

Company registration number: 03686719

Charity registration number: 1076541

The PROSPECTS Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 October 2021

KM
Chartered Accountants
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

The PROSPECTS Foundation

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The PROSPECTS Foundation

Reference and Administrative Details

Trustees	Mr C Cooper
	Mr N Cort
	Mr R Cunliffe
	Mr D Daly
	Mr S Hemingway
	Ms C Holmes
	Mrs C E Montague
	Mr P Vincent-Barwood
	Mrs M Worden
	Mr P Worswick
Secretary	Mrs M Worden
Charity Registration Number	1076541
Company Registration Number	03686719
Registered Office	54 Broadway Accrington Lancashire BB5 1EW
Independent Examiner	KM Chartered Accountants 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG
Bankers	Triodos Bank Brunel House 11 The Promenade Bristol BS8 3NN

The PROSPECTS Foundation

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 October 2021.

Trustees

Cllr S Button (resigned 6 May 2021)

Mr C Cooper

Mr N Cort

Mr R Cunliffe

Mr D Daly

Mr S Hemingway

Ms C Holmes

Mrs C E Montague (appointed 20 May 2021)

Cllr M Parkinson (resigned 7 May 2021)

Mr P Vincent-Barwood

Mrs M Worden

Mr P Worswick

Objectives and activities

Public benefit

The trustees confirm that we have paid due regard to the Charity Commission guidance on public benefit reporting in deciding what activities the charity should undertake.

The objects of the Foundation, as set out in our Memorandum of Association, are as follows:

A) The Advancement of Environmental Protection or Improvement, including:

- a1) the conservation of flora, fauna and the natural environment in Hyndburn generally;
- a2) the education of the public around local and global sustainable development and biodiversity; and
- a3) the promotion of recycling and sustainable waste management.

B) The Advancement of Citizenship and Community Development, including:

- b1) the promotion of volunteering to improve the skills, qualities and life prospects for residents of Hyndburn;
- b2) the promotion of community capacity building in pursuance of environmental and sustainable development purposes; and
- b3) the promotion of urban and rural regeneration in Hyndburn, in relation to sustainable development for current and future generations.

OUR CHARITY'S ACTIVITIES BETWEEN NOVEMBER 2020 AND OCTOBER 2021

In order to achieve the objectives set out above, the Foundation carried out the following programmes of work in the financial year. However, due to the Coronavirus crisis, some of our work was curtailed, however, we worked to adapt to the changing circumstances, delivering what we could, whilst also looking for funding to continue projects beyond the end of the financial year.

The PROSPECTS Foundation

Trustees' Report

a. Windfall Community Benefit Fund

EnergieKontor UK Ltd. has created the 'Windfall Fund' for the 25-year life of the wind farm on Oswaldtwistle Moor in Hyndburn. The PROSPECTS Foundation receives £105,000 per year (index-linked from February 2010) to employ a Community Projects Officer and provide a capital fund to support volunteer groups in Hyndburn in developing projects in line with our six Sustainability themes.

During the year we received income of £141,815 for the Windfall Fund. Total expenditure during the year amounted to £112,911 and consisted of the grants paid out plus the running costs of the Fund.

During the year there were four formal funding rounds. The formal assessment of applications was all done online and via email owing to Coronavirus restrictions. During the initial lockdown in April 2020 a decision was taken to amend the Windfall criteria. The funding rounds were suspended which meant that groups could apply to the fund at any time rather than having to wait for a funding deadline. The amount available for mini grants was also raised from £250 to £1,000 making it easier for small groups to apply for immediate funding to help with the changing circumstances. These revised rules were maintained throughout the 2020/2021 financial year meaning we could be as flexible as possible in responding to the needs of the local community. We carried out one school visit to the wind farm during the summer of 2021.

Over the financial year a total of 18 grants were awarded. This included fourteen mini grants totalling £11,198. Grants totalling £34,814 were paid to The PROSPECTS Foundation towards the extension of the Habitats and Heritage programme, the Rewilding Hyndburn's Green Spaces project, the Outdoor Learning programme, for the feasibility work on the solar meadow at Coach Road, and also for two mini grants for digital outreach and an eco-bags project. Overall, £59,223 was awarded in grants during the year.

b. Rewilding Hyndburn's Green Spaces

This programme started in October 2016 and was due to finish in summer 2021, but due to successful funding bids during the year, this has now been extended until the end of October 2022.

At the end of July 2020, the Project Officer resigned from Prospects and the programme was then on hold until further funding was secured and a recruitment process could be undertaken. This meant there was no activity between August and the end of the year. However, a new member of staff joined us in January 2021 and the project has taken off again.

The aim of the programme has been to create and enhance habitats for wildlife, primarily on food growing sites across the borough whilst also providing natural resources to encourage organic practices on a range of community gardens and allotments. Working with volunteers these sites have been improved and local people have learned about food growing, habitat enhancements, bushcraft, tree planting and much more.

During the first lockdown a project called 'Growing Together' was developed in association with a number of local partners. This involved delivering over 600 windowsill or allotment/garden seed packs to households across the borough to encourage people to grow at home. In November 2020 funding was secured from Power to Change and the Community Foundation for Lancashire to further develop this project for 2021. In the 2020/2021 financial year we successfully partnered with the Hyndburn Hub volunteers and delivered 1,000 seed packs to households, community groups and schools and produced an accompanying booklet to help people feel part of a local project whilst isolating at home due to Coronavirus lockdowns.

During the financial year income was received totalling £26,502. The income was received from the Windfall Fund (£6,324), Power to Change (£15,948), Community Foundation for Lancashire (£3,000) and Co-op Local Community Fund (£1,230). Expenditure incurred totalled £24,854.

The PROSPECTS Foundation

Trustees' Report

c. Habitats and Heritage in Hyndburn

This was originally a 3-year programme, which started in May 2019 and was planned to run until the end of April 2022. However, owing to activities being curtailed during the Coronavirus pandemic and the Project Officer leaving in May 2021, the funder has agreed to an extension until 30th April 2023. The project focuses on woodlands in Hyndburn and in particular the long-term management and conservation of 8 Lancashire County Council woodland sites. As part of the project all the woodlands in the borough will be mapped and a condition survey will be carried out in at least 10% of these to give a picture of the health of the collective woodland habitat in Hyndburn. A database of information will be created which will be made publicly available through a new Hyndburn Woodland website.

The project offers a range of volunteering opportunities in practical conservation techniques, surveying and mapping work and includes a comprehensive training programme in woodland management, woodland crafts and identifying skills. It offers the opportunity for local people, schools and groups to get involved and also provides advice on what to see in woodlands, where to go for woodland walks and activities individuals can enjoy in the borough's woodlands.

During this financial year practical activities have taken place including tree planting, bird box making, hedge management, tree thinning and path clearance with groups and volunteers getting stuck in. Woodland condition survey training has also been held along with AQA accredited training in coppicing. Green woodworking sessions have been very popular and the new Project Officer has also mentored a college student keen to move into an environmental career.

During this financial year the only income we received towards this programme was £7,100 from the Windfall Fund. A large balance of £30,538 was brought forward from the previous financial year. This amount was the balance remaining from the Heritage Lottery Fund grant. Expenditure during this financial year totalled £28,905.

d. Outdoor Learning

We secured funding for this programme from the Ernest Cook Trust early in 2020 but due to the lockdown we didn't start the recruitment until the autumn and the Outdoor Learning Project Officer started with us in November 2020. This is a three year programme which aims to help people connect with the outdoors and learn about environmental management through activities and workshops, with a specific focus on ways to mitigate climate change.

The activities that took place were varied and we had to adapt to delivering some of the sessions online due to Coronavirus restrictions. The activities included guided walks, nature sketching, foraging, food growing, making habitat homes for wildlife and conservation management. Many of the activities focused on wellbeing such as campfire cooking and willow weaving. As well as imparting skills and knowledge we try to start a conversation about climate change and sustainability and look at potential behaviour change to help people make a difference.

The project works with all sectors of the community and engaged with over 250 participants throughout the year. We worked with eight community organisations, including a number which work with disadvantaged communities, six schools and a group of home educating families. The most valuable outcome of the project so far has been helping people connect with nature on their doorstep and encouraging them to explore and value nature and the green spaces close to where they live.

During the year we received funding of £14,978 of which £14,463 was from the Windfall Fund. A balance of £22,756 was brought forward from the previous year. This included a grant from Ernest Cook of £8,430 and £7,268 from the Windfall Fund. Expenditure during this financial year totalled £18,961.

The PROSPECTS Foundation

Trustees' Report

e. Green Influencers

This is a two year scheme, which started in February 2021. Funded by the Ernest Cook Trust the Green Influencers Scheme is about working with young people, mostly in the 10 – 14 year age range to encourage them to get involved in environmental social action. Our Green Mentor was appointed in February 2021 and has worked with nearly three hundred children across seven schools with an average learning time of four hours per child.

The Green Mentor has run a total of ten children led projects including: growing vegetables and plants; bird box making; litter picking including two beach cleans at Fleetwood; making bags out of textile waste; production of two YouTube videos on ocean plastic and pollution; making crisp packet space blankets for homeless persons; and constructing an eco-brick sculpture of an elephant to raise awareness of single use plastics and endangered animals.

The biggest project to date has been with the design and distribution of two hundred and fifty eco packs with products for low income families to consider as planet friendly alternatives to their weekly shop. These items were given out for free in a crafty newspaper bag constructed by the students. The bags contained items such as low energy light bulbs, beeswax wraps, cotton face masks, bamboo tooth brushes and tooth tabs, organic tampons, bamboo nappies and toothbrush timers for children. Beneficiaries of the packs included recently arrived Afghan refugees and severely disadvantaged families supported by Maundy and the local food banks.

Income during the year for the project included £20,059 Ernest Cook Trust, £200 Green Rose CIC, £1,000 Arnold Clark Community Fund, £1,000 Windfall and £1,000 from Onward Homes. United Utilities and Turtle Bee also donated goods free of charge for the eco-packs.

f. Natural Connections

We secured funding for this project in August 2021 through the Green Recovery Challenge Fund. The project runs until the end of March 2023 and will involve the recruitment of a Ranger/Green Spaces Officer and two trainees (ideally via the Government's Kickstart Scheme), who will be able to work on sites all across Hyndburn carrying out conservation management tasks and running a month long walking festival in August 2022. A main part of the Ranger/Green Spaces Officer role will be to mentor the trainees with a view to them moving into other environmental jobs after the project ends. Owing to our own difficult staffing circumstances we delayed the recruitment process for a few months but aim to have the project up and running early in 2022.

We received the first instalment of £82,500 from the National Lottery Heritage Fund for this project

g. Social Enterprise Development Initiative

During the year the Charity Manager post continued to provide support to our linked social enterprise. This support consisted of administration, funding and strategic development for Woody (Hyndburn) CIC. Registered Company number 07984087. We also set up Prospects Community Energy Ltd, a community benefit society, to take forward the feasibility study and future development of a solar meadow at our site at Coach Road in Oswaldtwistle.

h. Tinker Brook Tree Nursery

The Tinker Brook site has been leased by the charity from Hyndburn Borough Council since 1998. In 2007 the charity entered into a new lease with the Council for the site that will expire in August 2031. The site is currently used on a day to day basis to facilitate horticultural training and day care services for people with learning difficulties. This service is provided by Tinker Brook Support Services C.I.C. (Reg. Co. No. 11839753).

The PROSPECTS Foundation

Trustees' Report

i. Coach Road Meadows

The land at Coach Road Meadow was purchased by Prospects in March 2005. During the year work was undertaken on a feasibility study, funded by the Rural Community Energy Fund (RCEF), into a solar photovoltaic array on the site. Prospects Community Energy Ltd was set up to take this work forward.

j. Charity Development work

A continual and necessary part of our work involves securing external funding in order to continue our charity work. During the year we were successful with new funding applications to Ernest Cook Trust, Lancashire County Council, Hyndburn Leisure, Arnold Clark, Windfall and the Green Recovery Challenge Fund via the National Lottery Heritage Fund.

Other Charity Development work has included organising and facilitating Management Committee and Finance Group meetings. Due to the Covid pandemic meetings were held either outdoors or online. The AGM was also held outdoors. The work has also included liaising with our Treasurer and staff to monitor project budgets and funder monitoring requirements and the line management of staff.

The process of changing the formal structure of The PROSPECTS Foundation from a registered charity and company limited by guarantee to a Charitable Incorporated Organisation (CIO) was put on hold due to Covid. The advantages of the new structure include the fact that accounts will only have to be filed with the Charity Commission and not with Companies House as well; there will be no dual regulation; Trustees will still benefit from limited liability; and the structure is specifically designed for charities.

During the year the Charity Manager post was funded by grants of £20,748 from Power to Change and £20,000 from The People's Post Code Lottery together with a contribution from Woody (Hyndburn) CIC of £2,643 towards support provided in developing the social enterprise and finally £2,269 in management fees. Expenditure during the year was £38,911.

The charity suffered a terrible set-back at the end of September as we dealt with the sudden and very tragic loss of our Charity Manager, Mike Stapleford. Mike had been with PROSPECTS for nearly twenty years and was central to all of our work. He first joined PROSPECTS in 2002 as Community projects Officer. After a brief spell in Sierra Leone he rejoined PROSPECTS and later became Charity Manager in 2012. He also ran our Social Enterprise programme resulting in the creation of the One Planet Shop, Woody CIC and the adoption of Hyndburn Used Furniture Store. Mike was kind and generous and was loved and respected by everyone that came into contact with him. He is a huge loss to the organisation and we miss him terribly.

k. The PROSPECTS Panels

The PROSPECTS Panels are separate entities and their finances do not therefore show in our accounts. They are an important part of the PROSPECTS movement, and deliver a range of volunteer projects in their neighbourhood that are important to local people. There is a relationship of mutuality between the Foundation and the Panels. The Foundation provides centralised services to support the work of the Panels, and the Panels frequently provide volunteer skilled labour to work on projects other than their own. Panels select a representative to serve on the Foundation's management committee. Four of the eight Panels are currently active: Baxenden Community Forum, Clayton-le-Moors with Altham Prospects Panel, Huncoat Community Forum and Rishton Prospects Panel. During the year Prospects staff supported the panels with a number of projects.

The PROSPECTS Foundation

Trustees' Report

I. Volunteer contributions to the PROSPECTS Foundation

The trustees are extremely grateful for the contribution that our volunteers make in terms of giving their own valuable time, support, advice and help and we fully recognise that this support is vital in enabling the Foundation to achieve its objectives. It is this enormous volunteer effort which ensures that the work achieved by PROSPECTS is far, far greater than that represented by the formal accounts. It is the backbone of everything we do. Unfortunately as a result of Coronavirus volunteer activity was suspended for a few months, however, the volunteers remain as valuable an asset as ever.

Financial review

The attached statements show the current state of the finances.

Total incoming resources increased from £230,533 to £391,998 an increase of £161,465 from the previous year. The total resources expended increased from £191,782 to £277,473 an increase of £85,691 from the previous year. The net incoming resources for the year were £114,525.

Restricted income for specific activities totalled £368,023, and total restricted expenditure was £269,416. The overall balance on restricted funds was £242,493 at the 31st October 2021.

The size of the balance is due to grants paid in advance of expenditure being incurred. The balance will be carried forward and spent on specific schemes

Investment policy and objectives

The Foundation has an investment in the One Planet Shop of less than 1%. Further details are included in the notes to the financial statements.

Policy on reserves

The Trustees have adopted a policy regarding reserves which ensures we are able to meet all our current and future liabilities and is reviewed annually and approved by the Management Committee. As we are so dependent on grants it is considered that the level of reserves needs to be adequate to maintain core activities and that the equivalent of three months of total expenditure is appropriate (being approximately £70,000). During the year the unrestricted reserves increased from £88,091 to £104,009. The Reserves include £15,025 tied up in fixed assets. Hence, the free reserves amount to £88,984.

Investment

The Foundation has an investment in the One Planet Shop Ltd of less than 1%. Further details are included in the notes to the financial statements.

Plans for future periods

The key tasks that have been identified for the forthcoming year are as follows:

Strategic

- Review and set Aims and Objectives annually (ensuring 'Community' features as much as 'Environment')
- Ensure wide consultation with the broader local community to help influence current and future programmes, projects and activities
- Keep under review the make-up of the Management Committee in terms of community representation and relevant skills
- Complete conversion of our status from a Charity into a Charitable Incorporated Organisation (CIO)
- Ensure climate change is at the core of our decisions and activities

The PROSPECTS Foundation

Trustees' Report

Projects & Programmes

- Review existing projects and amend / enhance / improve as necessary
- Secure continuation funding for existing and new project activities
- Continued annual review of the delivery of grants to the community through the Windfall Community Fund

Charity Management

- Update and review policies in the Staff Handbook as and when necessary, particularly around safeguarding
- Ensure regular monitoring and evaluation of all our work
- Improve facilities at our Environment Centre and at our training centre in Oakhill Park
- Review the suitability of our current premises for the needs of the charity's activities

Further work planned for 2021/22 includes:

- Generate new project ideas in line with Hyndburn Borough Council's Climate Change declaration and a new medium-term plan
- Increase PROSPECTS Foundation membership
- Continue the closer working with the PROSPECTS Panels
- Deliver two new Green Recovery Challenge Funded projects - Natural Connections and Peel Park and The Coppice LNR, the latter in partnership with the Ribble Rivers Trust
- Secure funding for a three year Community Tree Planting Project
- Improve and update our social media platforms including our website, Facebook, YouTube and Twitter accounts and hold social media training for staff, trustees and Panel members

Our Six Themes of Sustainability:

These are set by the Management Committee and provide the framework within which the Charity develops its project work:

Biodiversity - protecting and enhancing local wildlife and plant life;

Energy - home and community energy efficiency and development of renewables;

Sustainable Transport - encouraging more use of public transport, bicycles and walking;

Waste and Recycling - identifying more ways of reducing, reusing and recycling our waste;

Local Food - finding ways of making more local, organic, healthy food, grown by the community for the community.

Awareness Raising - of the above and of environmental issues in

Structure, governance and management

Appointment and election of Trustees

As per our Articles of Association, the Committee shall consist of:

- (a) one representatives from each of the Approved PROSPECTS Panels, an Approved PROSPECTS Panel being a PROSPECTS Panel that has been approved by the Management Committee
- (b) one representative of Hyndburn Borough Council
- (c) one representative of Lancashire County Council
- (d) up to six members of the PROSPECTS Foundation, elected at the AGM
- (e) up to six co-options appointed by the Management Committee in accordance with Clause 42.

The PROSPECTS Foundation

Trustees' Report

Induction and training of Trustees

The Management Committee is responsible for the governance and overall strategic direction of the Foundation. Therefore, trustees need to be aware and capable of meeting those responsibilities for the benefit of all involved with the Foundation and associated groups and organisations. The responsibility of ensuring that trustees are given an appropriate induction lies with the current Chairperson. Once trustees are appointed, they are given a Trustees Induction Pack which includes information on:

- Background information about The PROSPECTS Foundation
- Roles & Responsibilities of Trustees
- Organisational Chart
- Charity Commission leaflet 'Responsibilities of Charity Trustees'.

Appropriate training is arranged for Trustees, following consultation on their training needs.

Organisational Structure

In general, the trustees have overall responsibility for the governance and strategic direction of the Foundation. The day-to-day operational business of the Foundation is delegated to the Charity Development Manager.

Relationships with related parties

The PROSPECTS Panels

Each of the PROSPECTS Panels has one representative appointed to the PROSPECTS Foundation Management Committee.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finance of the charity and are satisfied that systems are in place to mitigate their exposure to major risks.

The Charity has the following insurance cover in place:

- Employers Liability, £10 million
- Public Liability, £5 million
- Products Liability, £5 million
- Trustee Liability, £1,000,000
- Personal Accident Cover for Staff, Trustees & Volunteers £10,000
- Property Damage
- Contents Cover
- Legal Expenses £250,000

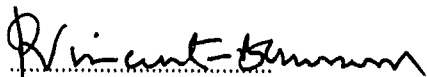
The PROSPECTS Foundation

Trustees' Report

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 30 March 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P Vincent-Barwood', written over a dotted line.

Mr P Vincent-Barwood
Trustee

The PROSPECTS Foundation

Independent Examiner's Report to the trustees of The PROSPECTS Foundation ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The PROSPECTS Foundation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The PROSPECTS Foundation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Mark Heaton FCCA FCIE DChA
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

30 March 2022

The PROSPECTS Foundation

Statement of Financial Activities for the Year Ended 31 October 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Unrestricted £	Restricted £	Total 2020 £
Income from:							
Charitable activities	3	3,816	362,804	366,620	-	193,679	193,679
Investment income		1,132	307	1,439	1,421	314	1,735
Other income	4	19,027	4,912	23,939	30,104	5,015	35,119
Total income		23,975	368,023	391,998	31,525	199,008	230,533
Expenditure on:							
Charitable activities	5	(8,057)	(269,416)	(277,473)	(19,326)	(172,456)	(191,782)
Total expenditure		(8,057)	(269,416)	(277,473)	(19,326)	(172,456)	(191,782)
Net income		15,918	98,607	114,525	12,199	26,552	38,751
Net movement in funds		15,918	98,607	114,525	12,199	26,552	38,751
Reconciliation of funds							
Total funds brought forward		88,091	143,886	231,977	75,892	117,334	193,226
Total funds carried forward	16	104,009	242,493	346,502	88,091	143,886	231,977

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 16.

The notes on pages 14 to 21 form an integral part of these financial statements.

The PROSPECTS Foundation
(Registration number: 03686719)
Balance Sheet as at 31 October 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	15,000	15,000
Current assets			
Debtors	12	499	-
Investments	13	25	25
Cash at bank and in hand		<u>350,947</u>	<u>229,194</u>
		351,471	229,219
Creditors: Amounts falling due within one year	14	<u>(19,969)</u>	<u>(12,242)</u>
Net current assets		<u>331,502</u>	<u>216,977</u>
Net assets		<u>346,502</u>	<u>231,977</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		242,493	143,886
Unrestricted income funds			
Unrestricted funds		<u>104,009</u>	<u>88,091</u>
Total funds	16	<u>346,502</u>	<u>231,977</u>

For the financial year ending 31 October 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 12 to 21 were approved by the trustees, and authorised for issue on 30 March 2022 and signed on their behalf by:



 Mr P Vincent-Barwood
 Trustee

The notes on pages 14 to 21 form an integral part of these financial statements.

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

54 Broadway
Accrington
Lancashire
BB5 1EW

These financial statements were authorised for issue by the trustees on 30 March 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The PROSPECTS Foundation 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.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Charitable activities

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.

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life.

Freehold land	not provided
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Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Financial Statements for the Year Ended 31 October 2021

3 Income from charitable activities

	Unrestricted		Total	Total
	General	Restricted	2021	2020
	£	£	£	£
Bootstrap Enterprises	-	-	-	7,000
Tinker Brook S.S CIC	-	4,750	4,750	-
Grants	3,816	358,054	361,870	186,679
	<u>3,816</u>	<u>362,804</u>	<u>366,620</u>	<u>193,679</u>
Grants received, included in the above, are as follows:				
Energiekontor	-	141,815	141,815	140,225
Local Authority Grants	-	15,600	15,600	8,108
Heritage Lottery Fund	-	82,500	82,500	-
Lancashire Environmental Fund	-	22,500	22,500	7,500
Woody Hyndburn CIC	-	-	-	7,500
HMRC	-	-	-	3,853
T.C.S (Waste) Ltd	-	-	-	5,000
Onward Homes	-	1,000	1,000	4,000
Co-op Local Community Fund	-	1,231	1,231	2,063
Ernest Cook Charitable Trust	-	20,079	20,079	8,430
Power to Change	3,816	36,696	40,512	-
Hyndburn Leisure	-	2,990	2,990	-
People's Post Code Lottery	-	20,000	20,000	-
Community Foundation for Lancashire	-	3,000	3,000	-
Other grants	-	1,793	1,793	-
Baxenden Community Forum	-	8,850	8,850	-
	<u>3,816</u>	<u>358,054</u>	<u>361,870</u>	<u>186,679</u>

4 Other income

	Unrestricted		Total	Total
	General	Restricted	2021	2020
	£	£	£	£
Fees and charges	45	4,912	4,957	16,265
Other	18,982	-	18,982	18,854
	<u>19,027</u>	<u>4,912</u>	<u>23,939</u>	<u>35,119</u>

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

5 Expenditure on charitable activities

	Unrestricted		Total	Total
	General	Restricted	2021	2020
	£	£	£	£
Grants	-	24,409	24,409	38,351
Staff costs - direct	-	125,786	125,786	109,969
Activities undertaken directly	7,617	78,841	86,458	2,502
Allocated support costs	-	38,820	38,820	38,960
Governance costs	440	1,560	2,000	2,000
	<u>8,057</u>	<u>269,416</u>	<u>277,473</u>	<u>191,782</u>

The total grants paid to institutions during the year was as follows;

General Grants (under £5000)	-	10,951	10,951	8,001
Baxenden Community Forum	-	-	-	6,850
Idle Women	-	-	-	10,000
Homewise Society	-	-	-	7,500
Lancashire Wildlife Trust	-	5,958	5,958	6,000
Friends of Rhyddings Park CIO	-	7,500	7,500	-
	<u>-</u>	<u>24,409</u>	<u>24,409</u>	<u>38,351</u>

6 Analysis of governance and support costs

Governance costs

	Unrestricted	Restricted	Total	Total
	funds	funds	2021	2020
	General	£	£	£
	£			
Allocated support costs	440	1,560	2,000	2,000
	<u>440</u>	<u>1,560</u>	<u>2,000</u>	<u>2,000</u>

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Independent examiner fee	<u>2,000</u>	<u>2,000</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	113,088	99,114
Social security costs	9,336	7,935
Pension costs	<u>3,362</u>	<u>2,920</u>
	<u>125,786</u>	<u>109,969</u>

Included in wages and salaries is £Nil (2020: £1,679) of redundancy costs.

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	<u>5</u>	<u>5</u>

No employee received emoluments of more than £60,000 during the year.

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

10 Taxation

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

11 Tangible fixed assets

	Freehold land £	Total £
Cost		
At 1 November 2020	<u>15,000</u>	<u>15,000</u>
At 31 October 2021	15,000	15,000
Depreciation		
At 31 October 2021	<u>-</u>	<u>-</u>
Net book value		
At 31 October 2021	<u>15,000</u>	<u>15,000</u>
At 31 October 2020	<u>15,000</u>	<u>15,000</u>

12 Debtors

	2021 £
Other debtors	<u>499</u>

13 Current asset investments

	2021 £	2020 £
Other	<u>25</u>	<u>25</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	<u>19,969</u>	<u>12,242</u>

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

15 Leasing agreements

The total value of future minimum lease payments was as follows:

	2021 £	2020 £
Within one year	8,000	7,500
In two to five years	5,583	1,650
	<u>13,583</u>	<u>9,150</u>

16 Funds

	Balance at 1 November 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 October 2021 £
Unrestricted					
General Fund	88,091	23,975	(8,057)	-	104,009
Restricted					
Other Projects	30,379	22,943	(23,593)	5,927	35,656
Windfall	32,080	142,122	(78,097)	(34,814)	61,291
Charity Manager	-	45,660	(38,911)	-	6,749
Rewilding	12,120	20,179	(24,854)	6,324	13,769
Habitats & Heritage	30,538	-	(28,905)	7,100	8,733
Outdoor Learning Project	22,756	515	(18,961)	14,463	18,773
Tree Planting Officer	7,268	-	(232)	-	7,036
Jubilee Hollins and the Vale	8,745	31,350	(40,095)	-	-
Natural Connections Ranger Programme	-	82,500	(1,646)	-	80,854
Green Mentor	-	22,754	(13,960)	1,000	9,794
LNR Coppice Project	-	-	(162)	-	(162)
	<u>143,886</u>	<u>368,023</u>	<u>(269,416)</u>	<u>-</u>	<u>242,493</u>
Total funds	<u>231,977</u>	<u>391,998</u>	<u>(277,473)</u>	<u>-</u>	<u>346,502</u>

The PROSPECTS Foundation

Notes to the Financial Statements for the Year Ended 31 October 2021

	Balance at 1 November 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 October 2020 £
Unrestricted					
General Fund	75,892	31,525	(8,228)	(11,098)	88,091
Charity Manager	-	-	(11,098)	11,098	-
	<u>75,892</u>	<u>31,525</u>	<u>(19,326)</u>	<u>-</u>	<u>88,091</u>
Restricted					
Other Projects	27,643	9,562	(2,910)	(3,916)	30,379
Environmental Awareness	11,270	1,169	(9,459)	(2,980)	-
Windfall	25,221	140,539	(91,132)	(42,548)	32,080
Charity Manager	-	12,515	(28,497)	15,982	-
Rewilding	(396)	11,694	(10,976)	11,798	12,120
Habitats & Heritage	53,596	2,053	(25,111)	-	30,538
Outdoor Learning Project	-	8,976	(384)	14,164	22,756
Tree Planting Officer	-	-	(232)	7,500	7,268
Jubilee Hollins and the Vale	-	12,500	(3,755)	-	8,745
	<u>117,334</u>	<u>199,008</u>	<u>(172,456)</u>	<u>-</u>	<u>143,886</u>
Total funds	<u>193,226</u>	<u>230,533</u>	<u>(191,782)</u>	<u>-</u>	<u>231,977</u>

17 Analysis of net assets between funds

	Unrestricted 2021 General £	Restricted £	2021 Total funds £
Tangible fixed assets	15,000	-	15,000
Current assets	108,978	242,493	351,471
Current liabilities	<u>(19,969)</u>	<u>-</u>	<u>(19,969)</u>
Total net assets	<u>104,009</u>	<u>242,493</u>	<u>346,502</u>
	Unrestricted 2020 General £	Restricted £	2020 Total funds £
Tangible fixed assets	15,000	-	15,000
Current assets	85,333	143,886	229,219
Current liabilities	<u>(12,242)</u>	<u>-</u>	<u>(12,242)</u>
Total net assets	<u>88,091</u>	<u>143,886</u>	<u>231,977</u>

18 Related party transactions

There were no related party transactions in the year.

