

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2022**

Registered Charity No. 1114637
Company Registration No. 05626422



**Langworthy
Cornerstone
Association**

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

INDEX

<u>PAGE NUMBER</u>	<u>CONTENTS</u>
1 - 8	TRUSTEES ANNUAL REPORT
9	INDEPENDENT EXAMINERS REPORT
10	STATEMENT OF FINANCIAL ACTIVITIES
11	BALANCE SHEET
12	STATEMENT OF CASH FLOWS
13 - 21	NOTES TO THE ACCOUNTS
FOR MANAGEMENT PURPOSES ONLY	
22	INCOME AND EXPENDITURE ACCOUNT

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Report of the Trustees for the year ended 31st March 2022

The Trustees present their Annual Directors' Report and financial statements of the Charity for the year ended 31st March 2022 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 the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

The purposes of the Charity are the promotion and preservation of good health of persons in the areas of benefit; the promotion and advancement of education and training in general and in such a way as to reflect the personal, family, social and community needs of those living in the area of benefit, with due regard to equalities and diversities

The provision of activities and services to improve health & wellbeing through the delivery, development and facilitation of activities.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The Charity furthers its charitable purposes for the public benefit through our overall aim being to "Improve the Health and Wellbeing of the People of Salford and especially those of Seedley and Langworthy".

We work in partnership with a range of individuals and other organisations to provide as a centre a varied programme of classes, services and activities to improve health and wellbeing, education and employability, as well as attracting further resources to expand and improve our offer. We also support and help develop health & wellbeing activities in the centre which are initiated by individuals and organisations in consultation with us.

-We carry out regular research and collect feedback to ensure that there is a good match between what is on offer and what the needs of the area are.

- Services and activities are generally free or low cost. LCA centre users come from a wide range of backgrounds and age groups and we work to encourage the centre being accessed by all groups.

LCA has also been working in partnership with other organisations to develop more opportunities attracting young people and families from a diverse range of backgrounds including language classes, computer classes, lunch clubs, advice, arts & crafts and volunteering.

-All the activities and services outlined above deliver public benefit to the residents of Salford; and more specifically 75% of our participants are residents of Seedley and Langworthy, which is listed as one of the most deprived wards in Salford on the IMD (Indices of Multiple Deprivation) scale.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Activities and services provided during the period included:

Covid 19

Covid continued to have a major impact on our activities especially given all the effort involved in slowly restarting face to face services, only to face another partial lockdown at Christmas meaning a continued decrease in earned income for far longer than originally anticipated. Thankfully, we received continued financial support from the NHS Clinical Commissioning Group who maintained our contract value, despite normal delivery being impossible. We were also successful in attracting grants and donations from a wide variety of sources, including local people and shops which largely replaced the loss of income.

Some organisations renting office space at the Cornerstone who had been working from home decided to reduce their use of office space, which meant a long-term drop in income, especially as most of the space was open plan, and badly in need of refurbishment.

Covid continued to have a major impact on our offer throughout the period, and we continued a reducing number of food deliveries and holiday packed lunches until July. We received a number of grants from the NHS through Salford CVS which allowed us to provide extra activities, including lunchtime meals for children plus soup and a roll for parents plus holiday activities.

A review of our achievements and performance

We are one of the five Community Anchors for Salford, which is a recognition of the work of the centre over many years; this includes the Social Prescribing Project as part of Salford Wellbeing Matters managed by the Salford Third Sector Consortium, which was returning to face to face provision by the end of the period.

As part of this project, we employ our own Community Connector, whose role is to connect people with local community activities and services to help improve their health & wellbeing. Referrals come from local GPs and other health professionals and the project aims to show reduced demand on local health services in the future. We were very happy to be able to employ our own Wellbeing Enabler in November using additional NHS funding; this post provides scope to work with people (referred by the Community Connectors) over a longer period for those that need extra support.

Covid increased demand for Cornerstone services greatly throughout the period, with increasing numbers of people suffering worsening mental health, isolation, anxiety and low mood.

Although online and telephone services provided very useful support, people were very keen to get out and about and attend services face to face.

We were able to restart face to face groups and activities especially from July onwards including:

- Zumba, Yoga, Tai Chi, and Reiki Relaxation, Karate, Street Dance, Learning Activities, Computer classes, Active Seniors, Men's Health activities, Smoking Cessation, Citizens Advice, general advice, Job search service as well as ongoing support for people wishing to gain experience through *volunteering*.

We had to again stop face to face as Christmas approached, but at least we had all the Restart Plans in place from earlier in the year, which made the return easier second time around.

- Our Healthy Food Project which includes a Cafe continued to support the Covid Food and household goods offer, as well as providing take away breakfast and lunch packs. Foodcycle provided take away

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Vegetarian meals, again using produce that would otherwise go to waste. Normal service was returning by the end of the period.

-The Cornerstone accommodates a GP Surgery, a Sure Start Children's Centre, and a range of Voluntary Organisations and Social Enterprises under one roof, which really adds value to the overall offer of LCA.

We maintained a Covid Diary, which really captures some of the stories, feedback, activities and events that occurred, and the appreciation felt by local people for the support provided.

<http://www.langworthycornerstone.co.uk/covid-diary.html>

We received quite a number of small donations, flowers and cards from local individuals and shops, which was greatly appreciated and a morale booster for LCA.

Financial review

The Charity's financial projections were significantly affected by Covid, and also by developments in our relationship with the building's owners; NHS property Services (NHSPS).

Covid meant a major reduction in our traditional sources of earned income (Rent, Cafe, and Fees), however, we managed to largely replace this reduction through increased grants, furlough money, rates rebates and donations.

We now pay rent and service charges on 58% of the building rather than the 84% that we paid previously. The Children's Centre accommodation costs (26%) are now directly supported by Salford City Council and the GP practice pays costs separately as well (16%). We share the costs of security and these costs are allocated according to the same proportions.

During the year Salford Clinical Commissioning Group (CCG), maintained our contract value despite our inability to achieve our normal Key Performance Indicators due to Covid.

We are very grateful for the continued support of the Clinical Commissioning Group, but also concerned that another reorganisation of the NHS locally is currently taking place, with the establishment of the Integrated Care Board at Greater Manchester level in April 2022.

Our contract has been extended until April 2023 as our performance continues to meet and exceed CCG contract requirements and to give time for the changes to become embedded.

Over the course of the year we are reporting a small deficit. Our accounts showed a surplus in 2020-21. This follows a year in which we reported a loss in 2019-20.

We continue our negotiations to obtain a formal lease with NHSPS, and by the end of the period there were three outstanding issues with the Heads of Terms still to be finalised. We have retained funds in our accounts to cover the amounts billed by NHSPS that were queried by LCA in previous years.

Investment powers and policy

To minimise the risk to our finances, we held three interest bearing deposit accounts during the period, one with CAF Bank (Shawbrook), one with Charity Bank and one with the Ecology Building Society, to maximise the cover provided by the Financial Services Compensation Scheme.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Reserves Policy, Development Funds and issues of ongoing concern

The balance held in unrestricted reserves at 31st March 2022 was £131,717 of which £129,542 are free reserves after allowing for funds tied up in tangible fixed assets.

Trustees always consider the need for LCA to hold sufficient reserves to maintain the financial security of the organisation. The designated fund reserves are allocated as follows:

- Designated funds to allow for an orderly wind up of the organisation if necessary and to cover contractual obligations, especially redundancy costs.
- Designated funds to take account of our uncertain relationship with the building owners (NHSPS), our lack of a lease, and possible variations in our service charge, designated funds to cover any funding gaps and to allow time to source new finances, or slim down provision in a timely fashion.
- A further fund to help cover the ongoing reduction in earned income, and to help the organisation plan and develop new and revised services post Covid, possibly including a contribution towards the cost of converting some open plan office space into flexible self-contained offices and a large delivery space.

The Reserves Policy and Development Fund decisions will be reviewed and updated annually by the Trustees in light of the (often) changing circumstances.

Risk management

On an annual basis, the Trustees have conducted a review of the major risks and systems have been established to mitigate those risks, which include the above Reserves Policies and the ongoing (and documented) negotiation with the parties concerned to mitigate these risks.

Plans for Future Periods

Our current Health & Wellbeing contract with Salford CCG now expires in March 2023, and for this reason, the Trustees continue to focus on how the Cornerstone can continue to deliver high quality activities that contribute to the health and wellbeing of local residents. We look forward to working with the Integrated Care Board and other commissioners, to achieve outcomes that benefit local people. We want to build on the local history of LCA as a community building, and our lengthy track record of delivering meaningful activities in the local area.

In terms of expenditure, negotiations with NHSPS are continuing, and we are pleased that we have negotiated reductions in the charges that LCA pay towards the cost of the building. We have the promise of credit notes from NHSPS for 'outstanding amounts' from previous years, subject to a lease being agreed. If this can be achieved it will have the effect of returning our reserves to the healthy position that they were in five years ago.

By the end of the financial year we had interest in the large open plan office on the first floor, which in the past used to be a good income generator for the organisation. The local Living Well programme directly complements the work of the centre as it brings together statutory and voluntary sector providers to support mental health and well-being in Salford. We hope that this group of staff will move into the building by September 2022 provided that essential repairs to the roof and refurbishment of the large office space can be completed prior to this.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Over the coming year we will continue to develop our services promoting health and wellbeing for groups and individuals in the local and surrounding areas.

We have consulted with staff, volunteers and centre users to identify some practical activities that we would like to develop in the coming year, many of which are linked to supporting local people as they emerge from the covid pandemic. We hope to use our resources wisely to help to reduce isolation and to increase confidence. We will continually gather feedback to make sure that our programme of activities is relevant to people with mental health problems, and to people experiencing a wide range of disabilities and long-term health issues.

The Trustees are aware of considerable changes to the makeup of the local area and we remain committed to welcoming residents of all ages and backgrounds and celebrating the increased diversity of the Seedley and Langworthy area.

Structure, Governance and Management

Langworthy Cornerstone Association (LCA) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 9th October 2012 (amended 6th June 2016). It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 9th October 2012 (amended 6th June 2016).

We are recruiting a broader general membership to increase accountability and capitalise on the ongoing local support towards the centre.

Appointment of Trustees

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of 3 years.

Trustee induction and training

New trustees will be familiar with the work of the charity. New trustees will receive/be directed to:

- The memorandum and articles; minutes of previous meetings; the last annual accounts (with advice on their content);
- Charity Commission and Companies House advice and regulations and The Charity Commission pack for new trustees.
- New trustees will also be given one-to-one advice on particular aspects of LCA's work, depending on their knowledge and area of expertise.

Organisation

The Board of Trustees administers the charity. The Board meets monthly (except in the one month of the year when a meeting is not held - usually January or August). A Chief Officer is appointed by the Trustees to manage the day-to-day operations and strategic directions of the Charity.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or Senior Manager with any service providers must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Reference and administrative information

Charity Name: Langworthy Cornerstone Association

Charity Number: 1114637

Company Registration Number: 05626422

Directors and trustees

The Directors of the charitable company (the Charity) are its Trustees for the purpose of Charity Law. The Trustees and Officers serving during the year and since the year end were as follows:

Key management personnel: Trustees and Directors

Geraldine Stone	Chair	
Sheila Battersby	Treasurer	
Ruth Abou Rached	Vice Chair	
Peter Shepherd		(resigned July 2021)
Erica Kinniburgh		
Doreen Burns		
Dorothy Robinson		
Celina Pais		(appointed October 2021)
John Phillips	Company Secretary	(resigned November 2022)
Beverley Fletcher	Company Secretary	(appointed November 2022)

Chief Executive Officer

John Phillips

Registered Office

Langworthy Cornerstone
451 Liverpool Street
Salford
M6 5QQ

Independent Examiners

Community Accountancy Service Limited
The Grange
Pilgrim Drive
Beswick
Manchester
M11 3TQ

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED**Bankers**

Co-operative Bank plc
1 Balloon Street
Manchester
M60 4EP

Ecology Building Society
7 Belton Road
Silsden
Keighley
BD20 0EE

Charity Bank
Fosse House
182 High Street
Tonbridge
TN9 1BE

Shawbrook Bank Limited/CAF
Lutea House
Warley Hill Business Park
The Drive
Great Warley
Brentwood
CM13 3BE

Unity Trust Bank plc
Four Brindley Place
Birmingham
B1 2JB

Solicitors

Weightmans LLP
100 Old Hall Street,
Liverpool
L3 9QJ

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Trustees' responsibilities in relation to the financial statements

The Charity Trustees (who are also the Directors of Langworthy Cornerstone Association for the purposes of Company Law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity 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 Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006.

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

By order of the Board of Trustees

Geraldine Stone

Chair

Date: 8th December 2022

Independent examiner's report to the trustees of LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

I report on the accounts of the company for the year ended 31st March 2022, which are set out on pages 10 to 21.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
 - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA *A M King*
 Community Accountancy Service Ltd
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 8th December 2022

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 MARCH 2022

	Further Details	Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2021 £
Income from:					
Donations and legacies	(3)	-	-	-	10
Charitable Activities	(4)	407,078	74,470	481,548	603,173
Other Trading Activities	(5)	6,679	-	6,679	859
Investment Income		1,644	-	1,644	1,840
Total		415,401	74,470	489,871	605,882
Expenditure on:					
Raising Funds	(6)	13,366	-	13,366	15,291
Charitable Activities	(6)	388,131	55,891	444,022	482,512
Other	(6)	784	-	784	499
Total		402,281	55,891	458,172	498,302
Net income/(expenditure)		13,120	18,579	31,699	107,580
Transfers between funds	(16)	-	-	-	-
Net movement in funds		13,120	18,579	31,699	107,580
Reconciliation of funds					
Total funds brought forward	(16)	228,597	21,724	250,321	142,741
Total funds carried forward	(16)	241,717	40,303	282,020	250,321

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

The notes on pages 13 to 21 form part of these accounts.

BALANCE SHEET AS AT 31 MARCH 2022**Company Registration Number: 05626422**

	Notes	2022 £	2021 £
Fixed assets:			
Tangible assets	(11)	2,175	2,355
Total fixed assets		<u>2,175</u>	<u>2,355</u>
Current assets:			
Stocks	(12)	1,800	1,800
Debtors	(13)	200,450	19,518
Cash at Bank & in Hand		269,447	416,988
Total current assets		<u>471,697</u>	<u>438,306</u>
Liabilities:			
Creditors: Amounts falling due within one year	(14)	191,852	190,340
Net current assets or liabilities		<u>279,845</u>	<u>247,966</u>
Total assets less current liabilities		282,020	250,321
Total net assets or liabilities		<u><u>282,020</u></u>	<u><u>250,321</u></u>
The funds of the charity:			
Restricted income funds	(16)	40,303	21,724
Unrestricted income funds	(16)	241,717	228,597
Total charity funds		<u><u>282,020</u></u>	<u><u>250,321</u></u>

For the period in question the company was entitled to the exemption conferred by section 477 of the Companies Act 2006, and that no notice has been deposited under section 476 in relation to its accounts for the financial year; and the directors acknowledge their responsibilities for:

- complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

Approved by the trustees on 8th December 2022

----- Sheila Battersby Treasurer

The notes on pages 13 to 21 form part of these accounts.

Statement of Cash Flows for the year ending 31 March 2022

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

	Year Ended 31 March 2022 £	Year Ended 31 March 2021 £
Net movement in funds	31,699	107,580
Add back depreciation	1,570	1,222
Deduct investment income	(1,644)	(1,840)
Decrease/(increase) in stocks	-	-
Decrease/(increase) in debtors	(180,932)	(647)
Increase/(decrease) in creditors	1,512	(3,301)
Net cash used in operating activities	(147,795)	103,014
Cash flows from investment activities:		
Interest	1,644	1,840
Purchase of fixed assets	(1,390)	(1,378)
Net cash provided by investing activities	254	462
Increase/(decrease) in cash and cash equivalents during the year	(147,541)	103,476
Cash and cash equivalents brought forward	416,988	313,512
Cash and cash equivalents carried forward	269,447	416,988

Notes to the accounts

1. Accounting policies**(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are 15 restricted funds.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 16.

(c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(d) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against an irrecoverable VAT expenditure heading.

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 8.

(g) Costs of raising funds

The costs of raising funds consists of activity costs, café food and advertising and marketing.

(h) Charitable Activities

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 7.

Notes to the accounts

(i) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Computers	33.33% on cost
Office Equipment	25% on cost

(j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(k) Pensions

The charity currently administers contributions to a pension scheme on behalf of individuals. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

(l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(m) Creditors and provisions

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

2. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2021: £nil). Expenses paid to the trustees in the year totalled £nil (2021: £nil).

3. Donations and Legacies

	Unrestricted Year Ended 31 March 2022 £	Restricted Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2021 £
Sundry Income	-	-	-	10
	-	-	-	10

Previous reporting period

	Unrestricted Year Ended 31 March 2021 £	Restricted Year Ended 31 March 2021 £	Total Funds Year Ended 31 March 2021 £
Sundry Income	10	-	10
	10	-	10

Notes to the accounts

4. Income from charitable activities

	Unrestricted Year Ended 31 March 2022 £	Restricted Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2021 £
Room and Facilities Rental	69,637	-	69,637	63,147
Activities Income	-	-	-	1,905
Class Fees	3,517	-	3,517	420
General grants:				
NHS Salford	288,924	-	288,924	346,983
Salford 3rd Sector Consortium	45,000	-	45,000	45,000
Restricted grants:				
Neighbourly Community Fund	-	-	-	400
Peter Kershaw Trust	-	-	-	1,000
Greggs Foundation	-	-	-	500
HMRC CVJRS	-	13,845	13,845	30,524
Henry Smith	-	1,510	1,510	-
Big Lottery Fund	-	-	-	56,850
Salford CVS Addressing Unmet Needs	-	44,005	44,005	-
Salford CVS Holiday Fund	-	4,760	4,760	-
Salford CVS Neighbourhood Leadership	-	-	-	300
Salford CVS Food Response Fund	-	10,000	10,000	6,000
Salford CVS Living Wage	-	-	-	144
Salford Food Share Network	-	-	-	1,500
Salford CVS Live Well	-	-	-	900
Salford CVS Covid	-	-	-	18,500
Salford CVS Crisis Fund	-	-	-	500
Salford City Council Covid	-	-	-	25,000
The Charity Service	-	250	250	-
Forever Manchester	-	100	100	3,600
	407,078	74,470	481,548	603,173

Notes to the accounts

4. Income from charitable activities

Previous reporting period

	Unrestricted Year Ended 31 March 2021 £	Restricted Year Ended 31 March 2021 £	Total Funds Year Ended 31 March 2021 £
Room and Facilities Rental	63,147	-	63,147
Activities Income	1,905	-	1,905
Class Fees	420	-	420
General grants:			
NHS Salford	346,983	-	346,983
Salford 3rd Sector Consortium	45,000	-	45,000
Restricted grants:			
Neighbourly Community Fund	-	400	400
Peter Kershaw Trust	-	1,000	1,000
Greggs Foundation	-	500	500
HMRC CVJRS	-	30,524	30,524
Big Lottery Fund	-	56,850	56,850
Salford CVS Neighbourhood Leadership	-	300	300
Salford CVS Food Response Fund	-	6,000	6,000
Salford CVS Living Wage	-	144	144
Salford Food Share Network	-	1,500	1,500
Salford CVS Live Well	-	900	900
Salford CVS Covid	-	18,500	18,500
Salford CVS Crisis Fund	-	500	500
Salford City Council Covid	25,000	-	25,000
Forever Manchester	-	3,600	3,600
	<u>482,455</u>	<u>120,718</u>	<u>603,173</u>

5. Income from other trading activities

	Unrestricted Year Ended 31 March 2022 £	Restricted Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2021 £
Café Income	6,679	-	6,679	859
	<u>6,679</u>	<u>-</u>	<u>6,679</u>	<u>859</u>

Previous reporting period

	Unrestricted Year Ended 31 March 2021 £	Restricted Year Ended 31 March 2021 £	Total Funds Year Ended 31 March 2021 £
Café Income	859	-	859
	<u>859</u>	<u>-</u>	<u>859</u>

Notes to the accounts

6. Expenditure

	Community Centre Activities £	Year Ended 31 March 2022 £	Year Ended 31 March 2021 £
Expenditure on raising funds:			
Café Food	9,352	9,352	14,524
Advertising and marketing	1,000	1,000	-
Subscriptions	3,014	3,014	767
	<u>13,366</u>	<u>13,366</u>	<u>15,291</u>
Expenditure on charitable activities:			
Employment Costs	253,249	253,249	245,551
Training	1,742	1,742	404
Activities	23,776	23,776	14,583
DBS Checks	69	69	-
NHS Recharges	80,059	80,059	138,386
Water	10,861	10,861	-
Travel Expenses	702	702	511
Repairs and Maintenance	2,695	2,695	848
Bad Debts	1,357	1,357	3,098
Minor Equipment and Rental	3,014	3,014	5,238
Rates	1,235	1,235	6,369
Software and IT	2,453	2,453	1,460
Irrecoverable VAT	4,963	4,963	9,285
Bank Charges	18	18	-
Telephone	4,469	4,469	796
Cleaning and Security	43,248	43,248	46,900
Insurance	2,305	2,305	2,143
Governance Costs	4,439	4,439	5,162
Post, Printing & Stationery	1,798	1,798	556
Depreciation	1,570	1,570	1,222
	<u>444,022</u>	<u>444,022</u>	<u>482,512</u>
Other expenditure:			
Miscellaneous	784	784	499
	<u>784</u>	<u>784</u>	<u>499</u>
	<u>458,172</u>	<u>458,172</u>	<u>498,302</u>
Restricted funds		55,891	4,876
Unrestricted funds		<u>402,281</u>	<u>493,426</u>
		<u>458,172</u>	<u>498,302</u>

Notes to the accounts

7. Analysis of expenditure on charitable activities

As per note 6.

8. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	General Support	Governance	Total 2022	Basis of apportionment
Accountancy Fees	-	1,515	1,515	type of expense
Payroll Bureau Charges	1,140	-	1,140	type of expense
Support & advice	1,784	-	1,784	type of expense
Accountancy Support	-	-	-	type of expense
	<u>2,924</u>	<u>1,515</u>	<u>4,439</u>	

Previous reporting period

	General Support	Governance	Total 2021	Basis of apportionment
Accountancy Fees	-	1,100	1,100	type of expense
Payroll Bureau Charges	543	-	543	type of expense
Support & advice	1,980	-	1,980	type of expense
Accountancy Support	1,539	-	1,539	type of expense
	<u>4,062</u>	<u>1,100</u>	<u>5,162</u>	

9. Analysis of staff costs

	Year Ended 31 March 2022 £	Year Ended 31 March 2021 £
Wages and Salaries	226,048	218,990
Agency Costs	-	-
Redundancy	-	-
Social Security Costs	12,510	11,975
Pension Costs	14,691	14,586
	<u>253,249</u>	<u>245,551</u>
Charitable activities	253,249	245,551
Support costs	-	-
	<u>253,249</u>	<u>245,551</u>

The average number of employees during the year was 12 (previous year: 12).

employment benefits, including employer pension contributions of the key management personnel were £35,571 (previous year: £38,890), No employee has benefits in excess of £60,000 (previous year: none).

10. Independent Examiner Fees

	Year Ended 31 March 2022 £	Year Ended 31 March 2021 £
Independent examination fees	1,515	1,100
Other Accountancy services	-	1,539
	<u>1,515</u>	<u>2,639</u>

Notes to the accounts

11. Tangible Fixed Assets

	Computers	Furniture & Office Equipment	Total
Cost	£	£	£
At 1 April 2021	11,042	36,304	47,346
Additions	1,390	-	1,390
At 31 March 2022	12,432	36,304	48,736
Depreciation			
At 1 April 2021	11,042	33,949	44,991
Charge for Year	348	1,222	1,570
At 31 March 2022	11,390	35,171	46,561
NET BOOK VALUE			
At 31 March 2022	1,042	1,133	2,175
At 31 March 2021	-	2,355	2,355

12. Stocks

	2022	2021
	£	£
Café Food Stocks	1,800	1,800

13. Analysis of debtors

	2022	2021
	£	£
Debtors	192,377	16,320
Prepayments	8,073	3,198
	200,450	19,518

Debtors and prepayments related to unrestricted funds both in 2022 and 2021.

14. Creditors: amounts falling due within one year

	2022	2021
	£	£
Creditors	179,281	178,040
Overspent Cash	1	-
Short-term compensated absences (holiday pay)	-	-
Other creditors and accruals	1,320	1,050
Deferred income	11,250	11,250
	191,852	190,340

15. Deferred income

Deferred income comprises grants received in advance.

Balance as at 1 April 2021	11,250
Amount released to income earned from charitable activities	(11,250)
Amount deferred in year	11,250
Balance at 31 March 2022	11,250

Notes to the accounts

16. Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance at 1 April 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
General Fund	128,597	415,401	(402,281)	(10,000)	131,717
Designated Fund	100,000	-	-	10,000	110,000
	228,597	415,401	(402,281)	-	241,717

Previous reporting period

	Balance at 1 April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
General Fund	33,067	485,164	(389,634)	-	128,597
Designated Fund	100,000	-	-	-	100,000
	133,067	485,164	(389,634)	-	228,597

Name of unrestricted fund:

General Fund

Designated Fund

Description, nature and purpose of the fund

The "free reserves" after allowing for all designated funds

For future closure costs, redundancy provision and contractual obligations

Analysis of movements in restricted funds

	Balance at 1 April 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
NHS Salford	8,222	-	-	-	8,222
HMRC CVJRS	-	13,845	(13,845)	-	-
Henry Smith	-	1,510	(1,510)	-	-
Salford CVS Addressing Unmet Needs	-	44,005	(11,924)	-	32,081
Salford CVS Holiday Fund	-	4,760	(4,760)	-	-
Salford CVS Food Response Fund	-	10,000	(10,000)	-	-
Salford CVS Covid	13,000	-	(13,000)	-	-
Salford CVS Crisis Fund	502	-	(502)	-	-
The Charity Service	-	250	(250)	-	-
Forever Manchester	-	100	(100)	-	-
	21,724	74,470	(55,891)	-	40,303

Previous reporting period

	Balance at 1 April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
NHS Salford	8,222	-	-	-	8,222
GMCVO	950	-	(950)	-	-
Neighbourly Community Fund	-	400	(400)	-	-
Peter Kershaw Trust	-	1,000	(1,000)	-	-
Greggs Foundation	-	500	(500)	-	-
HMRC CVJRS	-	30,524	(30,524)	-	-
Big Lottery Fund	-	56,850	(56,850)	-	-
Salford CVS Neighbourhood Leadership	-	300	(300)	-	-
Salford CVS Food Response Fund	-	6,000	(6,000)	-	-
Salford CVS Living Wage	-	144	(144)	-	-
Salford Food Share Network	-	1,500	(1,500)	-	-
Salford CVS Live Well	-	900	(900)	-	-
Salford CVS Covid	-	18,500	(5,500)	-	13,000
Salford CVS Crisis Fund	502	500	(500)	-	502
Forever Manchester	-	3,600	(3,600)	-	-
	9,674	120,718	(108,668)	-	21,724

Notes to the accounts

16. Analysis of charitable funds

Analysis of movements in restricted funds

Name of restricted fund:	Description, nature and purpose of the fund
NHS Salford	for stamp duty and legal fees
HMRC CVJRS	for salary furlough costs
Henry Smith	for a trip to Gullivers World
Salford CVS Addressing Unmet Needs	for a project to address unmet needs in Ordsall and Claremont
Salford CVS Holiday Fund	for holiday activities
Salford CVS Food Response Fund	for food costs and loss of income
Salford CVS Covid	for food costs and loss of income
Salford CVS Crisis Fund	for food costs and loss of income
The Charity Service	for a children's Christmas party
Forever Manchester	for food parcels and Men's activities

17. Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total 2022
	£	£	£	£
Tangible fixed assets	2,175	-	-	2,175
Cash at bank and in hand	119,144	110,000	40,303	269,447
Other net current assets/(liabilities)	10,398	-	-	10,398
Total	131,717	110,000	40,303	282,020

Previous reporting period

	Unrestricted funds	Designated funds	Restricted funds	Total 2021
	£	£	£	£
Tangible fixed assets	2,355	-	-	2,355
Cash at bank and in hand	295,264	100,000	21,724	416,988
Other net current assets/(liabilities)	(169,022)	-	-	(169,022)
Total	128,597	100,000	21,724	250,321

18. 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 on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.

Income and Expenditure Account

	Year Ended 31 March 2022 £	Year Ended 31 March 2021 £
Income		
Sundry Income	-	10
Investment Income	1,644	1,840
General grants:		
NHS Salford	288,924	346,983
Salford 3rd Sector Consortium	45,000	45,000
Room and Facilities Rental	69,637	63,147
Activities Income	-	1,905
Class Fees	3,517	420
Restricted grants:		
Neighbourly Community Fund	-	400
Peter Kershaw Trust	-	1,000
Greggs Foundation	-	500
HMRC CVJRS	13,845	30,524
Henry Smith	1,510	-
Big Lottery Fund	-	56,850
Salford CVS Addressing Unmet Needs	44,005	-
Salford CVS Holiday Fund	4,760	-
Salford CVS Neighbourhood Leadership	-	300
Salford CVS Food Response Fund	10,000	6,000
Salford CVS Living Wage	-	144
Salford Food Share Network	-	1,500
Salford CVS Live Well	-	900
Salford CVS Covid	-	18,500
Salford CVS Crisis Fund	-	500
Salford City Council Covid	-	25,000
The Charity Service	250	-
Forever Manchester	100	3,600
Café Income	6,679	859
Total Income	489,871	605,882
Expenditure		
Activities	23,776	14,583
Café Food	9,352	14,524
Advertising and marketing	1,000	-
Subscriptions	3,014	767
Employment Costs	253,249	245,551
Training	1,742	404
DBS Checks	69	-
NHS Recharges	80,059	138,386
Water	10,861	-
Travel Expenses	702	511
Repairs and Maintenance	2,695	848
Bad Debts	1,357	3,098
Minor Equipment and Rental	3,014	5,238
Rates	1,235	6,369
Software and IT	2,453	1,460
Irrecoverable VAT	4,963	9,285
Bank Charges	18	-
Telephone	4,469	796
Cleaning and Security	43,248	46,900
Insurance	2,305	2,143
Governance Costs	4,439	5,162
Post, Printing & Stationery	1,798	556
Depreciation	1,570	1,222
Miscellaneous	784	499
Total Expenditure	458,172	498,302
Surplus/(deficit for year)	31,699	107,580