social Fund – Feel Well, Work Well (£28k).

Rental income increased by £98k following the popularity of providing a one stop shop where young people can receive an enhanced range of services in one location. Fundraising and donations decreased during this year because of the impact of Covid 19 restrictions on fund raising events.

Pension: South Yorkshire Pension Authority

As at the date of signing these Financial Statements, the Trustees have agreed with Sheffield City Council and South Yorkshire Pension Fund that the liability under the terms of the pension scheme has been transferred to Sheffield City Council. Included in these Financial Statements is the liability under FRS 102, as calculated by independent advisors as at 31 March 2022. After the discussions with Sheffield City Council and South Yorkshire Pension Fund concluded, the final agreed liability being transferred will change once the actuarial revaluation is undertaken in Autumn 2022.

Report of the trustees

The revaluation of the South Yorkshire pension deficit has been acknowledged and built into future financial plans and cash flow analysis for the charity. The next tri-annual revaluation of the pension scheme is due to take place in Autumn 2022. The pension deficit has been assessed alongside our other net assets and there is no material effect to the overall balance sheet position of the charity.

Our Governance Arrangements

Sheffield Futures is a charitable company limited by guarantee which was incorporated on 31 August 1994 (Company registration number: 02963378); and registered as a charity on 14 March 1995 (Charity registration number: 1044940). The registered office is Star House, 43 Division Street, Sheffield S1 4GE. The charitable company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

As a company limited by guarantee, the charitable company has members in the place of shareholders. The role of the membership is to safeguard the business of the charitable company as defined in the memorandum of association. This activity is transacted in accordance with company law which stipulates due process and procedure. The current membership of the charitable company comprises Sheffield City Council and The Sheffield College. Both member organisations have one representative each and representatives are also trustees. Declaration of interests are made at the start of each meeting. The trustees are confident that no excess influence has been applied by any of its members.

The Trustees and Management Structure

Sheffield Futures is controlled by a Board of Trustees. Trustees are also directors for the purpose of Company law. Our Articles of Association allow for between 4 and 14 trustees at any one time. The term that trustees can serve is not time limited. The trustees have responsibility for the sole and entire management of the business of the charity. The day to day running of the charity and the exercise of executive responsibility is delegated to the Chief Executive Officer.

Trustees are a group of volunteers with expertise in a wide range of fields. The Board of Trustees formally meets six times per year to monitor and review service delivery and agree areas of policy. The trustees receive a range of reports and presentations at formal Board meetings to keep them well informed about the work of Sheffield Futures. Between formal board meetings, a number of Board workshops are scheduled each year where trustees can consider and advise on individual service delivery and developments area in more depth. Trustee learning workshops are also provided where required. Trustees also engage with the charity, staff and volunteers in a wide variety of ways throughout the year - including supporting new initiatives and visiting projects; and act as champions across a range of key areas – including Health & Safety and Quality & Impact. We have a trustee with lead responsibility for safeguarding.

Names of Sheffield Futures trustees who served during the 2021/22 period, as well as the name of the Chief Executive Officer, other members of the Senior Leadership Team, and other relevant people and organisations are given on page 1.

On appointment, trustees undertake an induction programme and undergo a structured introduction to the operation of the charity. They also receive a Trustee Pack to familiarise them with the work of Sheffield Futures, and their roles and responsibilities as a trustee. The Board of Trustees carries out a Board review on an annual basis. Trustees are invited to complete an annual skills audit, and development opportunities are provided where gaps in skills have been identified.

Sheffield Futures aims to ensure a diverse Board reflecting both the local population and the skillset required for strong governance. Following a targeted recruitment drive starting in 2014, 50% of trustees are women and trustees come from a range of ethnic backgrounds. Two Board positions are offered to young people who have been recipients of our services in the past, appointed through the nomination process recommended and enacted by our panel of Young Advisers. Trustees are recruited for their skills and experience in the areas of children and young people, and in business. They are sought in a variety of ways including, but not limited to, specific recruitment and advertising, hosted events, and through attendance at network meetings. The members, in accordance with the

Report of the trustees

Memorandum and Articles of Association, select the trustees. In addition to their duties as trustees, Board members are responsible for developing new external relationships and building on positive working partnerships for the charity.

Sheffield Futures operates a Conflicts of Interest policy. Conflicts of interest are made and recorded at the start of every formal meeting.

The Board of Trustees currently has one sub-committee – The Audit Committee. This ensures the adequacy of internal controls, reviews the management of risk within Sheffield Futures, and monitors the relationship with the external auditors. The committee also retains an overview of the strategies, policies and operations of Sheffield Futures to ensure effective management of the charitable company's financial resources. The role includes recommendations to the Board of Trustees for the formal approval of the Annual Report and Accounts. The Audit Committee meets quarterly, minutes are circulated to the full Board, and decision making is escalated to the full Board for approval where required.

Strategy and decision making processes

The Board of Trustees and senior leadership team agree our organisational strategy. The senior management team – in agreement with the Board of Trustees – also produces an annual plan identifying vision for the year ahead, highlighting key targets and development goals over the period. Progress against this plan is measured on a frequent basis by senior leadership through meetings to review budgets, contract management processes, new and on-going business development matters, and recommendations which are presented to the Board. Each service area produces an annual delivery plan taking account of contractual requirements. Decision making is delegated to services and teams, and performance management meetings take place for each service area to enable senior management to provide a support and challenge function and close monitoring and review of progress to date. This process is informed by the relevant service level data.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Sheffield Futures for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Report of the trustees

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Risk management

The Board oversees all risks annually, particularly those of a strategic nature, and is supported in this by the Audit Committee through which the assessment of operational risk is delegated and reviewed quarterly. The key risks facing the organisation have been identified in a Risk Register.

Risk management is embedded throughout the organisation, led by the Chief Executive and senior leaders, who obtain detailed risk profiles from service managers following local reviews of processes. The results and recommendations from these reviews are provided to the Audit Committee for presenting to the full Board.

Principal risks and uncertainties

As with many charities at the current time, sustainability of our organisation remains a key challenge. We continue to balance our income targets so that we achieve a varied portfolio of funds providing excellent services and make strategic investments and funding decisions to balance risk. Each funding opportunity is carefully considered against our core criteria of financial, operational and strategic risk.

With our main contract with Sheffield City Council having ended, our charity has restructured into a much smaller organisation with a refreshed focus. An initial eighteen month transformation programme has been delivered and our Board of Trustees continue to approve investment that ensure long-term sustainability; and we are fortunate to have healthy reserves and a city-centre asset – Star House.

We are making robust plans where possible, funding opportunities for charities continue to reduce for our sector – particularly unrestricted funding; and there is also increased competition. As such, we plan to continue to sustain and develop new partnerships across the public, charity and private sectors.

Internal control and risk management

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A company business plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results and variance from budgets
- Delegation of authority
- Appointment of internal auditors
- Identification and management of risks.

Report of the trustees

Risk managers are charged with responsibility for ensuring mitigating action is undertaken to protect the charitable company against all identified risks, with priority given to the highest scoring, biggest impact risks. The trustees are of the opinion that sufficient procedures, internal controls and systems are in place to mitigate the highest impact risks faced by the charitable company.

Financial risk management objectives and policies

All charities consider the effective use of its financial instruments to manage its financial risk. The stability of our future income will be a key factor in the health of the charity. The general economic climate and loss of a major source of income will change the activities delivered. Our analysis of our policies and objectives will remain aligned with the overall strategic direction of the charity.

With current sufficient reserves in excess of the current policy of 3 months reserves, we are in a place to continue to manage our liquidity, whilst still ensuring that we invest the highest levels of funding into front line service delivery. The board, in consultation with the senior leadership team are exploring opportunities to develop our effectiveness in the following key areas:

Interest rate risk

The charity does not have any material borrowings other than creditor balances that are normal in the process of operating any organisation. Therefore interest rate risk is mitigated and further lending will only occur with the strictest scrutiny of our board. The FRS102 pension deficit interest risk currently identified will also significantly decrease in future years following the changes in the pension liability following the transfer of the Youth Services contract.

Liquidity risk

The charity seeks to manage its financial risk by ensuring by ensuring that we have the right level of liquid funds to meet expected future cash outflows. Cash is invested into low risk financial holdings, typically associated with banks.

Insurance effected for Trustees

The charity company has purchased insurance for the trustees of the charity against liability arising for negligence in relation to the charitable company, as permitted under the Companies Act 2006.

Reserves

The charity reserves policy makes provision to retain a minimum of three months of normal operating costs. This should be sufficient to fund any planned and unforeseen falls in the short term working capital needs between major strands of contract income.

Included within the total reserves is the current FRS 102 pension deficit. This figure is based on actuarial assumptions of the liability following the tri-annual valuation. Future changes to the pension deficit following the loss of the Sheffield City Council Youth Service contract will further improve the overall reserves value.

The trustees continually review the appropriateness of our reserves policy on an annual basis.

Our policies and standards

Sheffield Futures pay policy

In setting overall pay levels for our staff, Sheffield Futures takes account of pay practice in other similarly sized charities and, where necessary, private sector organisations for specialist and technical roles.

We aim for a sustainable and consistent pay policy which meets the needs of our organisation and is supported by a robust performance management processes for all employees in the organisation. Sheffield Futures has applied for accreditation with the Living Wage Foundation.

Report of the trustees

Pay policy for senior management

The pay of the senior staff is reviewed annually and any increases in remuneration are in line with increases applied to the pay scales used for other staff within the organisation. As part of the Sheffield Futures terms and conditions of employment, the organisation has agreed a locally defined approach to pay scales that are benchmarked against organisations of a similar size and sector.

Performance management

The organisation has robust policies and procedures in place to address individual performance concerns and all staff receive regular feedback on performance via regular Performance Development Reviews. Standards of behaviour are clearly expressed in the Code of Business Conduct and any failure to adhere to these is appropriately addressed.

Certifications

Sheffield Futures works to the following standards and certifications:

The Code of Fundraising Practice – outlines the quality and legal standards expected of all charitable fundraising organisations across the UK. Sheffield Futures' fundraising approach is governed by the Sheffield Futures fundraising policy, which includes both the charity and anyone acting on its behalf, either as a voluntary fundraiser or commercial support. The policy states that Sheffield Futures adheres to all standards expected of charitable fundraising organisations across the UK, made clear in the Code of Fundraising Practice. Sheffield Futures subscribes to the Fundraising Regulator, which stands for best practice in fundraising, to protect donors and support the vital work of fundraisers. There have been no failures by the charity to meet the fundraising standards or schemes that Sheffield Futures is subscribed to, and there have been no complaints received for the purpose of fundraising and fundraising activities.

Matrix Standard – a quality framework to assess and measure information, advice and/or guidance services.

Mindful Employer – an employers' charter promoting good employment practices for employees or job applicants who have mental health problems.

Disability Confident – an employer's charter promoting good employment practices for disabled employees or job applicants.

Sheffield Volunteer Standard - a locally developed quality mark giving independent recognition that an organisation manages a structured volunteering programme.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to March 2024 will ensure that there is sufficient funding to support our existing commitments. As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Report of the trustees

Statement as to disclosure to our auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the charitable company receives notice under Section 488(1) of the Companies Act 2006.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report in their capacity as company directors.

BY ORDER OF THE BOARD



K Ball
Company Secretary

Date: 29/9/2022



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Opinion

We have audited the financial statements of Sheffield Futures (the 'charitable company') for the year ended 31st March 2022, which comprise Statement of Financial Activities (the summary Income and Expenditure Account), the Balance Sheet, the Cash Flow statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees', other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Trustees, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Report of the Trustees included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

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 Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on pages 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

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 website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Charities SORP (FRS102), FRS 102, Charities Act 2006, Data protection Act 2018, the Charity code of Governance and the provision of the trust deed.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquires through our review of board minutes and legal expenses.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Audit procedures performed by the engagement team included:
 - Evaluation of the controls established to address the risk related to irregularities and fraud.
 - Testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business.
 - Identifying and testing related party transaction
 - Completion of audit procedures to conclude on the compliance of disclosure in the annual report and accounts with applicable financial reporting requirements.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement teams.
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation.
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity.



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Grant Thornton UK LLP".

Peter Edwards
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield
Date: 29/9/2022

Statement of financial activities (incorporating the income and expenditure account)

	Note	Restricted £	Unrestricted £	Total 2022 £	Total 2021 £
Income from:					
Grant income		522,126	-	522,126	488,516
Contract income		-	628,700	628,700	2,283,786
Other income	4	-	769,555	769,555	631,376
Bank interest receivable	6	-	348	348	3,443
Total income	16	<u>522,126</u>	<u>1,398,603</u>	<u>1,920,728</u>	<u>3,407,121</u>
Expenditure on:					
Service delivery costs	5	522,079	957,797	1,479,876	2,766,505
Other running costs	5	-	942,854	942,854	908,976
Total expenditure	5	<u>522,079</u>	<u>1,900,651</u>	<u>2,422,730</u>	<u>3,675,481</u>
Net deficit/Surplus		46	(502,048)	(502,002)	(268,360)
Other recognised gains/(losses)					
Effects of defined benefit pension settlement	15	-	-	-	13,801,000
Actuarial gain/(loss) on defined benefit pension scheme	15	-	397,000	397,000	(4,998,000)
Net movement in funds		46	(105,048)	(105,002)	8,534,640
Fund balances brought forward at 1 April 2021		-	4,213,879	4,213,879	(4,320,761)
Fund balances carried forward at 31 March 2022	16	<u>46</u>	<u>4,108,831</u>	<u>4,108,877</u>	<u>4,213,879</u>

All income and expenditure relate to continuing operations.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	1,515,712	1,611,626
Investments	9	72,500	72,500
		<u>1,588,212</u>	<u>1,684,126</u>
Current assets			
Debtors	11	251,085	308,390
Cash at bank and in hand		3,450,090	3,622,379
		<u>3,701,175</u>	<u>3,930,769</u>
Creditors: amounts falling due within one year	12	<u>(441,510)</u>	<u>(372,015)</u>
Net current assets		<u>3,259,665</u>	<u>3,558,754</u>
Net assets excluding pension scheme liability		4,847,877	5,242,879
Defined benefit pension scheme liability	15	<u>(739,000)</u>	<u>(1,029,000)</u>
Net liabilities including pension scheme liability		<u>4,108,877</u>	<u>4,213,879</u>
Funds			
Restricted funds	16	46	-
Pension reserve	16	(739,000)	(1,029,000)
Unrestricted funds excluding pension liability	16	4,847,831	5,242,879
Total funds	16	<u>4,108,877</u>	<u>4,213,879</u>

The financial statements were approved and authorised for issue by the Board of trustees on 29/9/2022

Chris Humphreys

C Humphreys
 Director

Company number: 02963378

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of cash flows

	Note	2022 £	2021 £
Cash (used)/ inflow from operating activities	18	(156,064)	27,515
Cash flows from investing activities			
Purchase of fixed assets		(16,573)	-
Investments		-	-
Interest received	6	348	3,443
Cash (used)/provided by investing activities		(16,225)	3,443
(Decrease)/increase in cash and cash equivalents in the year		(172,289)	30,958
Cash and cash equivalents at the beginning of the year		3,622,379	3,591,421
Total cash and cash equivalents at the end of the year	20	3,450,090	3,622,379

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Charitable company information

Sheffield Futures is a charitable company limited by guarantee (company number 02963378). The registered office is Star House, 43 Division Street, Sheffield, South Yorkshire, S1 4GE.

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing mentoring and specialist support to those who need it most.

2 Basis of preparation

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

Sheffield Futures meets the definition of a Public Benefit Entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy notes. The financial statements are presented in pound sterling (£).

Basis of Consolidation

Consolidated financial statements have not been prepared on the basis that the directors believe that results of the subsidiary company are not material to the group.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to March 2024 will ensure that there is sufficient funding to support our existing commitments. As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Fund accounting

Unrestricted funds are donations and other income received, or generated, for expenditure, available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for these purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Income

All income and expenditure is accounted for on an accruals basis.

Grant Income

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period where they are deferred to the Balance Sheet and released in future periods.

Notes to the financial statements

Contract Income

Contract income relates to the income streams received for the delivery of specific services as part of our charitable activities. Contract Income is recognised as incoming resources when they match the contract conditions. All other funds are deferred to the Balance Sheet and released in future periods.

Other Income

Other income represents a mix of Sales, Rental Income and incoming resources from other miscellaneous activities. The following narrative provides further detail of each of these incoming funded objects.

Sales Income - Charitable trading income that is generated from contracts or services is recognised when it is earned. Such income is received in advance of entitlement and is deferred to the Balance Sheet to be released to the Statement of Financial Activities in future periods.

Rental Income - Rental income is the funds received from various partners who hold licences to co-occupy our multi-site facilities and pay a contribution towards the day to day running costs. Income is recognised when it matches the agreed terms in the occupancy licence agreement.

Miscellaneous Income - Miscellaneous income is generated from fundraising activities and other events that occur in the financial reporting period. Fundraising income is recognised when the cash is received.

Expenditure

There are three categories of expenditure that are referenced in Note 5 of the financial accounts:

- Expenditure incurred for service delivery are the direct costs associated with the front line activities of the charitable body and the associated direct support costs.
- Expenditure incurred for other running costs includes the costs of our head office, including the staffing costs.
- Expenditure incurred for governance is the annual costs of the charitable audit.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation.

Fixed assets which individually cost below £500 are not capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets held for charity use other than land, by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Freehold buildings	-	2% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

Cash and cash equivalents

Cash at bank and in hand totals all charitable cash holdings, including petty cash balances.

Debtors

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

Investments

Investments are stated at cost less any provision for diminution in value.

Creditors and provisions

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

Notes to the financial statements

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the statement of financial activities over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the lease term. Sheffield Futures does not have any finance leasing arrangement in the reporting period and details of the operating leases can be found in Note 23.

Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Retirement benefits

Defined Benefit Pension Scheme

The charitable company participates in the South Yorkshire Pension Fund. The scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the prospective benefits method on the basis of quadrennial valuations and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the charitable company.

The current service cost and costs from settlements and curtailments are included in the statement of financial activities. Past service costs are spread over the period until the benefit increases. The net of interest on the scheme liabilities and the expected return on scheme assets are included in interest payable or paid as appropriate. Actuarial gains and losses are reported in the statement of financial activities.

Defined Contribution Pension Scheme

The trustees approved a change of provider for the defined contribution pension scheme to commence in June 2020 Newly recruited staff will be auto-enrolled into the Aviva and Standard Life schemes. Contributions are currently in line with the contributions set by the Pensions Regulator.

3 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates are as follows:

Retirement benefit scheme

The determination of the pension cost and defined benefit obligation of the defined benefit pension schemes depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth and mortality. Differences arising from actual experience or future changes in assumptions will be reflected in subsequent periods. Note 15 provides information on the assumptions used in these financial statements.

Notes to the financial statements

4 Other income

	Restricted £	Unrestricted £	Total 2022 £	Total 2021 £
Sales	-	168,745	168,745	71,076
Rental Income	-	410,877	410,877	313,107
Miscellaneous	-	189,933	189,933	247,193
	-	769,555	769,555	631,376

5 Total expenditure

	Service delivery costs £	Other running costs £	Governance £	Total 2022 £	Total 2021 £
Costs directly allocated to activities					
Staff costs	983,178	587,128	-	1,570,306	2,567,152
Other staff related costs	-	14,321	-	14,321	13,316
Premises	17,905	198,347	-	216,252	245,778
Delivery costs	334,381	-	-	334,381	334,567
Transport costs	5,898	1,164	-	1,164	2,775
Total directly allocated to activities	1,341,361	800,961	-	2,142,322	3,163,588
Support costs allocated to activities					
General office and finance administration	68,087	40,659	-	108,746	336,813
Finance costs	-	-	-	-	-
Depreciation	70,428	42,058	-	112,486	121,035
Support services	-	27,030	-	27,030	13,411
Redundancy costs	-	-	-	-	22,455
Audit fees	-	-	32,146	32,146	18,179
Total support costs allocated to activities	138,515	109,747	32,146	280,408	511,893
Total Costs	1,479,876	910,078	32,146	2,422,730	3,675,481

Depreciation, Finance and Administration costs are all apportioned using a percentage of the total staff cost for each of these cost categories. All other costs are direct resources expended for these categories.

6 Net interest

Included with the deficit of income over expenditure are the following amounts in respect of net interest.

	2022 £	2021 £
Interest payable:		
Net interest expense on defined benefit pension scheme liabilities	22,000	116,000
Interest receivable:		
Other interest received	348	3,443

Notes to the financial statements

7 Trustees and employees

Staff costs during the year were as follows:	2022	2021
	£	£
Wages and salaries	1,330,872	2,144,557
Social security costs	102,492	164,129
Pension costs	221,942	427,575
	1,655,306	2,736,261
Redundancy costs including pension payments	-	22,455
	1,655,306	2,758,716

The average number of full-time equivalent employees of the charitable company during the year was 48 (2021: 76).

There was one employee earning over £60,000 (2021: one).

No trustees (2021: no trustees) received remuneration in their capacity as a Young Advisor, nor as a trustee. No other trustees or person with a family business connection with a trustee, received remuneration or reimbursement of expenses in the year, directly or indirectly from the charitable company.

8 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computer Equipment £	Total £
Cost				
At 1 April 2021	2,558,975	771,979	364,418	3,695,372
Additions	-	16,573	-	16,573
At 31 March 2022	<u>2,558,975</u>	<u>788,552</u>	<u>364,418</u>	<u>3,711,945</u>
Depreciation				
At 1 April 2021	1,074,567	653,493	355,682	2,083,742
Provided in the year	51,179	55,646	5,661	112,486
At 31 March 2022	<u>1,125,746</u>	<u>709,139</u>	<u>361,343</u>	<u>2,196,228</u>
Net book amount at 31 March 2022	<u>1,433,229</u>	<u>79,412</u>	<u>3,072</u>	<u>1,515,712</u>
Net book amount at 31 March 2021	<u>1,484,408</u>	<u>118,485</u>	<u>8,733</u>	<u>1,611,626</u>

All tangible fixed assets were used for charitable purposes.

Notes to the financial statements

9 Investments

Interests in Subsidiary

At 31 March 2022 the company had interests in the following subsidiary:

Subsidiary	Types of shares held	Proportion held (%)	County of incorporation	Nature of business
Project Apollo Limited	72,500 ordinary shares	100%	United Kingdom	Other social work activities
				Total
				£
Cost and net book value				
At 31 March 2022				72,500

The company invested in the share capital of Project Apollo Limited in 2018, at a cost of £72,500 and held 100% of the ordinary share capital. The registered office is Star House, 43 Division Street, Sheffield, S1 4GE.

10 Results of the subsidiary company

	2022	2021
	£	£
Income	324,901	508,871
Expenditure	245,448	252,479
Profit	79,453	256,392

The company was incorporated in the United Kingdom.

11 Debtors

	2022	2021
	£	£
Trade debtors	197,052	220,431
Amounts owed by subsidiary undertakings	18,212	-
Prepayments	35,821	79,631
Accrued income	-	8,328
	251,085	308,390

Notes to the financial statements

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	73,050	80,413
HMRC Creditor (including VAT & PAYE)	48,785	88,465
Payroll creditors (including pension contributions due)	14,196	14,975
Accruals	51,672	63,045
Deferred income (note 13)	253,806	125,118
	441,510	372,016

13 Deferred income

	2022	2021
	£	£
Balance at 1 April 2021	125,118	188,206
Amounts released to income	(1,103,325)	(2,380,154)
Amounts received in the year	1,232,012	2,317,066
Balance at 31 March 2022	253,806	125,118

In the year £nil (2021: £nil), of the prior year deferred income balance, was paid back to Sheffield City Council.

Included within deferred income are the following:

	2022	2021
	£	£
Primary Care Network Peak Edge	719	7,944
Primary Care Network Upper Don Valley	11,975	8,842
Primary Care Network North	707	-
Primary Care Network Porter Valley	937	-
Primary Care Network West 5 Care	7,548	7,716
Primary Care Network University Health	6,419	3,385
Primary Care Network Foundry Medical	2,578	-
Primary Care Network SAPA5	1,187	-
The National Lottery Community Fund - Building Better Opportunities	7,440	2,295
IAG Services	118,961	71,516
Counselling – Corona Response	50,842	-
Feel Well, Work Well	2,832	-
Sheffield CCG (NHS) - Door43 Delivery	9,262	-
Sheffield City Council - Social Prescribing	28,969	19,990
Small Grants	3,430	3,430
Total	253,806	125,118

Notes to the financial statements

14 Financial instruments

	2022	2021
	£	£
Financial assets measured at amortised cost		
Trade debtors	197,052	220,431
Cash at bank and in hand	3,450,090	3,622,379
	<u>3,647,142</u>	<u>3,842,810</u>
Financial liabilities measured at amortised cost		
Trade creditors	(73,050)	(80,412)
Deferred income	(7,440)	(2,295)
Accruals	(51,672)	(63,045)
	<u>(132,163)</u>	<u>(145,752)</u>
Other assets and liabilities		
Tangible fixed assets	1,588,212	1,684,126
Amounts owed by subsidiary undertakings	18,212	-
Prepayments	35,821	79,631
Accrued income	-	8,328
Payroll creditor	(14,196)	(14,975)
HMRC tax creditor	(48,785)	(88,465)
Deferred income	(246,366)	(122,824)
	<u>1,332,898</u>	<u>1,545,821</u>
	<u>4,847,877</u>	<u>5,242,879</u>

15 Retirement benefits

Defined Contribution Pension Scheme

Sheffield Futures operates a defined contribution scheme administered by Standard Life. However, as of May 2020 the defined contribution is now administered by Aviva instead of Standard Life.

Contributions to the scheme in the year were Aviva £72,940 (2021: Standard Life: £2,704 and Aviva £64,559).

Defined Benefit Pension Scheme

Some long serving employees of Sheffield Futures participate in the South Yorkshire Pension Fund, a defined benefit statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2022.

Pension costs are assessed in accordance with the advice of a qualified actuary using the accrued benefits method. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The actuarial value of the scheme's assets at 31 March 2022 showed a deficit in relation to the benefits that had accrued to members, after allowing for expected future increases in salary of 3.00%. At the point that employees transferred from Sheffield City Council, the trustees had reached agreement with the policy committee of Sheffield City Council that the past deficit relating to employees of Sheffield Careers Guidance Services would be funded by Sheffield City Council.

Notes to the financial statements

In accordance with FRS 102, the net pension liability of the defined benefits scheme is included on the balance sheet of Sheffield Futures. The most recent actuarial valuation of the scheme has been updated by an independent qualified actuary, taking account of the requirements of FRS 102. Scheme assets are stated at their market value.

The assumptions and movements relating to the defined benefit scheme are shown below:

The principal assumptions used by the actuary were:

	2022	2021	2020
	% pa	% pa	% pa
CPI Inflation	2.70	2.70	2.10
Rate of increase in salaries	4.20	3.95	3.35
Rate of increase in pensions	3.20	2.80	2.20
Discount rate	2.70	2.10	2.40

The post retirement mortality assumptions used to value the liability at 31 March 2022 are based on the "SAPS All pensioners 'amounts' tables, years of birth projection, Long Cohort with a minimum 1.75% improvement".

The assumed life expectations on retirement age 65 are:

	2022	2021
	Years	Years
Retiring today/current pensioners:		
Males	22.6	22.5
Females	25.4	25.3
Retiring 20 years/future pensioners		
Males	24.1	24.0
Females	27.3	27.2

The split of assets in the scheme as at 31 March 2022 was:

	2022	2021
	Value	Value
	£	£
Equities	1,339,140	867,000
Government bonds	486,960	239,000
Other bonds	-	145,000
Property	182,610	161,000
Cash/liquidity	20,290	25,000
Other	-	330,000
Total market value of assets	2,029,000	1,767,000
Present value of scheme liabilities	(2,768,000)	(2,796,000)
Net pension liability*	(739,000)	(1,029,000)

Under FRS102 the rate of return is not split between the assets of the scheme.

*As at the date of signing these Financial Statements, the Trustees have agreed with Sheffield City Council and South Yorkshire Pension Fund that the the liability under the terms of the pension scheme is to be transferred in full to Sheffield City Council. They will be reflected in the actuarial revaluation that is to take place in Autumn 2022.

Included in these Financial Statements is the liability under FRS 102, as calculated by independent advisors as at 31 March 2022. After the discussions with Sheffield City Council and South Yorkshire Pension Fund concluded, the final agreed liability will be reflected in the actuarial revaluation and reflected in the Financial Statements for March 2023.

Notes to the financial statements

The movement in the deficit in the year, included in the financial statements, was as follows:

	2022 £	2021 £
Current service cost	(149,000)	(364,000)
Administration cost	-	(6,000)
Past Service cost	-	-
Effect of settlements	-	13,801,000
Curtailment cost	-	-
Net interest cost	(22,000)	(116,000)
	<u>(171,000)</u>	<u>13,315,000</u>
Contributions	64,000	200,000
	<u>(107,000)</u>	<u>13,515,000</u>
Actuarial gain/(loss) in respect of current year	397,000	(4,998,000)
	<u>290,000</u>	<u>8,517,000</u>
Deficit in scheme at beginning of year	(1,029,000)	(9,546,000)
Deficit in scheme at end of year	<u>(739,000)</u>	<u>(1,029,000)</u>

The unfunded portion of this liability is £Nil (2021: £Nil).

	2022 £	2021 £
Return on plan assets excluding interest income	135,000	3,535,000
Changes in the assumptions underlying the present value of the scheme liabilities: current year	262,000	(8,533,000)
Actuarial gain/(loss)	<u>397,000</u>	<u>(4,998,000)</u>

	2022 £	2021 £
Opening defined benefit obligation at 1 April	2,796,000	46,891,000
Current service cost	149,000	364,000
Past service cost	-	-
Interest cost	60,000	693,000
Employee contributions	25,000	73,000
Actuarial loss/(gain)	(262,000)	8,533,000
Curtailment cost	-	-
Settlements	-	(52,980,000)
Benefits paid	-	(778,000)
Closing defined benefit obligation at 31 March	<u>2,768,000</u>	<u>2,796,000</u>

Changes in the fair value of the plan assets are as follows:

	2022 £	2021 £
Opening fair value of scheme assets at 1 April	1,767,000	37,345,000
Interest income	38,000	577,000
Return on plan assets excluding interest income	135,000	3,535,000
Employer contributions	64,000	200,000
Employee contributions	25,000	73,000
Settlements	-	(39,179,000)
Administration expenses	-	(6,000)
Benefits paid	-	(778,000)
Closing fair value of scheme assets at 31 March	<u>2,029,000</u>	<u>1,767,000</u>

Notes to the financial statements

	2022 £	2021 £
Total cost recognised as an expense:		
Current service cost	149,000	364,000
Past service cost	-	-
Curtailment cost	-	-
Interest cost	22,000	116,000
Admin expenses	-	6,000
Effect of Settlements	-	(13,801,000)
	171,000	(13,315,000)

	2022 £	2021 £
The pension cost shown in note 7 includes:		
Defined Contribution Pension Scheme (Standard life)	-	2,704
Defined Contribution Pension Scheme (Aviva)	72,940	64,559
Defined Benefit Contribution Scheme (South Yorkshire Pension Fund)		
- service cost	149,000	364,000
- Past service cost	-	-
	221,940	431,263

16 Statement of funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Unrestricted funds				
Pension reserve	(1,029,000)	397,000	(107,000)	(739,000)
General fund	5,242,879	1,398,603	(1,793,651)	4,847,831
Total unrestricted funds	4,213,879	1,795,603	(1,900,651)	4,108,831
Restricted funds				
Doing Good Business – The National Lottery Community Fund	-	201,820	(201,820)	-
Door43 – Primary care network Upper Don Valley	-	15,291	(15,291)	-
Door43 – Primary care network Network North	-	29,417	(29,417)	-
Door43 – Primary care network Porter Valley	-	25,545	(25,545)	-
Door43 – Primary care network West Five	-	58,540	(58,540)	-
Door43 – Primary care network University	-	35,174	(35,174)	-
Door43 – Primary care network Peak Edge	-	29,405	(29,405)	-
Door43 – Primary care network Foundry	-	32,251	(32,251)	-
Door43 – Primary care network SAPA5	-	27,630	(27,630)	-
European Social Fund – Feel Well Work Well	-	28,552	(28,552)	-
Small Grants – Various Funders	-	250	(204)	46
Children in Need – Corona Response Fund	-	38,251	(38,251)	-
Total revenue grants restricted funds	-	522,126	(522,080)	46
Total funds	4,213,879	2,317,728	(2,422,730)	4,108,877

Notes to the financial statements

17 Analysis of net assets between funds

	Restricted funds £	General funds £	Total £
Fixed assets	-	1,588,212	1,588,212
Current assets	46	3,701,129	3,701,175
Current liabilities	-	(441,510)	(441,510)
Defined Benefit Pension scheme liability	-	(739,000)	(739,000)
Total net assets	46	4,108,831	4,108,877

18 Cash (outflow)/inflow from operating activities

	2022 £	2021 £
Net deficit	(502,002)	(268,360)
Depreciation	112,488	121,035
Interest charge	22,000	116,000
Investment income	(348)	(3,443)
(Increase)/decrease in debtors	57,304	187,952
Decrease/(increase) in creditors	69,495	(295,669)
Defined benefit pension scheme costs less payments	85,000	170,000
Net cash (outflow)/inflow from operating activities	(156,062)	27,515

19 Reconciliation of net cash inflow/outflow to movement in net funds

	2022 £	2021 £
Increase in cash in the year and movement in net funds	(172,289)	30,958
Net funds at beginning of the year	3,622,379	3,591,421
Net funds at end of the year	3,450,090	3,622,379

Notes to the financial statements

20 Analysis of changes in net funds

	At 1 April 2021 £	Cash flows £	Other non-cash changes £	At 31 March 2022 £
Net cash:				
Cash at bank	3,622,379	(172,289)	-	3,450,090

21 Capital commitments

There were no capital commitments at 31 March 2022 or 31 March 2021.

22 Contingent liabilities

There were no contingent liabilities at 31 March 2022 or 31 March 2021.

23 Leasing commitments

Minimum operating lease and rental payments fall due as follows:

	2022 Land and buildings £	2022 Other £	2021 Land and Buildings £	2021 Other £
In one year or less	-	18,778	-	13,381
Between one and five years	-	18,094	-	19,499
In five years or more	-	36,872	-	32,880

24 Members' funds

Under Clause 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1 in the event of it being wound up during their period of membership, or within one year afterwards.

Notes to the financial statements

25 Transactions with related parties

The membership of the charitable company consists of Sheffield City Council and Sheffield College. Due to the nature of the charitable company's operations and the composition of the board and its members (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving organisations in which a member of the board may have an interest are conducted in accordance with the charitable company's normal procurement procedures.

Sheffield City Council held at least 1/5 of voting rights and therefore under the Local Government and Housing Act 1989 the charitable company was defined under local authority influence, as distinct from local government control. However since the contract with SCC has ceased so as the significant control.

During the year, the charitable company transacted with the following related parties as follows:

	2022	2021
	£	£
Sheffield City Council		
Income received	457,546	1,994,618
Purchases made	1,080	3,217
Balance payable to Sheffield City Council as at 31 March	-	-
Balance owed from Sheffield City Council as at 31 March	378	894

	2022	2021
	£	£
Sheffield College		
Income received	-	-
Purchases made	-	-
Balance payable to Sheffield College as at 31 March	-	-
Balance owed from Sheffield College as at 31 March	-	-

	2022	2021
	£	£
Project Apollo Limited		
Income received	224,067	235,340
Purchases made	158,163	168,277
Balances payable to Project Apollo as at 31 March	-	-
Balances owed from Project Apollo as at 31 March	18,212	-

SHEFFIELD FUTURES

England & Wales - Charity number 1044940

Accounts

Sheffield Futures (a company limited by guarantee)

Annual Report

For the year ended 31 March 2021

Charity No 1044940
Company No 02963378

Index to the financial statements

Legal and administrative information	1 – 2
Report of the trustees incorporating the Strategic Report	3 – 13
Independent auditor's report	14 – 17
Statement of financial activities (incorporating the income and expenditure account)	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 – 35

Legal and administrative information

Charity registration number: 1044940

Company registration number: 02963378

Registered office: Star House
 43 Division Street
 SHEFFIELD
 S1 4GE

Members: Sheffield City Council
 The Sheffield College

Trustees:

K Ball	
H Cheung	
L Clewes	
S Fiennes	(resigned 20 th May 2020)
A Foulkes	(resigned 26 th January 2022)
D Fox	(resigned 27 th October 2020 and joined 15 th December 2021)
K Hardy	(joined 11 th November 2021)
M Harrison	(joined 27 th January 2022)
L Howard	(joined 10 th June 2020)
C Humphreys	
V Khan	
J Pawlik	(resigned 7 th July 2021)
H Thompson	(resigned 31 st March 2021)
S Wood	

Senior leadership team:

K Challis (CEO)	
V Mercer (Head of delivery & Development)	
R Parker (Head of People & Resources)	
G Gibbons (CEO)	(left 20 th November 2020)
D White (Head of Targeted Services & Health)	(left 30 th September 2020)

Secretary:

A Wetton	(resigned 15 th April 2020)
G Gibbons	(appointed 15 th April 2020 resigned 13 th July 2020))
K Ball	Appointed 13 th July 2020

Bankers: Royal Bank of Scotland
 5 Church Street
 SHEFFIELD
 S1 2GF

Legal and administrative information

Solicitors:

Irwin Mitchell Solicitors
Riverside East
2 Millsands
SHEFFIELD
S3 8DT

From 15 September 2020:

Hemingway Solicitors Limited
11 Westbourne Road
Sheffield
S10 2QQ

Auditor:

Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
1 Holly Street
SHEFFIELD
S1 2GT

Report of the trustees incorporating the Strategic Report

Forewords – Chair of the Board of Trustees

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing youth focused, employability and mental health and wellbeing support to those who need it most.

Like many other organisations globally, 2020/21 has been a testing year and for Sheffield Futures, there have been added layers of challenge to rise to.

2020 marked our 25 year anniversary as a charity, and we had a calendar of celebratory activities planned to take place across the year. Unfortunately, Covid-19 hit and our priority shifted to adapting our services and supporting our workforce. 2020 also saw the end of our 18 year youth services contract with Sheffield City Council. Following a TUPE transfer of these services, we have been able to reorganise and refocus our charity so that it is well-placed to continue to provide important support to young people in the years to come. Through a period of transformation, which runs into 2021/22 we will have made strong progress in realigning our delivery model and services to better meet the demands of the changing context and to ensure ongoing financial viability.

As well as these significant milestones, we also said goodbye to our long standing Chief Executive Officer, Gail Gibbons as she moved to a new role with national reach, and appointed Karen Challis, previously our Head of Operations to take up the post as part of a restructured Leadership Team.

On behalf of the Board of Trustees, I would like to take this opportunity to thank all our partners, supporters and funders for their continued support in some of the most difficult times, and to offer a huge thank you to all our staff and volunteers for all the fantastic work they do.

Chris Humphreys, Chair of the Board of Trustees.

Our purpose

Aims and objectives

The aims of our charity are enshrined in our charitable objects, as set out in our Memorandum and Articles of Association as follows:

- The advancement of education through the provision of careers guidance and advice on the choices and opportunities in education, training & employment available to all persons undergoing full time and part time education whether in secondary schools, grant maintained schools or independent schools and in further and higher education institutions;
- The provision of careers guidance and advice on the choices and opportunities in education training and employment to people with disabilities;
- The advancement of the education of all persons by the provision of primary, secondary and further education and the provision of training, organised leisure time, recreation and social and physical training and by the provision of advice, guidance, information, support and mentoring;
- To promote our charitable purpose and in particular charitable purposes directed to the benefit of people suffering through unemployment, the advancement of education and the relief of poverty.

Our Vision is that all young people and communities are supported and equipped with the means to achieve their full potential in life.

Our Mission is to support and equip young people and communities to achieve their full potential in learning, employment and life to secure a positive future.

Principal activities

Our principal activities and interventions are delivered through the following teams:

Community Youth Teams (Until September 2020)

We manage three community based multi-agency teams based in the North, East and West of Sheffield. The teams provide targeted support for young people at risk of poor outcomes. The teams work with young people who are not

Report of the trustees incorporating the Strategic Report

in education, employment or training (NEET); those who are getting involved in offending or anti-social behaviour; and those at risk of other risky behaviours – including child sexual and criminal exploitation and gang involvement. They do this through one-to-one case work, targeted group work programmes; through open access youth clubs and detached youth work. The teams are closely aligned to the work of statutory services – including the Youth Justice Service; Sheffield Safeguarding Hub; and Social Care.

Youth Sheffield

We run an open access youth work service across the city, operating as a hub and spoke model. Until September 2020 this involved approximately 40 sessions per week of either youth club or detached youth work targeted to communities of highest need. However due to the ongoing pandemic we had to restrict the youth services online. As the government began to focus on opening up services, we started opening our face to face services once again, which from October 2020 has been on a much reduced footprint with the intention to grow.

CEIAG (Careers, Education, Information, Advice & Guidance) Team

We provide traded careers guidance services to 75% mainstream secondary schools, as well as for all Sheffield special schools, and for young people in alternative settings. The Covid 19 pandemic had an impact in providing the service with most Careers Advisors working in mainstream schools being furloughed between March and September 2020.

Project Apollo

We run a Social Impact Bond funded project, supporting care leavers into sustainable education and employment opportunities. This is a three year programme working with 100 care leavers in total in partnership with the Sheffield City Council's Care Leaver Service, and commissioned by Department of Education.

Special Educational Needs & Disabilities CEIAG Team (until September 2020)

We provide specialist guidance and progression support for young people with SEND which contributes to young people's Education, Health & Care Plans (EHCPs). We also run three youth clubs for young people with learning disabilities each week.

Building Better Opportunities (BBO) - Enterprise

Doing Good Business is our Building Better Opportunities city-region enterprise support programme – supporting disadvantaged unemployed adults into social enterprise and self-employment opportunities. Initially a two year programme which was due to end in December 2018, the funding has now been extended to over-achieving delivery partnerships across the country for a further two years. It is funded through the European Social Fund which is co-financed and managed by The National Lottery Community Fund.

Young People's Involvement Team (to September 2020)

We work with young people aged 11-25 to give them a voice at local, regional and national levels. The team recruits, supports, develops and co-ordinates the Sheffield Youth Cabinet and Sheffield UK Youth Parliament as part of its contract with Sheffield City Council as well as a Young Advisors Group which operates as a traded service, and which is part of the National Young Advisors Network. Work this year has again included a commission to support the Sheffield City Council Age Hub; work with the Sheffield Safeguarding Children Board; and work with South Yorkshire Police.

Door43

Door43 is a one stop shop of emotional wellbeing support for 13-25 year olds. It provides early intervention and preventative interventions for young people who may bring a variety of issues to the service with an aim to prevent these issues escalating into crisis situations and further impacting on the young person's emotional wellbeing. Door43 is a Youth Information Advice Counselling and Support service (YIACS) which is a national Youth Access service model that allows self-referrals, professional referrals and an open access drop in for emotional wellbeing and mental health support in a young person friendly environment. The service has been extremely successful in terms of numbers of young people referred and positive outcomes. Funding from the Sheffield Clinical Commissioning Group included additional funding to support increased activity and a further three years of funding has subsequently been secured. In 2020/21, our young people's social prescribing project continues to include Link Workers in several Primary Care Networks across the city, in addition to our involvement in the national programme pilot led by Street Games; and an expansion of community and school based wellbeing cafes.

Report of the trustees incorporating the Strategic Report

Overview of outputs, outcomes and impact for 2020/21

Not everyone gets the same start in life. Whatever their situation, Sheffield Futures aims to make sure that the people we support are given every opportunity to achieve their full potential. During 2020/21 our work became more demanding and more in demand due to the disproportionate affect on the employment opportunities for young people, the restrictions on learning and the negative impact on the mental health of many as a direct result of the pandemic. Responding to these issues, so many of which were out of our control, became our shorter term priority in the context of our longer term aims and through our different projects and services, we achieved multiple impacts, some of which are highlighted below:

- Supporting 3,500 young people to develop their future plans as part of our Careers offer bought in by 16 education establishments across the city and delivered by professionally qualified and nationally accredited Careers Advisers. We also provided a specialist Careers Service for all Special Schools in the city until the transfer of this work to Sheffield City Council in September 2020.
- As part of the European Social Fund and Big Lottery Community Fund financed programme, “Doing Good Business”, we facilitated the delivery of enterprise programmes supporting adults with physical or mental health disabilities, and those over 50. Despite the pandemic, we enabled 40 people into employment or self-employment and 11 more into training or education.
- Project Apollo is an exciting Social Impact Bond programme running to March 2022 to work with 100 Care Leavers who struggle to enter work effectively. Most impact will be achieved at the end of a sustained period of support, measured at the end of the programme; in year we supported 24 care experienced young people into employment and a further 11 into education or training.
- In 2020, Project Apollo was the winner of the Opportunity Sheffield (SCC) Innovation in Delivery Award, as well as the UK wide Career Development Institute Award for its ‘Innovative and Impactful Employer Engagement’ work.
- Our Door43 mental health and wellbeing service supports young people aged 13-25, funded by the CCG and Sheffield City Council. Throughout the pandemic we have seen a significant increase in need and demand for our services and our team moved swiftly to a stronger one line offer, using a range of social media to keep young people engaged. During the year we ran 634 “Wellbeing Wednesday” sessions, for young people that needed ad-hoc support during tough times and 1,696 One-to-one sessions with young people who needed emotional support.
- Our Social Prescribing team expanded significantly during the year, receiving 326 referrals of young people aged 13-25 in Sheffield to help them with issues such as low mood, loneliness and anxiety. Our team is bought in by 40 General Practitioners Surgeries operating across 8 Primary Care Networks (PCN).
- Over the year we have secured several large project grants and contracts which have both created additional funding to aid sustainability and growth and develop new support where gaps in provision had been identified across the city. This has been especially true of our counselling service which grew from zero to five counsellors in 2020. Thanks to Children in Need, we were also able to provide 70 specialist grief counselling sessions for young people who had experienced bereavement and loss during the pandemic, adding to the 314 Counselling sessions for young people who needed other emotional support.
- After 18 years of delivering the Youth Services Contract for the City Council, this service was insourced in September 2020. During lock down, with tight restrictions in place and temporary closure of many premises, the Sheffield Futures team is proud to have acted with young people at the centre of our on-going provision, moving to on-line services and continuing a detached youth work offer in all areas of the city despite many colleagues facing considerable uncertainty over their future roles.
- Post transfer, Sheffield Futures staff and Trustees designed and began the delivery of an ambitious transformation plan to reconfigure services, grow income for much needed provision and reposition the

Report of the trustees incorporating the Strategic Report

charity, delivering much needed services, some of which have been highlight above. This work remains a priority and will continue to be so into next year and beyond.

Statement of public benefit

Our Trustees have complied with their duties in accordance with The Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit.

Our future plans

After a year of hard-won lessons, we are facing the future with renewed determination and dedication. The work we do to support young people in Sheffield is more important than ever.

The on-going challenge facing young people is how to manage the impact of Covid-19 both directly and indirectly, for example, Sheffield Futures is not alone in experiencing significant increase in demand for our services such as Door 43.

At the same time, like many charities, COVID-19 has significantly impacted on our day-to-day operations. We have continued to deliver some in-person activities with a focus on young people most at risk and have developed virtual and telephone offers for the rest of our services with a material increase in the use of social media.

Our staff are also working predominantly from home and we intend to put in place a hybrid working model that recognises the learning from the lock down and the cost efficiencies that this can drive, without diluting the quality and responsiveness of our service offer. A general shift in terms and conditions will be discussed and negotiated with staff and their representative trade unions that enables us to apply more local decision making over, for example, annual increases.

We have been able to retain our planned contract and grant income during this period and the proportion of our income which is reliant on fundraising activity is relatively small. This year, our large long-term young people's services contract with Sheffield City Council has ended and the Council has taken the contract 'back in-house' with a TUPE transfer of relevant staff. As such, 2021 will be consolidating and restating our strategy and offer in the context of being a vibrant third sector organization with renewed agility, including identifying and developing stronger partnerships with VCSE colleagues and redefining our relationship with Sheffield City Council.

Our delivery will be focused on three inter-related service areas:

- Health & Well-Being
- Employability & Skills
- Youth Work & Youth Participation

Building on our existing work, Door43 has grown this year to include a counselling offer and a telephone help-line. Our young people's social prescribing work has also expanded across the city. Our plans are to develop these further and to also implement a community based outreach offer.

We are continuing to deliver Project Apollo to a high standard that is being recognised and celebrated by The Department of Education, and commence planning for its cessation and legacy.

We will grow our traded CEIAG service in schools. We have also recently developed an employability model aimed at supporting local employers to employ and sustain young people in their businesses.

We aim to influence decision making over the distribution of residual European Social Funds at local and regional level, to ensure the opportunity for extended or building new programmes in city is made real.

We have established a new youth work and participation team who will deliver a range of youth work projects – including opportunities for young people referred through social prescribing, as well as community-based activity. We will also be delivering our revised Young Advisor model, which will facilitate a greater level of involvement of a more diverse group of young people who will have a key role in influencing our delivery, and that of others. During 2020/21 our volunteering opportunities were interrupted by the COVID-19 pandemic, however this will be instigated once again next year.

Report of the trustees incorporating the Strategic Report

Financial review

	2021	2020
	£	£
Income generated in the year	3,407,121	5,708,129
Expenditure against income	3,675,481	5,780,151
Resulting in a net deficit	<u>(268,360)</u>	<u>(72,022)</u>
Actuarial (loss)/gain on defined benefit pension scheme	<u>(4,998,000)</u>	<u>1,442,000</u>

The net loss for the year was £268k before pension adjustments. The overall pension liability has decreased in the year to £1,029k (2020: deficit £10,290k) this is because of a revaluation in the SYPF Local Government Pension Scheme due to employees who were part of the pension scheme being transferred to Sheffield City Council, resulting in a settlement of £13,800k. This reflects changes in actuarial assumptions in Note 15.

Total funds as at 31 March 2021 was a Surplus of £4,213k (2020: deficit £4,321k). Excluding pension liabilities, reserves were a surplus £5,242k (2020: £5,225k). The trustees consider the overall reserves position to remain strong.

Cash reserves remain healthy at £3,622k (2020: £3,591k). At over £3.6m, cash reserves are in excess of the trustees' reserves policy to hold as a minimum 3 months full forward expenditure. The trustees therefore consider the current cash reserves position to remain strong.

Operating Performance

Overall contract income decreased by £1.3m in this financial year to £2.3m. This was because the contract income from the SCC Youth Services contract stopped in September 2020. The SCC Youth Services contract ran through to 30 September 2020, and we have continued to deliver a high quality service that supports young people of Sheffield. Other contracts include Project Apollo, a three year Social Impact Bond commissioned by the Department for Education, and continued delivery of the Social Prescribing programme.

During 2020/21 we have continued to successfully deliver across a range of funded multi-year grant awards, representing approximately 14% of turnover in 2020/21. The funding grants were received from a wide variety of funders including The National Lottery Community Fund - Legacy 6 (£60k) and Doing Good Business (£235k), NHS Sheffield CCG - Door 43 (£188k), Youth Services (4k).

Rental income increased by £114k following the popularity of providing a one stop shop where young people can receive an enhanced range of services in one location. Fundraising and donations decreased during this year because of the impact of Covid 19 restrictions on fund raising events. During the Covid 19 pandemic, some of our staff were placed on Furlough; we received Furlough grant from the government leading to an increase in Interest/Furlough and other income of £67k.

Pension: South Yorkshire Pension Authority

A significant number of employees participated in the South Yorkshire Pension Authority in accordance with the Local Government Pension Scheme Regulations 1995. The net pension liability at 31 March 2020 of the defined benefit scheme was £9.5m, however due to the TUPE and transfer of some Sheffield Futures staff to Sheffield City Council in September 2020, it was agreed that the amount of £8.5m held on Sheffield Futures' balance sheet which relates to pension liability agreed to be borne by Sheffield City Council is transferred back to them. This has led to a reduction in pension liability on the balance sheet to £1m. This has decreased by £8.5m from the previous year's balance of £9.5m. At the point that employees transferred from Sheffield City Council, the trustees had reached agreement with the policy committee of Sheffield City Council who provided a guarantee that the past deficit relating to these employees would be funded by Sheffield City Council.

As at the date of signing these Financial Statements, the Trustees are in discussion with Sheffield City Council and South Yorkshire Pension Fund in relation to the liability under the terms of the pension scheme that has been transferred to Sheffield City Council. Included in these Financial Statements is the liability under FRS 102, as calculated by

Report of the trustees incorporating the Strategic Report

independent advisors as at 31 March 2021. After the discussions with Sheffield City Council and South Yorkshire Pension Fund conclude, the final agreed liability being transferred may change.

The revaluation of the South Yorkshire pension deficit has been acknowledged and built into future financial plans and cash flow analysis for the charity. The next tri-annual revaluation of the pension scheme is due to take place in Autumn 2022. The pension deficit has been assessed alongside our other net assets and there is no material effect to the overall balance sheet position of the charity.

Our Governance Arrangements

Sheffield Futures is a charitable company limited by guarantee which was incorporated on 31 August 1994 (Company registration number: 02963378); and registered as a charity on 14 March 1995 (Charity registration number: 1044940). The registered office is Star House, 43 Division Street, Sheffield S1 4GE. The charitable company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

As a company limited by guarantee, the charitable company has members in the place of shareholders. The role of the membership is to safeguard the business of the charitable company as defined in the memorandum of association. This activity is transacted in accordance with company law which stipulates due process and procedure. The current membership of the charitable company comprises Sheffield City Council and The Sheffield College. Both member organisations have one representative each and representatives are also trustees. Declaration of interests are made at the start of each meeting. The trustees are confident that no excess influence has been applied by any of its members.

The Trustees and Management Structure

Sheffield Futures is controlled by a Board of Trustees. Trustees are also directors for the purpose of Company law. Our Articles of Association allow for between 4 and 14 trustees at any one time. The term that trustees can serve is not time limited. The trustees have responsibility for the sole and entire management of the business of the charity. The day to day running of the charity and the exercise of executive responsibility is delegated to the Chief Executive Officer.

Trustees are a group of volunteers with expertise in a wide range of fields. The Board of Trustees formally meets six times per year to monitor and review service delivery and agree areas of policy. The trustees receive a range of reports and presentations at formal Board meetings to keep them well informed about the work of Sheffield Futures. Between formal board meetings, a number of Board workshops are scheduled each year where trustees can consider and advise on individual service delivery and developments area in more depth. Trustee learning workshops are also provided where required. Trustees also engage with the charity, staff and volunteers in a wide variety of ways throughout the year - including supporting new initiatives and visiting projects; and act as champions across a range of key areas – including Health & Safety and Quality & Impact. We have a trustee with lead responsibility for safeguarding.

Names of Sheffield Futures trustees who served during the 2020/21 period, as well as the name of the Chief Executive Officer, other members of the Executive Team, and other relevant people and organisations are given on page 1.

On appointment, trustees undertake an induction programme and undergo a structured introduction to the operation of the charity. They also receive a Trustee Pack to familiarise them with the work of Sheffield Futures, and their roles and responsibilities as a trustee. The Board of Trustees carries out a Board review on an annual basis. Trustees are invited to complete an annual skills audit, and development opportunities are provided where gaps in skills have been identified.

Sheffield Futures aims to ensure a diverse Board reflecting both the local population and the skillset required for strong governance. Following a targeted recruitment drive starting in 2014, 50% of trustees are women and trustees come from a range of ethnic backgrounds. Two Board positions are offered to young people who have been recipients of our services in the past. This arrangement is currently being reviewed. Trustees are recruited for their

Report of the trustees incorporating the Strategic Report

skills and experience in the areas of children and young people, and in business. They are sought in a variety of ways including, but not limited to, specific recruitment and advertising, hosted events, and through attendance at network meetings. The members, in accordance with the Memorandum and Articles of Association, select the trustees. In addition to their duties as trustees, Board members are responsible for developing new external relationships and building on positive working partnerships for the charity.

Sheffield Futures operates a Conflicts of Interest policy. Conflicts of interest are made and recorded at the start of every formal meeting.

The Board of Trustees currently has one sub-committee – The Audit Committee. This ensures the adequacy of internal controls, reviews the management of risk within Sheffield Futures, and monitors the relationship with the external auditors. The committee also retains an overview of the strategies, policies and operations of Sheffield Futures to ensure effective management of the charitable company's financial resources. The role includes recommendations to the Board of Trustees for the formal approval of the Annual Report and Accounts. The Audit Committee meets quarterly, minutes are circulated to the full Board, and decision making is escalated to the full Board for approval where required.

Strategy and decision making processes

The Board of Trustees and senior management team agree our organisational strategy. The senior management team – in agreement with the Board of Trustees – also produces an annual plan identifying vision for the year ahead, highlighting key targets and development goals over the period. Progress against this plan is measured on a frequent basis by senior management through meetings to review budgets, contract management processes, new and on-going business development matters, and recommendations which are presented to the Board on a bi-monthly basis. Each service area produces an annual delivery plan taking account of contractual requirements. Decision making is delegated to services and teams, and performance management meetings take place for each service area to enable senior management to provide a support and challenge function and close monitoring and review of progress to date. This process is informed by the relevant service level data.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Sheffield Futures for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Report of the trustees incorporating the Strategic Report

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Risk management

The Board oversees all risks annually, particularly those of a strategic nature, and is supported in this by the Audit Committee through which the assessment of operational risk is delegated and reviewed quarterly. The key risks facing the organisation have been identified in a Risk Register.

Risk management is embedded throughout the organisation, led by the Chief Executive and senior managers, who obtain detailed risk profiles from service managers following local reviews of processes. The results and recommendations from these reviews are provided to the Audit Committee for presenting to the full Board.

Principal risks and uncertainties

As with many charities at the current time, sustainability of our organisation remains a key challenge. We continue to balance our income targets so that we achieve a varied portfolio of funds providing excellent services and make strategic investments and funding decisions to balance risk. Each funding opportunity is carefully considered against our core criteria of financial, operational and strategic risk.

With our main contract with Sheffield City Council having ended, our charity has restructured into a much smaller organisation with a refreshed focus. An eighteen month transformation programme has been agreed with our Board of Trustees to ensure long-term sustainability; and we are fortunate to have healthy reserves and a city-centre asset – Star House.

The uncertainty in relation to both COVID-19 and Brexit presents further potential risk. However, we are making robust plans where possible. Funding opportunities for charities continue to reduce for our sector – particularly unrestricted funding; and there is also increased competition. As such, we plan to continue to sustain and develop new partnerships across the public, charity and private sectors.

Internal control and risk management

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A company business plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results and variance from budgets
- Delegation of authority
- Appointment of internal auditors
- Identification and management of risks.

Risk managers are charged with responsibility for ensuring mitigating action is undertaken to protect the charitable company against all identified risks, with priority given to the highest scoring, biggest impact risks.

Report of the trustees incorporating the Strategic Report

The trustees are of the opinion that sufficient procedures, internal controls and systems are in place to mitigate the highest impact risks faced by the charitable company.

Financial risk management objectives and policies

All charities consider the effective use of its financial instruments to manage its financial risk.

The stability of our future income will be a key factor in the health of the charity. The general economic climate and loss of a major source of income will change the activities delivered. Our analysis of our policies and objectives will remain aligned with the overall strategic direction of the charity.

With current sufficient reserves in excess of the current policy of 3 months reserves, we are in a place to continue to manage our liquidity, whilst still ensuring that we invest the highest levels of funding into front line service delivery. The board, in consultation with the senior leadership team are exploring opportunities to develop our effectiveness in the following key areas:

Interest rate risk

The charity does not have any material borrowings other than creditor balances that are normal in the process of operating any organisation. Therefore interest rate risk is mitigated and further lending will only occur with the strictest scrutiny of our board. The FRS102 pension deficit interest risk currently identified will also significantly decrease in future years following the changes in the pension liability following the loss of the Youth Services contract.

Liquidity risk

The charity seeks to manage its financial risk by ensuring by ensuring that we have the right level of liquid funds to meet expected future cash outflows. Cash is invested into low risk financial holdings, typically associated with banks.

Insurance effected for Trustees

The charity company has purchased insurance for the trustees of the charity against liability arising for negligence in relation to the charitable company, as permitted under the Companies Act 2006.

Reserves

The charity reserves policy makes provision to retain a minimum of three months of normal operating costs. This should be sufficient to fund any planned and unforeseen falls in the short term working capital needs between major strands of contract income.

Included within the total reserves is the current FRS 102 pension deficit. This figure is based on actuarial assumptions of the liability following the tri-annual valuation. Future changes to the pension deficit following the loss of the Sheffield City Council Youth Service contract will further improve the overall reserves value.

The trustees continually review the appropriateness of our reserves policy on an annual basis.

Our policies and standards

Sheffield Futures pay policy

In setting overall pay levels for our staff, Sheffield Futures takes account of pay practice in other similarly sized charities and, where necessary, private sector organisations for specialist and technical roles.

We aim for a sustainable and consistent pay policy which meets the needs of our organisation and is supported by a robust performance management processes for all employees in the organisation. Sheffield Futures has applied for accreditation with the Living Wage Foundation.

Pay policy for senior management

The pay of the senior staff is reviewed annually and any increases in remuneration are in line with increases applied to the pay scales used for other staff within the organisation. As part of the Sheffield Futures terms and conditions of

Report of the trustees incorporating the Strategic Report

employment, the organisation has an agreement to continue to follow the nationally agreed increases applied to the NJC and JNC pay scales, as Sheffield Futures pay scales are aligned to these.

Performance management

The organisation has robust policies and procedures in place to address individual performance concerns and all staff receive regular feedback on performance via regular Performance Development Reviews. Standards of behaviour are clearly expressed in the Code of Business Conduct and any failure to adhere to these is appropriately addressed.

Certifications

Sheffield Futures works to the following standards and certifications:

The Code of Fundraising Practice – outlines the quality and legal standards expected of all charitable fundraising organisations across the UK. Sheffield Futures' fundraising approach is governed by the Sheffield Futures fundraising policy, which includes both the charity and anyone acting on its behalf, either as a voluntary fundraiser or commercial support. The policy states that Sheffield Futures adheres to all standards expected of charitable fundraising organisations across the UK, made clear in the Code of Fundraising Practice. Sheffield Futures subscribes to the Fundraising Regulator, which stands for best practice in fundraising, to protect donors and support the vital work of fundraisers. There have been no failures by the charity to meet the fundraising standards or schemes that Sheffield Futures is subscribed to, and there have been no complaints received for the purpose of fundraising and fundraising activities.

Matrix Standard – a quality framework to assess and measure information, advice and/or guidance services.

Mindful Employer – an employers' charter promoting good employment practices for employees or job applicants who have mental health problems.

Disability Confident – an employer's charter promoting good employment practices for disabled employees or job applicants.

Sheffield Volunteer Standard - a locally developed quality mark giving independent recognition that an organisation manages a structured volunteering programme.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to March 2023 will ensure that our charity is able to cope with any further COVID restrictions and there is sufficient funding to support our existing commitments.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Statement as to disclosure to our auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the charitable company receives notice under Section 488(1) of the Companies Act 2006.

Report of the trustees incorporating the Strategic Report

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report in their capacity as company directors.

BY ORDER OF THE BOARD



K Ball
Company Secretary
Date: 17/3/2022



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Opinion

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

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

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

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 Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

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 website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Charities SORP (FRS102), FRS 102, Charities Act 2006, Data protection Act 2018, the Charity code of Governance and the provision of the trust deed.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquires through our review of board minutes and legal expenses.
- Audit procedures performed by the engagement team included:
 - Evaluation of the controls established to address the risk related to irregularities and fraud.
 - Testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business.
 - Identifying and testing related party transaction
 - Completion of audit procedures to conclude on the compliance of disclosure in the annual report and accounts with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.



Independent auditor's report to the members of Sheffield Futures (a company limited by guarantee)

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement teams.
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation.
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink, appearing to read "Peter Edwards".

Peter Edwards
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield

Date: 17/3/2022

Statement of financial activities (incorporating the income and expenditure account)

	Note	Restricted £	Unrestricted £	Total 2021 £	Total 2020 £
Income from:			-		
Grant income		488,516		488,516	1,566,401
Contract income		-	2,283,786	2,283,786	3,575,779
Other income	4	-	631,376	631,376	555,803
Bank interest receivable	6		3,443	3,443	10,146
Total income	16	488,516	2,918,605	3,407,121	5,708,129
Expenditure on:					
Service delivery costs	5	488,516	2,277,989	2,766,505	5,017,732
Other running costs	5	-	908,976	908,976	762,419
Total expenditure	5	488,516	3,186,965	3,675,481	5,780,151
Net deficit/Surplus		-	(268,360)	(268,360)	(72,022)
Other recognised gains/(losses)					
Effects of defined benefit pension settlement	15	-	13,801,000	13,801,000	-
Actuarial (loss)/gain on defined benefit pension scheme	15	-	(4,998,000)	(4,998,000)	1,442,000
Net movement in funds		-	8,534,640	8,534,640	1,369,978
Fund balances brought forward at 1 April 2020		-	(4,320,761)	(4,320,761)	(5,690,739)
Fund balances carried forward at 31 March 2021	16	-	4,213,879	4,213,879	(4,320,761)

All income and expenditure relate to continuing operations.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	8	1,611,626	1,732,661
Investments	9	72,500	72,500
		<u>1,684,126</u>	<u>1,805,161</u>
Current assets			
Debtors	11	308,390	496,341
Cash at bank and in hand		3,622,379	3,591,421
		<u>3,930,769</u>	<u>4,087,763</u>
Creditors: amounts falling due within one year	12	<u>(372,015)</u>	<u>(667,684)</u>
Net current assets		<u>3,558,754</u>	<u>3,420,079</u>
Net assets excluding pension scheme liability		5,242,879	5,225,239
Defined benefit pension scheme liability	15	<u>(1,029,000)</u>	<u>(9,546,000)</u>
Net liabilities including pension scheme liability		<u>4,213,879</u>	<u>(4,320,761)</u>
Funds			
Restricted funds	16	-	-
Pension reserve	16	(1,029,000)	(9,546,000)
Unrestricted funds excluding pension liability	16	5,242,879	5,225,239
Total funds	16	<u>4,213,879</u>	<u>(4,320,761)</u>

The financial statements were approved and authorised for issue by the Board of trustees on 16/3/2022

Chris Humphreys

C Humphreys
 Director

Company number: 02963378

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of cash flows

	Note	2021 £	2020 £
Cash inflow from operating activities	18	<u>27,515</u>	<u>163,554</u>
Cash flows from investing activities			
Purchase of fixed assets		-	(11,684)
Investments		-	-
Interest received	6	<u>3,443</u>	<u>10,146</u>
Cash (used)/provided by investing activities		<u>3,443</u>	<u>(1,538)</u>
 (Decrease)/increase in cash and cash equivalents in the year		30,958	162,016
Cash and cash equivalents at the beginning of the year		<u>3,591,421</u>	<u>3,429,405</u>
 Total cash and cash equivalents at the end of the year	20	<u>3,622,379</u>	<u>3,591,421</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Charitable company information

Sheffield Futures is a charitable company limited by guarantee (company number 02963378). The registered office is Star House, 43 Division Street, Sheffield, South Yorkshire, S1 4GE.

Sheffield Futures is a young people's charity which aims to assist young people in achieving their full potential by providing mentoring and specialist support to those who need it most.

2 Basis of preparation

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

Sheffield Futures meets the definition of a Public Benefit Entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in pound sterling (£).

Basis of Consolidation

Consolidated financial statements have not been prepared on the basis that the directors believe that results of the subsidiary company are not material to the group.

Going concern assumption

Sheffield Futures proposed strategic direction is set out in the Report of the Trustees where we highlight our achievements, new projects and ability to develop new funding streams that will underpin our future strategic direction. The trustees of the charity are therefore confident that Sheffield Futures will remain a Going Concern for the foreseeable future and beyond.

Austerity and other external influences do create high levels of uncertainty for us as a charity, but we also recognise that there are numerous opportunities to develop our existing services and grow new projects or partnerships. To aid our development we have been diversifying our portfolio of income and implementing a robust reserves plan for the last five years, in preparation for our future growth.

Taking account of the above and the level of reserves held, the cash available to the Charity to March 2023 will ensure that our charity is able to cope with any further COVID restrictions and there is sufficient funding to support our existing commitments.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of Sheffield Futures to continue as a going concern.

Fund accounting

Unrestricted funds are donations and other income received, or generated, for expenditure, available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for these purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Notes to the financial statements

Income

All income and expenditure is accounted for on an accruals basis.

Grant Income

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period where they are deferred to the Balance Sheet and released in future periods.

Contract Income

Contract income relates to the income streams received for the delivery of specific services as part of our charitable activities. Contract Income is recognised as incoming resources when they match the contract conditions. All other funds are deferred to the Balance Sheet and released in future periods.

Other Income

Other income represents a mix of Sales, Rental Income and incoming resources from other miscellaneous activities. The following narrative provides further detail of each of these incoming funded objects.

Sales Income - Charitable trading income that is generated from contracts or services is recognised when it is earned. Such income is received in advance of entitlement and is deferred to the Balance Sheet to be released to the Statement of Financial Activities in future periods.

Rental Income - Rental income is the funds received from various partners who hold licences to co-occupy our multi-site facilities and pay a contribution towards the day to day running costs. Income is recognised when it matches the agreed terms in the occupancy licence agreement.

Miscellaneous Income - Miscellaneous income is generated from fundraising activities and other events that occur in the financial reporting period. Fundraising income is recognised when the cash is received.

Expenditure

There are three categories of expenditure that are referenced in Note 5 of the financial accounts:

- Expenditure incurred for service delivery are the direct costs associated with the front line activities of the charitable body and the associated direct support costs.
- Expenditure incurred for other running costs includes the costs of our head office, including the staffing costs.
- Expenditure incurred for governance is the annual costs of the charitable audit.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation.

Fixed assets which individually cost below £500 are not capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets held for charity use other than land, by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Freehold buildings	-	2% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

Cash and cash equivalents

Cash at bank and in hand totals all charitable cash holdings, including petty cash balances.

Debtors

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

Notes to the financial statements

Investments

Investments are stated at cost less any provision for diminution in value.

Creditors and provisions

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

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the statement of financial activities over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the lease term. Sheffield Futures does not have any finance leasing arrangement in the reporting period and details of the operating leases can be found in Note 23.

Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Retirement benefits

Defined Benefit Pension Scheme

The charitable company participates in the South Yorkshire Pension Fund. The scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the prospective benefits method on the basis of quadrennial valuations and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the charitable company.

The current service cost and costs from settlements and curtailments are included in the statement of financial activities. Past service costs are spread over the period until the benefit increases. The net of interest on the scheme liabilities and the expected return on scheme assets are included in interest payable or paid as appropriate. Actuarial gains and losses are reported in the statement of financial activities.

Defined Contribution Pension Scheme

The trustees approved a change of provider for the defined contribution pension scheme to commence in June 2020 Newly recruited staff will be auto-enrolled into the Aviva and Standard Life schemes. Contributions are currently in line with the contributions set by the Pensions Regulator.

3 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates are as follows:

Retirement benefit scheme

The determination of the pension cost and defined benefit obligation of the defined benefit pension schemes depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth and mortality. Differences arising from actual experience or future changes in assumptions will be reflected in subsequent periods. Note 15 provides information on the assumptions used in these financial statements.

Notes to the financial statements

4 Other income

	Restricted £	Unrestricted £	Total 2021 £	Total 2020 £
Sales	-	71,076	71,076	34,027
Rental Income	-	313,107	313,107	199,146
Miscellaneous	-	247,193	247,193	322,631
	-	631,376	631,376	555,803

5 Total expenditure

	Service delivery costs £	Other running costs £	Governance £	Total 2021 £	Total 2020 £
Costs directly allocated to activities			-		
Staff costs	2,032,442	534,710	-	2,567,152	3,739,762
Other staff related costs	-	13,316	-	13,316	67,603
Premises	21,889	223,889	-	245,778	263,945
Delivery costs	334,567	-	-	334,567	799,770
Transport costs	2,750	25	-	2,775	42,234
Total directly allocated to activities	2,391,648	771,940	-	3,163,588	4,913,313
Support costs allocated to activities					
General office and finance administration	266,659	70,154	-	336,813	679,908
Finance costs	-	-	-	-	-
Depreciation	95,825	25,210	-	121,035	119,327
Support services	-	13,411	-	13,411	49,943
Redundancy costs	12,374	10,081	-	22,455	2,260
Audit fees	-	-	18,179	18,179	15,400
Total support costs allocated to activities	374,858	118,856	18,179	511,893	866,838
Total Costs	2,766,506	890,796	18,179	3,675,481	5,780,151

Depreciation, Finance and Administration costs are all apportioned using a percentage of the total staff cost for each of these cost categories. All other costs are direct resources expended for these categories.

6 Net interest

Included with the deficit of income over expenditure are the following amounts in respect of net interest.

	2021 £	2020 £
Interest payable:		
Net interest expense on defined benefit pension scheme liabilities	116,000	245,000
Interest receivable:		
Other interest received	3,443	10,146

Notes to the financial statements

7 Trustees and employees

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,144,557	3,022,226
Social security costs	164,129	231,759
Pension costs	427,575	741,776
	2,736,261	3,995,761
Redundancy costs including pension payments	22,455	2,260
	2,758,716	3,998,021

The average number of full time equivalent employees of the charitable company during the year was 76 (2020: 112).

There was one employee earning over £60,000 (2020: one).

No trustees (2020: no trustees) received remuneration in their capacity as a Young Advisor, nor as a trustee. No other trustees or person with a family business connection with a trustee, received remuneration or reimbursement of expenses in the year, directly or indirectly from the charitable company.

8 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computer Equipment £	Total £
Cost				
At 1 April 2020	2,558,975	771,979	364,418	3,695,372
Additions	-	-	-	-
At 31 March 2021	2,558,975	771,979	364,418	3,695,372
Depreciation				
At 1 April 2020	1,023,387	592,711	346,609	1,962,711
Provided in the year	51,180	60,782	9,073	121,035
At 31 March 2021	1,074,567	653,493	355,682	2,083,746
Net book amount at 31 March 2021	1,484,408	118,485	8,733	1,611,626
Net book amount at 31 March 2020	1,535,588	179,268	17,809	1,732,665

All tangible fixed assets were used for charitable purposes.

Notes to the financial statements

9 Investments

Interests in Subsidiary

At 31 March 2020 the company had interests in the following subsidiary:

Subsidiary	Types of shares held	Proportion held (%)	County of incorporation	Nature of business
Project Apollo Limited	72,500 ordinary shares	100%	United Kingdom	Other social work activities
				Total
				£
Cost and net book value				
At 31 March 2021				72,500

The company invested in the share capital of Project Apollo Limited in 2018, at a cost of £72,500 and held 100% of the ordinary share capital. The registered office is Star House, 43 Division Street, Sheffield, S1 4GE.

10 Results of the subsidiary company

	2021
	£
Income	508,871
Expenditure	252,479
Profit	256,392

The company was incorporated in the United Kingdom.

11 Debtors

	2021	2020
	£	£
Trade debtors	220,431	352,839
Amounts owed by subsidiary undertakings	-	69,562
Prepayments	79,631	72,266
Accrued income	8,328	1,674
	308,390	496,341

Notes to the financial statements

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	80,413	56,766
HMRC Creditor (including VAT & PAYE)	88,465	257,210
Payroll creditors (including pension contributions due)	14,975	41,198
Accruals	63,045	124,305
Deferred income (note 13)	125,118	188,206
	372,016	667,684

13 Deferred income

	2021	2020
	£	£
Balance at 1 April 2020	188,206	585,990
Amounts released to income	(2,380,154)	(5,035,324)
Amounts received in the year	2,317,066	4,637,539
Balance at 31 March 2021	125,118	188,206

In the year £nil (2020: £nil), of the prior year deferred income balance, was paid back to Sheffield City Council.

Included within deferred income are the following:

	2021	2020
	£	£
Primary Care Network Peak Edge	7,944	14,681
Primary Care Network Upper Don Valley	8,842	5,402
Primary Care Network North	-	13,986
Primary Care Network West 5	7,716	12,791
Primary Care Network-University	3,385	-
The National Lottery Community Fund - Building Better Opportunities	2,295	12,182
The National Lottery Community Fund - Legacy 6	-	60,197
IAG Services	71,516	60,264
Sheffield CCG (NHS) - Door43 Delivery	-	-
Sheffield City Council - Youth Service	-	7,420
Sheffield City Council - Social Prescribing	19,990	-
Sheffield City Council - Property Rental	-	1,283
Small Grants	3,430	-
Total	125,118	188,206

Notes to the financial statements

14 Financial instruments

	2021 £	2020 £
Financial assets measured at amortised cost		
Trade debtors	220,431	352,839
Cash at bank and in hand	3,622,379	3,591,421
	<u>3,842,810</u>	<u>3,944,260</u>
Financial liabilities measured at amortised cost		
Trade creditors	(80,412)	(56,766)
Deferred income	(2,295)	(12,182)
Accruals	(63,045)	(124,305)
	<u>(145,752)</u>	<u>(193,253)</u>
Other assets and liabilities		
Tangible fixed assets	1,684,126	1,805,161
Amounts owed by subsidiary undertakings	-	69,562
Prepayments	79,631	72,266
Accrued income	8,328	1,674
Payroll creditor	(14,975)	(41,198)
HMRC tax creditor	(88,465)	(257,210)
Deferred income	(122,824)	(176,024)
	<u>1,545,821</u>	<u>1,474,232</u>
	<u>5,242,879</u>	<u>5,225,239</u>

15 Retirement benefits

Defined Contribution Pension Scheme

Sheffield Futures operates a defined contribution scheme administered by Standard Life. However, as of May 2020 the defined contribution is now administered by Aviva instead of Standard Life.

Contributions to the scheme in the year were Standard Life: £2,704 and Aviva £64,559 (2020: £32,590).

Defined Benefit Pension Scheme

The majority of employees of Sheffield Futures participate in the South Yorkshire Pension Fund, a defined benefit statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2019.

Pension costs are assessed in accordance with the advice of a qualified actuary using the accrued benefits method. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The actuarial value of the scheme's assets at 31 March 2019 showed a deficit in relation to the benefits that had accrued to members, after allowing for expected future increases in salary of 3.00%. At the point that employees transferred from Sheffield City Council, the trustees had reached agreement with the policy committee of Sheffield City Council that the past deficit relating to employees of Sheffield Careers Guidance Services would be funded by Sheffield City Council.

Notes to the financial statements

In accordance with FRS 102, the net pension liability of the defined benefits scheme is included on the balance sheet of Sheffield Futures. The most recent actuarial valuation of the scheme has been updated by an independent qualified actuary, taking account of the requirements of FRS 102. Scheme assets are stated at their market value.

The assumptions and movements relating to the defined benefit scheme are shown below:

The principal assumptions used by the actuary were:

	2021	2020	2019
	% pa	% pa	% pa
CPI Inflation	2.70	2.10	2.20
Rate of increase in salaries	3.95	3.35	3.45
Rate of increase in pensions	2.80	2.20	2.30
Discount rate	2.10	2.40	2.40

The post retirement mortality assumptions used to value the liability at 31 March 2021 are based on the "SAPS All pensioners 'amounts' tables, years of birth projection, Long Cohort with a minimum 1.75% improvement".

The assumed life expectations on retirement age 65 are:

	2021	2020
	Years	Years
Retiring today/current pensioners:		
Males	22.5	22.4
Females	25.3	25.2
Retiring 20 years/future pensioners		
Males	24.0	23.9
Females	27.2	27.1

The split of assets in the scheme as at 31 March 2021 was:

	2021	2020
	Value	Value
	£	£
Equities	867,000	19,334,000
Government bonds	239,000	5,023,000
Other bonds	145,000	2,726,000
Property	161,000	3,346,000
Cash/liquidity	25,000	1,124,000
Other	330,000	5,792,000
Total market value of assets	1,767,000	37,345,000
Present value of scheme liabilities	(2,796,000)	(46,891,000)
Net pension liability*	(1,029,000)	(9,546,000)

Under FRS102 the rate of return is not split between the assets of the scheme.

*As at the date of signing these Financial Statements, the Trustees are in discussion with Sheffield City Council and South Yorkshire Pension Fund in relation to the liability under the terms of the pension scheme that has been transferred to Sheffield City Council.

Included in these Financial Statements is the liability under FRS 102, as calculated by independent advisors as at 31 March 2021. After the discussions with Sheffield City Council and South Yorkshire Pension Fund conclude, the final agreed liability being transferred may change.

Notes to the financial statements

The movement in the deficit in the year, included in the financial statements, was as follows:

	2021 £	2020 £
Current service cost	(364,000)	(588,000)
Administration cost	(6,000)	(9,000)
Past Service cost	-	(112,000)
Effect of settlements	13,801,000	-
Curtailment cost	-	-
Net interest cost	(116,000)	(245,000)
	<u>13,315,000</u>	<u>(954,000)</u>
Contributions	200,000	453,000
	<u>13,515,000</u>	<u>(501,000)</u>
Actuarial (loss)/gain in respect of current year	(4,998,000)	1,442,000
	<u>8,517,000</u>	<u>941,000</u>
Deficit in scheme at beginning of year	(9,546,000)	(10,487,000)
Deficit in scheme at end of year	<u>(1,029,000)</u>	<u>(9,546,000)</u>

The unfunded portion of this liability is £ NIL (2020: £151,000).

	2021 £	2020 £
Return on plan assets excluding interest income	3,535,000	(2,261,000)
Changes in the assumptions underlying the present value of the scheme liabilities: current year	(8,533,000)	3,703,000
Actuarial (loss)/gain	<u>(4,998,000)</u>	<u>1,442,000</u>

	2021 £	2020 £
Opening defined benefit obligation at 1 April	46,891,000	49,937,000
Current service cost	364,000	588,000
Past service cost	-	112,000
Interest cost	693,000	1,183,000
Employee contributions	73,000	108,000
Actuarial loss/(gain)	8,533,000	(3,703,000)
Curtailment cost	-	-
Settlements	(52,980,000)	-
Benefits paid	(778,000)	(1,334,000)
Closing defined benefit obligation at 31 March	<u>2,796,000</u>	<u>46,891,000</u>

Changes in the fair value of the plan assets are as follows:

	2021 £	2020 £
Opening fair value of scheme assets at 1 April	37,345,000	39,450,000
Interest income	577,000	938,000
Return on plan assets excluding interest income	3,535,000	(2,261,000)
Employer contributions	200,000	453,000
Employee contributions	73,000	108,000
Settlements	(39,179,000)	-
Administration expenses	(6,000)	(9,000)
Benefits paid	(778,000)	(1,334,000)
Closing fair value of scheme assets at 31 March	<u>1,767,000</u>	<u>37,345,000</u>

Notes to the financial statements

	2021 £	2020 £
Total cost recognised as an expense:		
Current service cost	364,000	588,000
Past service cost	-	112,000
Curtailment cost	-	-
Interest cost	116,000	245,000
Admin expenses	6,000	9,000
Effect of Settlements	(13,801,000)	-
	(13,315,000)	954,000

	2021 £	2020 £
The pension cost shown in note 7 includes:		
Defined Contribution Pension Scheme (Standard life)	2,704	32,590
Defined Contribution Pension Scheme (Aviva)	64,559	-
Defined Benefit Contribution Scheme (South Yorkshire Pension Fund)		
- service cost	364,000	588,000
- Past service cost	-	112,000
	431,263	732,590

16 Statement of funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Unrestricted funds				
Pension reserve	(9,546,000)	(4,998,000)	13,515,000	(1,029,000)
General fund	5,225,239	16,719,605	(16,701,965)	5,242,879
Total unrestricted funds	(4,320,761)	11,721,605	(3,186,965)	4,213,879
Restricted funds				
Doing Good Business – The National Lottery Community Fund	-	235,175	(235,175)	-
Door43 – Primary care network Upper Don	-	18,171	(18,171)	-
Door43 – Primary care network Network North	-	50,769	(50,769)	-
Door43 – Primary care network Porter Valley	-	26,137	(26,137)	-
Door43 – Primary care network West Five	-	26,744	(26,744)	-
Door43 – Primary care network University	-	27,032	(27,032)	-
Door43 – Primary care network Foundry	-	20,088	(20,088)	-
Involvement Equality & Fairness – Sheffield City Council	-	3,725	(3,725)	-
Legacy 6 – The National Lottery Community Fund	-	60,197	(60,197)	-
Small Grants – Various Funders	-	932	(932)	-
Children in Need – Corona Response Fund	-	19,546	(19,546)	-
Total revenue grants restricted funds	-	488,516	(488,516)	-
Total funds	(4,320,761)	12,210,121	(3,675,481)	4,213,879

Notes to the financial statements

Doing Good Business

Doing Good Business, a Building Better Opportunities ESF funded programme which is also supported by The National Lottery Community Fund, is now in a further extension phase. Working across South Yorkshire, Sheffield Futures facilitates the delivery of Enterprise programmes, particularly supporting adults with physical or mental health disabilities, and those over 50. The project is delivered by our partners, Clowne Enterprises and The Coalfield Regeneration Trust. Despite the difficulties of the past year, Coaches have adapted ways of working to ensure that individuals are still supported, moving to telephone and online support as necessary, and maintaining face-to-face contact wherever possible. During the last year, 58 positive outcomes have been achieved, including 40 individuals moving into employment or self-employment, 7 into job-searching activities and 11 into education or training.

Door43 Delivery

Door43 is a one stop shop of emotional wellbeing support for 13-25 year olds. It provides early intervention and preventative interventions for young people who may bring a variety of issues to the service with an aim to prevent these issues escalating into crisis situations and further impacting on the young person's emotional wellbeing. Door43 is a Youth Information Advice Counselling and Support service (YIACS) which is a national service model that allows self-referrals, professional referrals and an open access drop in for emotional wellbeing and mental health support in a young person friendly environment. The service has been extremely successful in terms of numbers of young people referred and positive outcomes. As such, we have secured continuity funding from the Sheffield Clinical Commissioning Group for the coming year which has included additional funding to support increased activity. We have also started delivering a young people's social prescribing project as part of a national programme led by Street Games.

Door43 – Wellbeing Café

When the wellbeing cafes initially moved to take place online there was little demand from the young people aged under 17 so this part of the wellbeing café stopped running.

More recently we have seen an increase in young people of this age group asking for the sessions to start up again. As we have now made changes to how our cafes are planned, delivered and reviewed by staff and attending young people we will now be extending this offer to under 17's.

Door43 Social Prescribing

General changes to work due to COVID-19. Due to the pandemic, the team have been adaptable and changed the way they have worked to continue to meet the needs of the young people working remotely and using technology to connect with young people throughout lockdowns and during periods of change. The team were able to be a consistent source of support during these times of instability while also being flexible and creative in ways to engage young people using these methods.

Developing group within GP networks and looking to expand the use of group work. The team have implemented group work to create a community and support for those who have been identified as having similar struggles and experiences.

Employer Engagement

Supporting the success on Project Apollo and won the Career Development Institute Award 2020 for Innovative and Impactful Employer Engagement. Development and production of the award-winning Four-Minute Fire videos to provide employability advice to young people during lockdown award won with Apollo – Opportunity Sheffield 2020, Innovation in Delivery award.

Kickstart Package Launched: Blending our expertise in emotional wellbeing, employability skills and careers guidance to create our first traded service to businesses. Kickstart Scheme Recruitment: Campaigning and promotion of the Kickstart Scheme including supporting our own Kickstart recruitment

Enhanced School Package: Partnered with the CEIAG service we have developed enhanced services to school

Notes to the financial statements

Children in Need Coronavirus Response Fund

We have secured the BBC children in need Covid-19 Funding Stream in September 2020. It aims to fund organisational costs for groups working with children and young people and delivering positive impact.

This funding has enabled us to fund counselling projects to young people from Sheffield who are experiencing poor mental health as a result of Covid-19.

We have provided services during Covid 19 to help young people better manage the process of grief and bereavement, manage their emotional wellbeing and mental capacity as impacted by Covid 19 and also help young people learn coping mechanisms and tools to manage their long term mental health. Total amount of grant received was £58,639.

17 Analysis of net assets between funds

	Restricted funds £	General funds £	Total £
Fixed assets	-	1,684,126	1,684,126
Current assets	-	3,930,768	3,930,768
Current liabilities	-	(372,015)	(372,015)
Defined Benefit Pension scheme liability	-	(1,029,000)	(1,029,000)
Total net assets	-	4,213,879	4,213,879

18 Cash inflow/(outflow) from operating activities

	2021 £	2020 £
Net deficit	(268,360)	(72,022)
Depreciation	121,035	119,327
Interest charge	116,000	245,000
Investment income	(3,443)	(10,146)
(Increase)/decrease in debtors	187,952	(22,790)
Decrease/(increase) in creditors	(295,669)	(351,815)
Defined benefit pension scheme costs less payments	170,000	256,000
Net cash inflow/(outflow) from operating activities	27,515	163,554

19 Reconciliation of net cash inflow/outflow to movement in net funds

	2021 £	2020 £
Increase in cash in the year and movement in net funds	30,958	162,016
Net funds at beginning of the year	3,591,421	3,429,405
Net funds at end of the year	3,622,379	3,591,421

Notes to the financial statements

20 Analysis of changes in net funds

	At 1 April 2020 £	Cash flows £	Other non-cash changes £	At 31 March 2021 £
Net cash:				
Cash at bank	3,591,421	30,958	-	3,622,379

21 Capital commitments

There were no capital commitments at 31 March 2021 or 31 March 2020.

22 Contingent liabilities

There were no contingent liabilities at 31 March 2021 or 31 March 2020.

23 Leasing commitments

Minimum operating lease and rental payments fall due as follows:

	2021 Land and buildings £	2021 Other £	2020 Land and Buildings £	2020 Other £
In one year or less	-	13,381	-	61,187
Between one and five years	-	19,499	-	-
	-	32,880	-	61,187

24 Members' funds

Under Clause 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1 in the event of it being wound up during their period of membership, or within one year afterwards.

Notes to the financial statements

25 Transactions with related parties

The membership of the charitable company consists of Sheffield City Council and Sheffield College. Due to the nature of the charitable company's operations and the composition of the board and its members (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving organisations in which a member of the board may have an interest are conducted in accordance with the charitable company's normal procurement procedures.

Sheffield City Council held at least 1/5 of voting rights and therefore under the Local Government and Housing Act 1989 the charitable company was defined under local authority influence, as distinct from local government control. However since the contract with SCC has ceased so as the significant control.

During the year, the charitable company transacted with the following related parties as follows:

	2021 £	2020 £
Sheffield City Council		
Income received	1,994,618	3,445,473
Purchases made	3,217	49,552
Balance payable to Sheffield City Council as at 31 March	-	2,878
Balance owed from Sheffield City Council as at 31 March	894	19,980

	2021 £	2020 £
Sheffield College		
Income received	-	-
Purchases made	-	300
Balance payable to Sheffield College as at 31 March	-	-
Balance owed from Sheffield College as at 31 March	-	-

	2021 £	2020 £
Project Apollo Limited		
Income received	235,340	228,468
Purchases made	168,277	156,471
Balances payable to Project Apollo as at 31 March	-	-
Balances owed from Project Apollo as at 31 March	-	69,562