

**LANGWORTHY CORNERSTONE ASSOCIATION LIMITED**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2023**

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



## **Report of the Trustees for the year ended 31<sup>st</sup> March 2023**

The Trustees present their Annual Directors' Report and financial statements of the Charity for the year ended 31<sup>st</sup> March 2023 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.



### **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.

As part of the work at LCA, we employ our own Community Connector (CC), 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.

The Wellbeing Enabler post, not the CC post above, was funded through a grant which ended in January 2023; we continued to support this role until March 2023. The role was extremely successful with positive outcomes for members of our community, demonstrated through a thorough evaluation process. We were unsuccessful in finding funding to continue with the post due to several external factors. This post was in principle superseded by the Community Connector post.

The Cornerstone saw the departure of a long-term Chief Officer after 15 years, followed by a period of uncertainty change which impacted on staff morale. We took steps to support our staff through this difficult period by engaging several HR tools and services to support staff going forward. Along with the appointment of a new and experienced Chief Officer returning stability and structure to the organisation enabling our team to collectively grow through mutual support and care, a professional team we are proud of.

We commenced April 2023 with renewed vigour, a new outline of staffing structure and the Board working towards a new Board structure to develop subgroups to focus on operational activity and feed up strategically to the board on a monthly basis. These groups include a Finance subgroup, HR subgroup, Community subgroup, Event subgroup, Forum subgroup, Governance subgroup – all subgroups are formed and disband as activity develops and becomes sustainable (Matrix Style Management).

We continue to host Zumba, Yoga, Tai Chi, and Reiki Relaxation, Karate, Street Dance, Learning Activities, Computer classes, Active Seniors, Men's Health activities, Citizens Advice, general advice, Salford Disability Forum, Job search service as well as ongoing support for people wishing to gain experience through volunteering. We are developing a Volunteer Service with an underpinning process of recruitment, induction, JDs, training, a volunteer handbook and these will be refined throughout 2023-24.

Our Healthy Food Project which includes a Cafe continues support Warm Places, free breakfasts, reduced prices meals to support people in need, a holiday club with children's activities and food provided. Food Cycle providing free Vegetarian meals for up to 40 people in house in a bistro style



setting with plans to increase Food cycle with a further session in 2023. Along with plans to re-establishing the Seedley and Langworthy Forum.

The Cornerstone accommodates a GP Surgery, a Children's Centre including Early Help and a Children's Nursery, and a range of Voluntary Organisations and Social Enterprises under one roof, which really adds value to the overall offer of LCA through the social prescribing model of practice.

### **Financial review**

As people began to return to their regular activities in Spring 2022 following the Covid pandemic, the centre again became busy and well used. As a result, we saw an increase in income from room bookings and from the café. We also received a number of grants during the year which have helped to support our charitable aims. Over the same period our core costs have increased as a result of inflation caused in part by the increased cost of utilities.

We continue to 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.

Following a reorganisation of the NHS locally, The Greater Manchester Integrated Care Board took over our main NHS contract in April 2022. During the year, we worked hard to achieve a revised set of indicators and targets relating to this contract.

We are very grateful for the continuing support from the Integrated Care Board and hope that the proposed review of our contract gives LCA the opportunity to continue to deliver much needed activities and support in the Langworthy area.

During 22/23 our main contract was extended until April 2024 to give time for the changes in the NHS to become embedded.

We were also pleased to receive grants from a number of funders during the course of the year. This income provided project funding for several projects of benefit to local residents eg the Summer Holiday Activity Funding via Salford CVS benefitted 140 children between the ages and 5 and 11 years.

In addition to our planned income and expenditure, our accounts also reflect three significant credits applied by NHS Property Services to our service charge account. These relate to a number of bills issued between 2018 and 2020 which we had queried at the time. We have now finally been able to release the funds set aside to cover the amounts originally billed by NHSPS.

We are therefore able to report an overall surplus for the year as a result of the NHSPS credits.

We continue our negotiations to obtain a formal lease with NHS Property Services. However, by the end of the year, there were still a number of matters to resolve. Discussions are progressing about a sub lease of the large office space, which will be drawn to closure contractually in the new financial



year. This will be spurred by a project called Living Well delivering services from the Centre and we hope to resolve issues with the Heads of Terms, which are still to be finalised.

### **Investment powers and policy**

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

### **Reserves Policy, Development Funds and issues of ongoing concern**

The balance held in unrestricted reserves on 31<sup>st</sup> March 2023 was £237,351 of which £235,434 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 2023-2024.

The Reserves Policy and Development Fund decisions will be reviewed and updated annually by the Trustees.

### **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 NHS GM ICB will expire Mar 2024 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 residents and meet the KPIs in LCA contractual arrangements with ICB. As the Centre settles into a new period, we are planning a relaunch in the Oct 2023 to capitalise on renewed vigour of staff and new opportunities shaped by firming up of local and GM area relationship being nurtured by a new CEO who came to care take the Centre from Sept 2022– May 2023 and is now in post on a permanent contract.



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, albeit we anticipate a rise in costs due to cost-of-living rise in April 2023. We have received credit notes from ICB for £106,529 which back dates to April 2017 – Mar 2020. This reduces our balance owed have for 'outstanding amounts' and debt written off from previous years.

We continue to consult with staff and the community through quarterly census and we have amended the forms to accommodate Equality & Diversity and authenticity of the community members who use the building considering, the dynamic shift in the demographic and ethnicity of people who live in the area. The Trustees are aware of considerable changes to the makeup of the local area, and remain committed to welcoming residents of all ages and backgrounds and celebrating the increased diversity of the Seedley, Langworthy and adjoining areas.

### **Structure, Governance and Management**

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

We are recruiting a specific board membership to fill gaps in expertise and leadership to increase accountability and capitalise on the ongoing local and regional 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 Executive 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. Travel expenses are paid to Trustees.

### **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	
Erica Kinniburgh		
Doreen Burns		(resigned August 2023)
Dorothy Robinson		(resigned November 2023)
Celina Pais		(resigned March 2023)
John Phillips	Company Secretary	(resigned November 2022)
Beverley Fletcher	Company Secretary	(appointed November 2022)

### **Chief Executive Officer**

Beverley Fletcher

### **Registered Office**

Langworthy Cornerstone  
451 Liverpool Street  
Salford  
M6 5QQ





**Langworthy  
Cornerstone**

**Independent Examiners**

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

**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

### **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: 7<sup>th</sup> December 2023

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

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2023, 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.N. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 7<sup>th</sup> December 2023

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2023**  
**(incorporating Income and Expenditure Account)**

		Unrestricted Funds	Restricted Funds	Total Funds Year Ended 31 March 2023	Total Funds Year Ended 31 March 2022
	Further Details	£	£	£	£
<b>Income from:</b>					
Donations and legacies	(3)	1,000	-	1,000	-
Charitable Activities	(4)	434,196	38,858	473,054	481,548
Other Trading Activities	(5)	17,999	-	17,999	6,679
Investment Income		2,078	-	2,078	1,644
<b>Total</b>		<b>455,273</b>	<b>38,858</b>	<b>494,131</b>	<b>489,871</b>
<b>Expenditure on:</b>					
Raising Funds	(6)	14,456	-	14,456	13,366
Charitable Activities	(6)	327,187	77,791	404,978	444,022
Other	(6)	2,496	-	2,496	784
<b>Total</b>		<b>344,139</b>	<b>77,791</b>	<b>421,930</b>	<b>458,172</b>
<b>Net income/(expenditure)</b>		<b>111,134</b>	<b>(38,933)</b>	<b>72,201</b>	<b>31,699</b>
Transfers between funds	(16)	-	-	-	-
<b>Net movement in funds</b>		<b>111,134</b>	<b>(38,933)</b>	<b>72,201</b>	<b>31,699</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	(16)	241,717	40,303	282,020	250,321
<b>Total funds carried forward</b>	<b>(16)</b>	<b>352,851</b>	<b>1,370</b>	<b>354,221</b>	<b>282,020</b>

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 2023****Company Registration Number: 05626422**

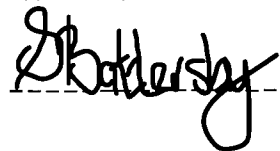
	Notes	2023 £	2022 £
<b>Fixed assets:</b>			
Tangible assets	(11)	1,917	2,175
Total fixed assets		<u>1,917</u>	<u>2,175</u>
<b>Current assets:</b>			
Stocks	(12)	1,800	1,800
Debtors	(13)	12,765	200,450
Cash at Bank & in Hand		445,468	269,447
Total current assets		<u>460,033</u>	<u>471,697</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(14)	107,729	191,852
Net current assets or liabilities		<u>352,304</u>	<u>279,845</u>
Total assets less current liabilities		354,221	282,020
<b>Total net assets or liabilities</b>		<u><u>354,221</u></u>	<u><u>282,020</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	(16)	1,370	40,303
Unrestricted income funds	(16)	352,851	241,717
<b>Total charity funds</b>		<u><u>354,221</u></u>	<u><u>282,020</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 7th December 2023



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 2023

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

	Year Ended 31 March 2023 £	Year Ended 31 March 2022 £
Net movement in funds	72,201	31,699
Add back depreciation	1,430	1,570
Deduct investment income	(2,078)	(1,644)
Decrease/(increase) in stocks	-	-
Decrease/(increase) in debtors	187,685	(180,932)
Increase/(decrease) in creditors	(84,123)	1,512
<b>Net cash used in operating activities</b>	<b>175,115</b>	<b>(147,795)</b>
<b>Cash flows from investment activities:</b>		
Interest	2,078	1,644
Purchase of fixed assets	(1,172)	(1,390)
<b>Net cash provided by investing activities</b>	<b>906</b>	<b>254</b>
Increase/(decrease) in cash and cash equivalents during the year	176,021	(147,541)
Cash and cash equivalents brought forward	269,447	416,988
<b>Cash and cash equivalents carried forward</b>	<b>445,468</b>	<b>269,447</b>

## Notes to the accounts for the year ended 31st March 2023

**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 6 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 for the year ended 31st March 2023

**(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 (2022: £nil). Expenses paid to the trustees in the year totalled £105 (2022: £nil). This comprised 1 trustee reimbursed for travel expenses.

**3. Donations and Legacies**

	Unrestricted Year Ended 31 March 2023 £	Restricted Year Ended 31 March 2023 £	Total Funds Year Ended 31 March 2023 £	Total Funds Year Ended 31 March 2022 £
Donations	1,000	-	1,000	-
	1,000	-	1,000	-

**Previous reporting period**

	Unrestricted Year Ended 31 March 2022 £	Restricted Year Ended 31 March 2022 £	Total Funds Year Ended 31 March 2022 £
Donations	-	-	-
	-	-	-



## Notes to the accounts for the year ended 31st March 2023

## 4. Income from charitable activities

	Unrestricted	Restricted	Total Funds	Total Funds
	Year Ended 31	Year Ended	Year Ended	Year Ended
	March 2023	31 March	31 March	31 March
	£	£	£	£
Room and Facilities Rental	84,673	-	84,673	69,637
Activities Income	3,873	-	3,873	-
Class Fees	2,940	-	2,940	3,517
General grants:				
NHS Salford	292,591	-	292,591	288,924
Salford 3rd Sector Consortium	50,119	-	50,119	45,000
Restricted grants:				
HMRC CVJRS	-	-	-	13,845
Henry Smith	-	1,370	1,370	1,510
Salford CVS Addressing Unmet Needs	-	-	-	44,005
Salford CVS Holiday Fund	-	-	-	4,760
Salford CVS Summer Activities	-	8,395	8,395	-
Salford CVS Household Support Fund	-	4,000	4,000	-
Salford CVS Food Response Fund	-	-	-	10,000
Salford Community Grants	-	25,093	25,093	-
The Charity Service	-	-	-	250
Forever Manchester	-	-	-	100
	434,196	38,858	473,054	481,548

## Notes to the accounts for the year ended 31st March 2023

## 4. Income from charitable activities

Previous reporting period

	Unrestricted	Restricted	Total Funds
	Year Ended 31	Year Ended	Year Ended
	March 2022	31 March	31 March
	£	£	£
Room and Facilities Rental	69,637	-	69,637
Class Fees	3,517	-	3,517
General grants:			
NHS Salford	288,924	-	288,924
Salford 3rd Sector Consortium	45,000	-	45,000
Restricted grants:			
HMRC CVJRS	-	13,845	13,845
Henry Smith	-	1,510	1,510
Salford CVS Addressing Unmet Needs	-	44,005	44,005
Salford CVS Holiday Fund	-	4,760	4,760
Salford CVS Food Response Fund	-	10,000	10,000
The Charity Service	-	250	250
Forever Manchester	-	100	100
	407,078	74,470	481,548

## 5. Income from other trading activities

	Unrestricted	Restricted	Total Funds	Total Funds
	Year Ended 31	Year Ended	Year Ended	Year Ended
	March 2023	31 March	31 March	31 March
	£	£	£	£
Café Income	17,999	-	17,999	6,679
	17,999	-	17,999	6,679

Previous reporting period

	Unrestricted	Restricted	Total Funds
	Year Ended 31	Year Ended	Year Ended
	March 2022	31 March	31 March
	£	£	£
Café Income	6,679	-	6,679
	6,679	-	6,679

Notes to the accounts for the year ended 31st March 2023

6. Expenditure

	Community Centre Activities £	Year Ended 31 March 2023 £	Year Ended 31 March 2022 £
<b>Expenditure on raising funds:</b>			
Café Food	12,734	12,734	9,352
Advertising and marketing	631	631	1,000
Subscriptions	1,091	1,091	3,014
	<u>14,456</u>	<u>14,456</u>	<u>13,366</u>
<b>Expenditure on charitable activities:</b>			
Employment Costs	263,256	263,256	253,249
Freelance Costs	4,810	4,810	-
Training	2,117	2,117	1,742
Activities	24,704	24,704	23,776
Donations Paid	140	140	-
DBS Checks	201	201	69
NHS Recharges	(16,247)	(16,247)	80,059
Gifts	635	635	-
Water	15,277	15,277	10,861
Room Hire	406	406	-
Travel Expenses	1,412	1,412	702
Repairs and Maintenance	1,583	1,583	2,695
Bad Debts	18,000	18,000	1,357
Minor Equipment and Rental	5,958	5,958	3,014
Rates	2,419	2,419	1,235
Software and IT	2,181	2,181	2,453
Irrecoverable VAT	2,672	2,672	4,963
Bank Charges	135	135	18
Telephone	4,486	4,486	4,469
Cleaning and Security	44,703	44,703	43,248
Insurance	2,533	2,533	2,305
Governance Costs	16,930	16,930	4,439
Post, Printing & Stationery	5,237	5,237	1,798
Depreciation	1,430	1,430	1,570
	<u>404,978</u>	<u>404,978</u>	<u>444,022</u>
<b>Other expenditure:</b>			
Miscellaneous	2,496	2,496	784
	<u>2,496</u>	<u>2,496</u>	<u>784</u>
	<u>421,930</u>	<u>421,930</u>	<u>458,172</u>
Restricted funds		77,791	55,891
Unrestricted funds		<u>344,139</u>	<u>402,281</u>
		<u>421,930</u>	<u>458,172</u>

Notes to the accounts for the year ended 31st March 2023

**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 2023	Basis of apportionment
Accountancy Fees	-	1,580	1,580	type of expense
Book-keeping Charges	4,011	-	4,011	type of expense
Payroll Bureau Charges	1,260	-	1,260	type of expense
Professional Fees	7,734	-	7,734	type of expense
Support & advice	860	-	860	type of expense
Penalties	335	-	335	type of expense
Trustee Expenses	-	185	185	type of expense
Accountancy Support	965	-	965	type of expense
	<u>15,165</u>	<u>1,765</u>	<u>16,930</u>	

Previous reporting period

	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>	

**9. Analysis of staff costs**

	Year Ended 31 March 2023 £	Year Ended 31 March 2022 £
Wages and Salaries	231,182	226,048
Agency Costs	5,494	-
Redundancy	-	-
Social Security Costs	12,793	12,510
Pension Costs	13,787	14,691
	<u>263,256</u>	<u>253,249</u>
Charitable activities	263,256	253,249
Support costs	-	-
	<u>263,256</u>	<u>253,249</u>

The average number of employees during the year was 13 (previous year: 12).

The charity considers its key management personnel comprises the trustees and Chief Executive Officer. The total employment benefits, including employer pension contributions of the key management personnel were £38,683 (previous year: £35,571), No employee has benefits in excess of £60,000 (previous year: none).

**10. Independent Examiner Fees**

	Year Ended 31 March 2023 £	Year Ended 31 March 2022 £
Independent examination fees	1,580	1,515
Other Accountancy services	965	-
	<u>2,545</u>	<u>1,515</u>

Notes to the accounts for the year ended 31st March 2023

**11. Tangible Fixed Assets**

	Computers	Furniture & Office Equipment	Total
<b>Cost</b>	£	£	£
At 1 April 2022	12,432	36,304	48,736
Additions	-	1,172	1,172
At 31 March 2023	12,432	37,476	49,908
<b>Depreciation</b>			
At 1 April 2022	11,390	35,171	46,561
Charge for Year	347	1,083	1,430
At 31 March 2023	11,737	36,254	47,991
<b>NET BOOK VALUE</b>			
At 31 March 2023	695	1,222	1,917
At 31 March 2022	1,042	1,133	2,175

**12. Stocks**

	2023	2022
	£	£
Café Food Stocks	1,800	1,800

**13. Analysis of debtors**

	2023	2022
	£	£
Debtors	9,174	192,377
Prepayments	3,591	8,073
	12,765	200,450

Debtors and prepayments related to unrestricted funds both in 2023 and 2022.

**14. Creditors: amounts falling due within one year**

	2023	2022
	£	£
Creditors	105,898	179,281
Overspent Cash	31	1
Short-term compensated absences (holiday pay)	-	-
Other creditors and accruals	1,800	1,320
Deferred income	-	11,250
	107,729	191,852

**15. Deferred income**

Deferred income comprises grants received in advance.

Balance as at 1 April 2022	11,250
Amount released to income earned from charitable activities	(11,250)
Amount deferred in year	-
Balance at 31 March 2023	-

Notes to the accounts for the year ended 31st March 2023

16. Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance at 1 April 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
General Fund	131,717	455,273	(344,139)	(5,500)	237,351
Designated Fund	110,000	-	-	5,500	115,500
	241,717	455,273	(344,139)	-	352,851

Previous reporting period

	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

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 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
NHS Salford	8,222	-	(8,222)	-	-
Henry Smith	-	1,370	-	-	1,370
Salford CVS Summer Activities	-	8,395	(8,395)	-	-
Salford CVS Household Support Fund	-	4,000	(4,000)	-	-
Salford Community Grants	-	25,093	(25,093)	-	-
Salford CVS Addressing Unmet Needs	32,081	-	(32,081)	-	-
	40,303	38,858	(77,791)	-	1,370

Previous reporting period

	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

Notes to the accounts for the year ended 31st March 2023

**16. Analysis of charitable funds**

**Analysis of movements in restricted funds**

<b>Name of restricted fund:</b>	<b>Description, nature and purpose of the fund</b>
NHS Salford	for stamp duty and legal fees
Henry Smith	for a trip to Gullivers World
Salford CVS Summer Activities	for children's summer programme plus lunches
Salford CVS Household Support Fund	practical support for local households
Salford Community Grants	for project costs
Salford CVS Addressing Unmet Needs	for a project to address unmet needs in Ordsall and Claremont

**17. Analysis of net assets between funds**

	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	1,917	-	-	1,917
Cash at bank and in hand	328,598	115,500	1,370	445,468
Other net current assets/(liabilities)	(93,164)	-	-	(93,164)
<b>Total</b>	<b>237,351</b>	<b>115,500</b>	<b>1,370</b>	<b>354,221</b>

**Previous reporting period**

	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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
<b>Total</b>	<b>131,717</b>	<b>110,000</b>	<b>40,303</b>	<b>282,020</b>

**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 2023 £	Year Ended 31 March 2022 £
<b>Income</b>		
Donations	1,000	-
Investment Income	2,078	1,644
General grants:		
NHS Salford	292,591	288,924
Salford 3rd Sector Consortium	50,119	45,000
Room and Facilities Rental	84,673	69,637
Activities Income	3,873	-
Class Fees	2,940	3,517
Restricted grants:		
HMRC CVJRS	-	13,845
Henry Smith	1,370	1,510
Salford CVS Addressing Unmet Needs	-	44,005
Salford CVS Holiday Fund	-	4,760
Salford CVS Summer Activities	8,395	-
Salford CVS Household Support Fund	4,000	-
Salford CVS Food Response Fund	-	10,000
Salford Community Grants	25,093	-
The Charity Service	-	250
Forever Manchester	-	100
Café Income	17,999	6,679
<b>Total Income</b>	<b>494,131</b>	<b>489,871</b>
<b>Expenditure</b>		
Activities	24,704	23,776
Café Food	12,734	9,352
Advertising and marketing	631	1,000
Subscriptions	1,091	3,014
Employment Costs	263,256	253,249
Freelance Costs	4,810	-
Training	2,117	1,742
Donations Paid	140	-
DBS Checks	201	69
NHS Recharges	(16,247)	80,059
Gifts	635	-
Water	15,277	10,861
Room Hire	406	-
Travel Expenses	1,412	702
Repairs and Maintenance	1,583	2,695
Bad Debts	18,000	1,357
Minor Equipment and Rental	5,958	3,014
Rates	2,419	1,235
Software and IT	2,181	2,453
Irrecoverable VAT	2,672	4,963
Bank Charges	135	18
Telephone	4,486	4,469
Cleaning and Security	44,703	43,248
Insurance	2,533	2,305
Governance Costs	16,930	4,439
Post, Printing & Stationery	5,237	1,798
Depreciation	1,430	1,570
Miscellaneous	2,496	784
<b>Total Expenditure</b>	<b>421,930</b>	<b>458,172</b>
<b>Surplus/(deficit for year)</b>	<b>72,201</b>	<b>31,699</b>