

THE ASHLEY FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MAY 2021

Company Number: 3366712

Registered Charity Number: 1063208

THE ASHLEY FOUNDATION

Financial Statements

For the year ended 30 May 2021

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THE ASHLEY FOUNDATION

Reference and Administrative Details For the year ended 30 May 2021

Registered Charity Name:	The Ashley Foundation
Charity Registration Number:	1063208
Company Registration Number:	3366712
Principal Office:	81 Abingdon Street Blackpool Lancashire FY1 1PP
Registered Office:	81 Abingdon Street Blackpool Lancashire FY1 1PP
Trustees:	Mrs L Edwards - Chair Dr M O'Donnell Mr A Oldfield Mr S Robinson Mrs E Warren
Solicitors:	Napthens Libra House, Cropper Close Whitehills Business Park Blackpool Lancashire FY4 5PU
Bankers:	Lloyds Bank 25-27 Birley Street Blackpool Lancashire FY1 1EG
Auditor:	Mitchell Charlesworth LLP 3rd Floor 44 Peter Street Manchester M2 5GP

THE ASHLEY FOUNDATION

Trustees' Annual Report For the year ended 30 May 2021

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 30 May 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

The principal objective of the charity throughout the year was the relief of poverty by the provision of accommodation to persons in need and providing support to clients to assist them with the wider issues of homelessness. This was achieved by the operation of 201 hostel rooms spread across 7 sites in Blackpool, Sunderland, and Blackburn, and 88 self-contained Move On flats across 20 sites in Blackpool and Sunderland. The properties are occupied under differing arrangements including owned and operated, leased and operated and operated on behalf of other parties via management agreements.

In the hostels, daily support is provided to the clients assisting them with daily living skills. The clients in the flats are supported to live independently

In addition, from March 2020, a further 23 rooms were provided in Blackpool to support the Government initiative to eliminate rough sleeping during the COVID-19 pandemic. This was provided by utilising a hotel that was unable to operate due to the COVID-19 restrictions. This provision ended in April 2021. Additional accommodation was also provided in Sunderland via creative use of existing accommodation, and this is on-going.

In September 2019 the Charity opened a Community Café & Hub in Blackpool to provide opportunities for clients to experience practical work experience. Unfortunately, due to the COVID-19 restrictions this was only able to operate fully until March 2020. The Café re-opened with limited opening hours from June 2020 to October 2020, before closing again until the end of May 2021 when it fully re-opened.

The Trustees are clear that the objectives and activities of The Ashley Foundation are carried out for public benefit. They have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the purpose and objectives and when planning the future activities. In particular, the Trustees will consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

Provision of accommodation - During the year accommodation was provided for a total of 850 (2020 763) homeless individuals, 395 in Blackpool (2020 287), 231 in Sunderland (2020 183) and 224 in Blackburn (2020 293). There was a very high demand for accommodation from the local authorities and high occupancy levels were achieved. At any one time the charity will have 289 (2020 289) residents staying in one of its properties.

Partnership working - we have developed excellent relationships with our local authority partners in Blackpool, Sunderland and Blackburn.

Move on - review of all residents in hostels and flats is undertaken regularly to facilitate moving residents, wherever possible, to the most appropriate accommodation. This involves independent flats, move on flats or other hostel accommodation.

Supporting People - the Ashley Foundation has co-operated fully with both Blackpool and Blackburn Councils on the Supporting People Review national pilots.

COVID-19 – we have continued to play a major part in supporting our local authorities in addressing homelessness during the pandemic, supporting additional facilities and by providing COVID-19 secure isolation facilities.

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Trustees' Annual Report (Continued)

For the year ended 30 May 2021

Financial review

The statements of financial activities are set out on page 10 of the financial statements.

Consolidated income for the year was £3,962,086 (2020: £4,081,470), and consolidated expenditure for the year was £4,204,878 (2020: £4,250,694).

The overall consolidated deficit for the year was £242,792, (2020: deficit of £169,224). The 2020 deficit includes an accounting estimate of £769,533 in respect of amounts agreed as being due from Sunderland Council. This is as a result of extensive discussions with the council (on behalf of Falcon Housing Association C.I.C), held between July 2020 and February 2021 which resulted in the agreement of final rents for the period 21st December 2017 to date, in respect of the 10 properties providing accommodation in move on flats in Sunderland, and for the period 31st January 2018 to date, in respect of the hostel accommodation, also in Sunderland. The 2020 accounts included an accounting estimate of £870,509 in respect of this matter. Based on amounts received this has been revised to £769,533, i.e., a reduction of £100,976. See note 30 for the impact of this.

Reserves/Reserves policy

Total reserves as at 30 May 2021 are £2,936,329 (2020: £3,179,121), of which £2,890,193 (2020: £3,152,285) are held in general unrestricted reserves and £46,136 (2020: £26,836) are held in restricted reserves. Within the unrestricted reserved are designated funds totally £37,303(2020 nil). See note 24 for further details.

Reserves are defined as unrestricted funds that are freely available to spend on charitable purposes. Reserves should be held to service an unexpected need for funds, covering unforeseen day-to-day operational costs, a shortfall in income or to fulfil our obligations. Our reserves policy is designed to reflect the underlying risks facing the charity and to ensure that we have appropriate level of reserves to safeguard our operations and services to homeless people, in particular the opening and initial operating of new buildings. Accordingly, we aim as far as reasonably practicable, to maintain reserve funds of up to six months operational running costs. This policy is reviewed annually. Six months operational running costs equate to £2.085 million, therefore, based on the general reserves of £2.18 million (net of funds represented by property and associated borrowing), adequate reserves are in place.

Going concern

Following a review of the financial position at the date of signing these accounts and projections for the following 12 months the Trustees consider that the charity is a going concern.

Trading subsidiary

The charity's wholly owned subsidiary, Homeless Action C.I.C. ceased operating its charity shop in March 2020 as a result of the Covid-19 pandemic, and subsequent to that it has been decided not to re-open the shop. This coincides with the lease on the shop terminating in August 2021 and it will not be renewed. The Trustees consider that the recovery of the outstanding inter-company loan balance as at 30 May 2020 of £76,955 is unlikely and therefore this was written off in the accounts for the period ending 31st May 2020. The Trustees have decided to retain the company in a dormant state pending a review of future strategy.

Structure, governance, and management

Governing document

The charity was incorporated in May 1997. The Ashley Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 7 May 1997, as amended by special resolutions dated 4 September 1997, 4 January 2000, 5 January 2012, and 11 June 2021.

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Trustees' Annual Report (Continued) For the year ended 30 May 2021

Governance

Introduction

On 20 March 2020, the Charity Commission opened a statutory inquiry into the affairs of the charity - full details can be found on The Charity Commission website. The Trustees at the time the inquiry was launched were Mr David Kam, who was suspended as a Trustee by the Charity Commission on 9 July 2020 and subsequently resigned on 14 July 2020, Mr Ashley Dribben who was suspended by the Charity Commission on 6 October 2020 and was removed on 18 December 2020, Mr Goran Cemerikic, who subsequently resigned on 25 March 2020 and Mrs Lisa Edwards. On 8 October 2020 the Charity Commission authorised Mrs Edwards, as the only trustee able to act, to appoint new trustees in line with the provisions in the charity's Articles of Association in respect of the minimum and maximum numbers and quorum provisions. On 30 October 2020, in accordance with The Charity Commissions authority, Mrs Edwards appointed Dr Mark O'Donnell, Mr Alan Oldfield, Mr Simon Robinson and Mrs Elizabeth Warren as Trustees of the charity.

Appointment of trustees

Other than in the exceptional circumstances outlined above, when new Trustees are required, positions will be advertised locally, and a formal selection process will take place. This will also involve the potential new trustee(s) visiting local hostels and flats and also attending a trustee meeting to gain an appreciation of the workings of the charity.

Trustee induction and training

Trustee induction involves visits to see the premises and to meet the management and staff teams, together with time spent with the Chief Executive and Senior Managers to better and more fully understand the activities of the charity. Due to the COVID-19 restrictions this was not possible for the new Trustees until June 2021.

Related parties

In addition to the trustees who served during the year, the Trustees consider the following individuals and organisations to be related parties for the purposes of disclosure of related party transactions: Mr L Dribben, Mrs W Swift, Homeless Action C.I.C., A Gordon Electrical Services Ltd and Mistle Ltd.

Details of related party transactions required to be disclosed in accordance with the relevant legislation and guidance can be found in Note 23 on Page 27.

Fundraising standards

The charity does not carry out significant fundraising activities.

Reference and administrative details

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

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Trustees' Annual Report (Continued) For the year ended 30 May 2021

Directors and Trustees

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

Key management personnel: Trustees

Chair: Ms L Edwards (appointed chair 30/10/20)

Dr M O'Donnell (appointed 30/10/20)

Mr A Oldfield (appointed 30/10/20)

Mr S Robinson (appointed 30/10/20)

Mrs E Warren (appointed 30/10/20)

Mr D Kam (suspended by the Charity Commission on 09/07/20, resigned 14/07/20)

Mr A Dribben (suspended by the Charity Commission on 06/10/20, removed 18/12/20)

Key management personnel: Principal staff

Chief Executive Officer: Mrs W Swift

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Trustees' Annual Report (Continued) For the year ended 30 May 2021

Trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

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

Insofar as the current trustees are aware, and subject to the findings of the Charity Commission investigation which commenced on 20 March 2020 into events and transactions during this and previous financial years:

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

Approved by the Board on 13/12/2021 and signed on its behalf by:



Mrs L Edwards - Chair
Trustee

THE ASHLEY FOUNDATION

Independent Auditor's Report to the Members of The Ashley Foundation For the year ended 30 May 2021

Opinion

We have audited the financial statements of The Ashley Foundation for the year ended 30 May 2021 which comprise the Group Statement of Financial Activities, the Group and Parent Company Statement of Financial Position, the Cash Flow Statement and the 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 May 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE ASHLEY FOUNDATION

Independent Auditor's Report to the Members of The Ashley Foundation [Continued] For the year ended 30 May 2021

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the group 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' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Independent Auditor's Report to the Members of The Ashley Foundation [Continued] For the year ended 30 May 2021

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

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

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

Identifying and assessing potential risks related to irregularities

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

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

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Independent Auditor's Report to the Members of The Ashley Foundation [Continued] For the year ended 30 May 2021

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the following area:

The estimation of the housing benefit accrual, the process for authorising expenditure and cash control which have been updated part way through the year. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the House in Multiple Occupation regulations, and the Selective Licensing schemes.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Data Protection Regulations.

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

Use of our Report

This Report is made solely to the 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.



Jamielee Johnston (Senior Statutory Auditor)
For and on behalf of Mitchell Charlesworth LLP
Chartered Accountants and Statutory Auditors
3rd Floor
44 Peter Street
Manchester
M2 5GP

13 December 2021

THE ASHLEY FOUNDATION

Consolidated Statement of Financial Activities (Including Consolidated Income and Expenditure Account) For the year ended 30 May 2021

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2020 (Restated) £
Income							
Donations and legacies	5	24,816	45,713	70,529	24,816	28,502	53,318
Income from charitable activities:							
Operation of accommodation and café	6	-	3,867,630	3,867,630	-	3,967,133	3,967,133
Income from other trading activities							
Commercial trading operation	7	-	14,538	14,538	-	40,635	40,635
Investment income - bank interest	8	-	1,073	1,073	-	11,255	11,255
Rental income		-	8,316	8,316	-	9,129	9,129
Total incoming resources		24,816	3,937,270	3,962,086	24,816	4,056,654	4,081,470
Expenditure							
Cost of raising funds:							
Commercial trading operation	7	-	(14,150)	(14,150)	-	(22,811)	(22,811)
Expenditure on charitable activities:							
Operation of accommodation and café	9	(5,516)	(4,185,212)	(4,190,728)	(79,123)	(4,148,760)	(4,227,883)
Total expenditure		(5,516)	(4,199,362)	(4,204,878)	(79,123)	(4,171,571)	(4,250,694)
Net incoming resources for the year		19,300	(262,092)	(242,792)	(54,307)	(114,917)	(169,224)
Total funds brought forward		26,836	3,152,285	3,179,121	81,143	3,267,202	3,348,345
Total funds carried forward		46,136	2,890,193	2,936,329	26,836	3,152,285	3,179,121

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses has not been prepared.

The notes on pages 14 to 33 form part of these financial statements

THE ASHLEY FOUNDATION

Consolidated Balance Sheet

As at 30 May 2021

	Notes	Group 2021 £	Group 2020 (Restated) £	Charity 2021 £	Charity 2020 (Restated) £
Fixed assets					
Tangible assets	17	1,347,226	1,379,852	1,347,226	1,379,852
Investments	18	-	-	1	1
Total fixed assets		1,347,226	1,379,852	1,347,227	1,379,853
Current assets					
Debtors	19	197,878	934,972	197,878	934,722
Cash at bank and in hand		2,318,925	1,882,647	2,318,908	1,878,647
Total current assets		2,516,803	2,817,619	2,516,786	2,813,369
Creditors: Amounts falling due within one year	20	(290,062)	(345,244)	(293,484)	(344,044)
Net current assets		2,226,741	2,472,375	2,223,302	2,469,325
Total assets less current liabilities		3,573,967	3,852,227	3,570,529	3,849,178
Creditors: Amounts falling due after more than one year	21	(637,638)	(673,106)	(637,638)	(673,106)
Net assets		2,936,329	3,179,121	2,932,891	3,176,072
The funds of the charity					
Restricted income funds	25	46,136	26,836	46,136	26,836
Unrestricted income funds	24	2,890,193	3,152,285	2,886,755	3,149,236
Total funds		2,936,329	3,179,121	2,932,891	3,176,072

The trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 13 December 2021 and are signed on their behalf by:



Mrs L Edwards
Chair of Trustees

Charity Number: 1063208

Company Number: 3366712

The notes on pages 14 to 33 form part of these financial statements

THE ASHLEY FOUNDATION

Statement of Cash Flows

For the year ended 30 May 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash generated from/(used in) operating activities	28	470,563	(803,001)	474,546	(804,294)
Cash flow from investing activities					
Interest income		1,073	11,255	1,073	11,255
Sale/purchase of tangible fixed assets		-	(4,378)	-	(4,378)
Cash flow from investing activities		1,073	6,877	1,073	6,877
Cash flow from financing activities					
Decrease in Loan		(35,359)	(31,788)	(35,539)	(31,788)
Cash used in financing activities		(35,539)	(31,788)	(35,539)	(31,788)
Increase/(decrease) in cash and cash equivalents in the year		436,278	(827,912)	440,261	(829,205)
Cash and cash equivalent at the beginning of the year		1,882,647	2,710,559	1,878,647	2,707,852
Total cash and cash equivalents at the end of the year		2,318,925	1,882,647	2,318,908	1,878,647

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

1. Company information

The Ashley Foundation is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is 81 Abingdon Street, Blackpool, Lancashire, FY1 1PP.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 October 2019) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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

The Ashley Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant Accounting Policy note(s).

(b) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Homeless Action CIC on a line by line basis. A separate statement of financial activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

(c) Going Concern

At the time of approving the financial statements and having due regard to the impact of Covid-19, as referred to in the Trustees' Report, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

(d) Funds structure

- General funds are unrestricted funds, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Restricted funds are funds subject to specific restrictive conditions imposed by the donor or by the purpose of the contract / monies received. The purpose and use of restricted funds is set out in note 24 to the financial statements.
- Designated funds are funds which have been allocated or designated for specific purposes by the charity out of unrestricted funds.

Notes to the Financial Statements For the year ended 30 May 2021

2. Accounting policies [Continued]

(e) Income recognition

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

Income from donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Investment income is recognised on a receivable basis.

(f) Service agreements and management agreements

The charity has service agreements in place with other similar organisations. The income from these agreements is shown on a gross basis with expenditure included in Expenditure on Charitable Activities.

The charity has management agreements in place with Falcon Housing Association CIC to manage the provision of accommodation for the homeless, in properties in Blackpool and Sunderland. Falcon is the leaseholder of these properties. The terms of the agreements result in the charity receiving income from Falcon equal to the amounts that Falcon receive as housing benefit from the respective local councils. This income is included in Income from Charitable Activities. Expenditure incurred in providing the service required under the terms of the agreements is included in Expenditure on Charitable Activities.

Notes to the Financial Statements For the year ended 30 May 2021

2. Accounting policies [Continued]

(g) Expenditure

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

- Costs of raising funds are the direct and indirect costs of raising funds for charitable purposes, including applying for grants.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs include costs of the preparation and examination of the statutory financial statements, the costs of Trustee meetings and the cost of any legal advice to Trustees on governance or constitutional matters.
- Other expenditure represents those items not falling into any other heading.

(h) Fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

Depreciation is provided on all tangible fixed assets at the rates listed below so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life:

Freehold land and buildings	2% per annum on cost
Plant and machinery	10% per annum on cost
Office equipment	33.3% per annum on cost

(i) Investments

Fixed asset investments are included at market value at the Balance Sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds, and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

(j) Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the lease term.

(k) Pensions

The charity operates an auto enrolment defined contribution scheme for all eligible employees in line with the current legislation.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

2. Accounting policies [Continued]

(l) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid after taking any discount due.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments.

(n) 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 a transfer of funds to a third party at the amount due to settle the obligation and can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

(o) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. Legal status of the charity

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The number of members at the year-end was three (2020 - six).

4. Judgements and key sources of estimation uncertainty

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

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

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

5.	Grants, donations, and legacies	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2020 (Restated) £
	Donations and legacies						
	Appeals and donations	-	2,651	2,651	-	3,502	3,502
	Grants	24,816	43,062	67,878	24,816	25,000	49,816
	Total per statement of funds	24,816	45,713	70,529	24,816	28,502	53,318

The income from grants, donations and legacies was £70,529 (2020 - £53,318) of which £45,713 was unrestricted (2020 - £28,502) and £24,816 restricted (2020 - £24,816).

6.	Incoming resources from charitable activities	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2020 £
	Charitable activities						
	Housing benefit - hostels and flats	-	1,967,046	1,967,046	-	1,968,190	1,968,190
	Housing benefit - exceptional arrears (below)	-			-	769,533	769,533
	Income from hostels and flats	-	1,596,207	1,596,207	-	1,073,406	1,073,406
	Residents' contributions - hostels and flats	-	119,015	119,015	-	102,929	102,929
	Emergency Beds Scheme	-	172,949	172,949	-	44,642	44,642
	Community Café & Hub takings	-	9,302	9,302	-	8,433	8,433
	Other income	-	3,111	3,111	-	-	-
	Total income from charitable activities	-	3,867,630	3,867,630	-	3,967,133	3,967,133

Housing benefit exceptional arrears

The Income from operation of hostels and flats - exceptional arrears is the amount agreed and due from Sunderland Council in respect of Housing Benefit payable to Falcon Housing Association CIC and then due to the charity under the terms of the management agreements in place for the operation of the Sunderland hostel and flats.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

7. Income earned from commercial trading activities

The wholly owned trading subsidiary Homeless Action CIC (Company Number: 08044728, registered office: 81 Abingdon Street, Blackpool, Lancashire, FY1 1PP) operated a charity shop providing clothing and furniture to those in need and to raise funds for The Ashley Foundation.

The summary financial results of the subsidiary were:	2021 £	2020 £
Shop takings	-	15,635
Grant income	14,538	25,000
	<u>14,538</u>	<u>40,635</u>
Group balance write off	-	76,955
	<u>14,358</u>	<u>117,590</u>
Cost of sales and administration costs	(14,150)	(22,811)
Operating profit	<u>388</u>	<u>94,779</u>
The assets and liabilities of the subsidiary company were:		
Current assets	4,638	4,250
Creditors: amounts falling due within one year	(1,201)	(1,200)
Net assets	<u>3,438</u>	<u>3,050</u>
Aggregate share capital and reserves	<u>3,438</u>	<u>3,050</u>

8. Investment income	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2020 £
Bank interest	-	1,073	1,073	-	11,255	11,255
Total investment income	<u>-</u>	<u>1,073</u>	<u>1,073</u>	<u>-</u>	<u>11,255</u>	<u>11,255</u>

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

9.	Expenditure on charitable activities - Current year	Community Café & Hub £	Accom Provision £	Total Funds 2021 £
	Wages and salaries costs	6,718	1,058,549	1,065,267
	Staffing costs	-	250	250
	Premises costs	2,076	1,601,388	1,603,464
	Service charges - Blackburn Hostels		946,955	946,955
	Office costs	65	16,571	16,636
	Food costs	4,048	79,436	83,484
	Other costs	1,150	9,735	10,885
	Laundry and cleaning costs	620	16,814	17,434
	Motor and travel costs	33	5,252	5,285
	Legal costs	-	(5,750)	(5,750)
	Loan interest	-	19,086	19,086
	Depreciation	-	27,702	27,702
	Governance costs	-	6,250	6,250
	Support costs	-	393,780	393,780
	Total	14,710	4,176,018	4,190,728
	Expenditure on charitable activities - Prior year	Community Café & Hub £	Accom Provision £	Total Funds 2020 £
	Wages and salaries costs	40,489	866,279	906,768
	Staffing costs	101	-	101
	Premises costs	46,526	1,449,101	1,495,627
	Service charges - Blackburn Hostels	-	1,030,890	1,030,890
	Office costs	2,064	23,834	25,898
	Food costs	5,351	90,954	96,305
	Other costs	1,827	17,485	19,312
	Laundry and cleaning costs	871	22,872	23,743
	Motor and travel costs	366	3,455	3,821
	Legal costs	1,834	1,829	3,663
	Loan interest	-	23,578	23,578
	Depreciation	-	27,596	27,596
	Governance costs	-	102,810	102,810
	Support costs	-	467,771	467,771
	Total	99,429	4,128,454	4,227,883

Expenditure on charitable activities was £4,190,728 (2020 - £4,227,883) of which £4,150,639 was unrestricted (2020 - £4,148,760) and £5,516 restricted (2020 - £79,123).

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

10.	Summary of analysis of expenditure and related income for charitable activities – Current year	Community Café & Hub £	Accom Provision £	Total Funds 2021 £
	Costs (note 9)	14,710	4,176,018	4,190,728
	Grant support (note 5)	(24,816)	(43,062)	(67,878)
	Net cost - other income	(10,106)	4,132,956	4,122,850
	Summary of analysis of expenditure and related income for charitable activities – Prior year	Community Café & Hub £	Accom Provision £	Total Funds 2020 £
	Costs (note 9)	99,429	4,218,454	4,227,883
	Grant support - restated (note 5)	(24,816)	(25,000)	(49,816)
	Net cost - other income	74,613	4,193,454	4,178,267

11. Analysis of governance and support costs - Current year

The charity allocates its support costs as shown in the table below and then further apportions those costs to the charitable activities undertaken (see note 10). Unless stated otherwise, support costs are directly attributed to the activity.

Support cost	General Support £	Governance £	Total 2021 £
Wages and salaries costs	156,190	-	156,190
Staffing costs	36,527	-	36,527
Premises costs	33,336	-	33,336
Office costs	21,207	-	21,207
Food costs	134	-	134
Other costs	5,027	-	5,027
Laundry and cleaning costs	2,213	-	2,213
Motor and travel costs	2,758	-	2,758
Accountancy costs	62,271	-	62,271
Audit costs	-	6,250	6,250
Legal costs	66,678	-	66,678
Trustees' expenses	-	-	-
Loan interest	2,514	-	2,514
Depreciation	4,925	-	4,925
	393,780	6,250	400,030

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

11. Analysis of governance and support costs - Prior year

The charity allocates its support costs as shown in the table below and then further apportions those costs to the charitable activities undertaken (see note 10). Unless stated otherwise, support costs are directly attributed to the activity.

Support cost	General Support £	Governance £	Total 2020 £
Wages and salaries costs	335,307	-	335,307
Staffing costs	1,809	-	1,809
Premises costs	41,091	-	41,091
Office costs	29,242	-	29,242
Food costs	400	-	400
Other costs	12,348	-	12,348
Laundry and cleaning costs	2,148	-	2,148
Motor and travel costs	8,024	-	8,024
Accountancy costs	29,438	-	29,438
Audit costs	-	5,250	5,250
Legal costs	-	96,350	96,350
Trustees' expenses	-	1,210	1,210
Loan interest	3,058	-	3,058
Depreciation	4,906	-	4,906
	<u>467,771</u>	<u>102,810</u>	<u>570,581</u>

12. Trustees' remuneration and expenses

The Trustees were not paid nor did they receive any other benefits from employment with the charity or its subsidiary in the year (2020 - £Nil).

Expenses totalling £273 (2020 - £742) were paid to one (2020 - one) Trustee(s) in the year to 30 May 2021 in respect of motor and travel costs.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

13. Net income/(expenditure)	2021	2020
	£	£
Net income/(expenditure) is stated after charging:		
Operating leases	216,636	216,636
Management agreements	886,454	863,995
Service charges - Blackburn Hostels	946,955	1,030,890
Auditor's remuneration - statutory audit	6,250	5,250
Bank interest payable	21,600	28,800
Depreciation	32,626	32,502
	<hr/>	<hr/>

14. Analysis of staff costs and remuneration of key management personnel	2021	2020
	£	£
Wages and salaries	1,107,843	1,116,893
National insurance contributions	94,713	107,174
Employers' pension contributions	18,901	18,009
	<hr/>	<hr/>
Total staff costs	1,221,457	1,242,076
	<hr/>	<hr/>

The average number of employees during the year was 41 (2020 - 43) with all employees' time involved in providing either support to the governance of the charity or support services to charitable activities. The charity considers its key management personnel comprise the Trustees, the Chief Executive Officer, and in the prior year the Special Project Manager. The total employment benefits including employer's pension contributions of the key management personnel was £115,084 (2020 - £165,130). One employee (2020 - one) had employee benefits (excluding pension contributions) in excess of £60,000. This employee received remuneration in the banding £110,000 - £120,000 (2020 - £100,000 - £110,000).

During the year payments totalling £41,121 (2020 - £Nil) were made in respect of termination payments to employees/former employees.

15. Pension costs

The charity operates an auto enrolment defined contribution scheme for all eligible employees in line with current legislation. It is a defined contribution scheme and contributions are charged in the statement of financial activities as they accrue. The employer's charge for the year for the charity was £18,901 (2020 - £18,009).

16. Corporation tax

The company is a registered charity and is, therefore, exempt from taxation.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

17. Tangible fixed assets - Group

	Freehold Interest in Land and Buildings £	Fixtures, Fittings and Equipment £	Plant and Machinery including Motor Vehicles £	Total £
Cost				
As at 30 May 2020	1,453,005	18,187	48,998	1,520,190
Additions	-	-	-	-
Disposals	-	-	-	-
As at 30 May 2021	1,453,005	18,187	48,998	1,520,190
Depreciation				
As at 30 May 2020	87,180	4,160	48,998	140,338
Charge for the year	29,061	3,565	-	32,626
Disposals	-	-	-	-
As at 30 May 2021	116,241	7,725	48,998	172,964
Net book value				
As at 30 May 2021	1,336,764	10,462	-	1,347,226
As at 30 May 2020	1,365,825	14,027	-	1,379,852

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

17. Tangible fixed assets - Charity

	Freehold Interest in Land and Buildings £	Fixtures, Fittings and Equipment £	Plant and Machinery including Motor Vehicles £	Total £
Cost				
As at 30 May 2020	1,453,005	18,187	48,998	1,520,190
Additions	-	-	-	-
Disposals	-	-	-	-
As at 30 May 2021	1,453,005	18,187	48,998	1,520,190
Depreciation				
As at 30 May 2020	87,180	4,160	48,998	140,338
Charge for the year	29,061	3,565	-	32,626
Disposals	-	-	-	-
As at 30 May 2021	116,241	7,725	48,998	172,964
Net book value				
As at 30 May 2021	1,336,764	10,462	-	1,347,226
As at 30 May 2020	1,365,825	14,027	-	1,379,852

18. Investments held as fixed assets

The charity holds one ordinary share of £1 in its wholly owned trading subsidiary company Homeless Action CIC which is incorporated in the United Kingdom. The activities and results of this company are summarised in note 7.

19. Debtors

	Group 2021 £	Group 2020 (Restated) £	Charity 2021 £	Charity 2020 (Restated) £
Housing benefit receivable	163,984	913,803	163,984	913,803
Other debtors	14,013	16,868	14,013	16,618
Prepayments and accrued income	19,881	4,301	19,881	4,301
	197,878	934,972	197,878	934,722

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

20.	Creditors: Amounts falling due within one year	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
	Bank loans and overdrafts	35,863	35,754	35,863	35,754
	Amounts due to suppliers	10,812	20,194	10,812	20,194
	Taxation and national insurance	29,077	28,004	29,077	28,004
	Other creditors	51,173	52,161	51,173	52,161
	Accruals and deferred income	163,137	209,131	166,559	207,931
		<u>290,062</u>	<u>345,244</u>	<u>293,484</u>	<u>344,044</u>

Creditors: Amounts falling due within one year includes the following liabilities, on which security has been given by the charity and group:

	Group & Charity 2021 £	Group & Charity 2020 £
Bank loans	35,863	35,754

The bank loans are secured by a first legal charge over 81-83 Abingdon Street, 254 Hornby Road, 38 and 45 Bairstow Street, 1 Woverton Avenue, 176/178 Watson Road, 10 Knowle Avenue, The Warehouse back Cocker Street, 23 Cocker Street and 264-266 Dickson Road; all of which are situated in Blackpool.

There is further security provided by a fixed and floating charge over the other assets of the charity.

21.	Creditors: Amounts falling due after more than one year	Group & Charity 2021 £	Group & Charity 2020 £
	Bank loans	637,638	673,106

Included in the creditors are the following amounts due after more than five years:

	Group & Charity 2021 £	Group & Charity 2020 £
After more than five years by instalments	481,925	519,658

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

22. Operating lease commitments and management agreements

As at 30 May 2021 the charity had total commitments under non-cancellable operating leases and management agreements as follows:

	Group & Charity 2021 £	Group & Charity 2020 £
Agreements which expire:		
Less than one year	1,053,692	1,092,754
Within two to five years	3,552,474	3,718,048
Over five years	10,282,271	11,170,390
Total	14,888,437	15,981,192

23. Related parties

Controlling entity

The charity is controlled by the Trustees who are all directors of the company.

During the current year Mrs Janet Kam, wife of the former trustee Mr David Kam, received reimbursement of expenses in respect of her mobile phone totalling £273 (2020 - £468). There were no other related party transactions in the current year.

Previous year related party transactions were:

Mr David Kam, former Trustee and chair, received reimbursement of expenses totalling £Nil (2020 - £742).. Mr Kam was a director of the company until 14 July 2020.

During the current year Mrs Janet Kam, wife of the former trustee Mr David Kam, received reimbursement of expenses in respect of her mobile phone totalling £273 (2020 - £468). There were no other related party transactions in the current year.

Mr Ashley Dribben, former Trustee, received a reimbursement of legal costs totalling £Nil (2020 - £15,876). In 2020, a balance of £425 from Mistle Limited was written off during the year. Mr Dribben was a director of this company until 30 October 2018.

Mr Goran Cemerikic, former Trustee, is the sole director of A Gordon Electrical Services Limited which provides electrical contracting services to the charity, and during the year A Gordon Electrical Services Limited invoiced the charity for services totalling £Nil (2020 - £6,706).

Mrs Lisa Edwards, Trustee and chair, took legal action on behalf of the charity and costs totalling £Nil (2020 - £35,570) were paid directly to the lawyers in relation to this action.

Transactions between the charity and Mr Lee Dribben, the former CEO and latterly Business Development and Special Projects Manager, were as follows:

Reimbursement of expenses in respect of staff barbecue totalling £Nil (2020 - £3,000).

Cash withdrawals made by Mr Dribben totalling £Nil (2020 - £1,200).

Provision of cash for use as petty cash by the charity in exchange for cheques - £Nil (2020 - £21,500).

Reimbursement for use of personal credit card for payment of charity supplies, services, and hospitality £Nil (2020 - £45,762). An expense claim of £2,750 has remained unpaid.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

The charity's wholly owned subsidiary, Homeless Action CIC ceased operating its charity shop in March 2020 as a result of the Covid-19 pandemic, and subsequent to that it was decided not to re-open the shop. This coincides with the lease on the shop terminating in August 2021 and it was not renewed. There is a balance owed to the subsidiary of £4,621 (2020 – £Nil) at the year-end.

24. Analysis of charitable funds – Group - unrestricted current year	At 30 May 2020 (Restated)	Incoming Resources	Resources Expended	At 30 May 2021
	£	£	£	£
General funds	3,152,285	3,884,640	(4,184,035)	2,852,890
Designated Fund – Poplar House	-	25,383	(14,898)	10,485
Designated Fund – Sunderland Flats	-	24,287	-	24,287
Designated Fund – 1,000 Voices	-	2,960	(429)	2,531
Total funds	3,152,285	3,937,270	(4,199,362)	2,890,193
<hr/>				
Analysis of charitable funds – Group - unrestricted prior year	At 30 May 2019	Incoming Resources (Restated)	Resources Expended	At 30 May 2020 (Restated)
	£	£	£	£
General funds	3,267,202	4,056,654	(4,171,571)	3,152,285
Total funds	3,267,202	4,056,654	(4,171,571)	3,152,285
<hr/>				
Analysis of charitable funds – Charity - unrestricted current year	At 30 May 2020 (Restated)	Incoming Resources	Resources Expended	At 30 May 2021
	£	£	£	£
General funds	3,149,236	3,922,552	(4,190,729)	2,881,239
Total funds	3,149,236	3,922,552	(4,190,729)	2,881,239
<hr/>				
Analysis of charitable funds – Charity - unrestricted prior year	At 30 May 2019	Incoming Resources (Restated)	Resources Expended	At 30 May 2020 (Restated)
	£	£	£	£
General funds	3,281,977	4,016,019	(4,148,760)	3,149,236
Total funds	3,281,977	4,016,019	(4,148,760)	3,149,236
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THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

25.	Analysis of charitable funds – Group & charity – restricted - Current	At 31 May 2020 £	Incoming Resources £	Resources Expended £	At 30 May 2021 £
	Mental Health Support	22,700	-	-	22,700
	The National Lottery Community Fund - The Ashley Foundation Community Café and Hub	4,136	24,816	(5,516)	23,436
	Total funds	26,836	24,816	(5,516)	46,136

Name of fund

Description, nature, and purposes of the fund

Community Café & Hub Set up

Contributions towards the redevelopment of a new property acquired in Blackpool for the Community Café and Hub.

Bute Avenue Refurbishment

Contributions towards the redevelopment of a new property acquired to expand the provision of move on flats in Blackpool.

Mental Health Support

Support for the provision of mental health of our residents in Blackpool.

The National Lottery Community Fund - The Ashley Foundation Community Café & Hub

Support for running costs of the Community Café & Hub during the first three years of operation.

Analysis of charitable funds – Group & Charity – restricted – prior year	At 31 May 2019 £	Incoming Resources (Restated) £	Resources Expended £	At 30 May 2020 £
Community Cafe & Hub set Up	35,128	-	(35,128)	-
Bute Avenue refurbishment	21,015	-	(21,015)	-
Mental Health Support	25,000	-	(2,300)	22,700
The National Lottery Community Fund - The Ashley Foundation Community Café & Hub	-	24,816	(20,680)	4,136
Total funds	81,143	24,816	(79,123)	26,836

26. Transfers

As stated above, any surplus expenditure arising on any of the restricted funds is met from general (unrestricted) funds.

Where applicable and where not prohibited under any terms specified by the donor, any restricted funds where it is deemed that the associated activity or purpose has ceased are likewise transferred to general funds at the discretion of the Trustees.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

27. Net assets by fund – Group - Current year	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	2021
			£
Tangible fixed assets	-	1,347,226	1,347,226
Cash at bank and in hand	-	2,318,925	2,318,925
Other net current assets / (liabilities)	46,136	(138,320)	(92,184)
Creditors of more than one year	-	(637,638)	(637,638)
Net assets	46,136	2,890,193	2,936,329
Net assets by fund – Group - Prior year	Restricted Funds	Unrestricted Funds	Total Funds
	£	(Restated)	2020
		£	(Restated)
			£
Tangible fixed assets	-	1,379,852	1,379,852
Cash at bank and in hand	-	1,882,647	1,882,647
Other net current assets / (liabilities)	26,836	562,892	589,728
Creditors of more than one year	-	(673,106)	(673,106)
Net assets	26,836	3,152,285	3,179,121
Net assets by fund – Charity - Current year	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	2021
			£
Tangible fixed assets	-	1,347,227	1,347,226
Cash at bank and in hand	-	2,318,908	2,318,908
Other net current assets / (liabilities)	46,136	(90,090)	(43,954)
Creditors of more than one year	-	(637,638)	(637,638)
Net assets	46,136	2,886,755	2,932,891
Net assets by fund – Charity - Prior year	Restricted Funds	Unrestricted Funds	Total Funds
	£	(Restated)	2020
		£	(Restated)
			£
Tangible fixed assets	-	1,379,853	1,379,853
Cash at bank and in hand	-	1,878,647	1,878,647
Other net current assets / (liabilities)	26,836	563,842	590,678
Creditors of more than one year	-	(673,106)	(673,106)
Net assets	26,836	3,149,236	3,176,072

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Notes to the Financial Statements For the year ended 30 May 2021

28. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 (Restated) £	Charity 2021 £	Charity 2020 (Restated) £
Net movement in funds	(242,792)	(68,248)	(242,404)	(163,027)
Add: Depreciation	32,626	32,502	32,626	32,502
Deduct interest income shown in investing activities	(1,073)	(11,255)	(1,073)	(11,255)
Decrease/(increase) in debtors	737,094	(947,484)	737,094	(853,352)
(Decrease)/increase in creditors	(55,291)	191,484	(51,696)	190,838
Net cash used in operating activities	470,563	(803,001)	474,546	(804,294)

29. Net debt reconciliation – Group - Current year

	30 May 2020 £	Cash flows £	30 May 2021 £
Cash	1,882,647	436,278	2,318,925
Loans falling due within one year	(35,754)	(109)	(35,863)
Loans falling due after one year	(673,106)	35,468	(637,638)
Net assets	1,173,787	471,636	1,645,423

Net debt reconciliation – Group - Prior year

	30 May 2019 £	Cash flows £	30 May 2020 £
Cash	2,710,559	(827,912)	1,882,647
Loans falling due within one year	(31,381)	(4,373)	(35,754)
Loans falling due after one year	(709,266)	36,160	(673,106)
Net assets	1,969,912	(796,125)	1,173,787

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

29. Net debt reconciliation continued – Charity - Current year

	30 May 2020 £	Cash flows £	30 May 2021 £
Cash	1,878,647	440,261	2,318,908
Loans falling due within one year	(35,754)	(109)	(35,863)
Loans falling due after one year	(673,106)	35,468	(637,638)
Net assets	1,169,787	475,619	1,645,406

Net debt reconciliation – Charity - Prior year

	30 May 2019 £	Cash flows £	30 May 2020 £
Cash	2,707,852	(829,205)	1,878,647
Loans falling due within one year	(31,381)	(4,373)	(35,754)
Loans falling due after one year	(709,266)	36,160	(673,106)
Net assets	1,967,205	(797,418)	1,169,787

30. Prior period adjustments and restatements - Group

**2021
£**

Reconciliation of changes in unrestricted funds

As previously reported	3,253,261
Correction to estimated housing benefit accrual	(100,976)

As adjusted 3,152,285

Restatements of changes in income for the previous period

As previously reported	(68,248)
Correction to estimated housing benefit accrual	(100,976)

As restated (169,224)

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2021

30. Prior period adjustments and restatements - Charity	2021
	£
Reconciliation of changes in unrestricted funds	
As previously reported	3,250,212
Correction to estimated housing benefit accrual	(100,976)
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As adjusted	3,149,236
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Restatements of changes in income for the previous period	
As previously reported	(163,027)
Correction to estimated housing benefit accrual	(100,976)
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As restated	(264,003)
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The prior period adjustment is due to the adjustment of the estimate of the housing benefit accrual made in the prior year, whose value is now known exactly.