

Bounce Back Foundation

Trustees Report and Audited Financial Statements

31 March 2021

(A charitable company limited by guarantee)
Company number 07675301
Charity number 1144297

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Reference and administrative details

Trustees	Sheena Asthana Rachel Atkinson Nicholas Burstin Jean Daintith Craig Denholm John Harris	Rahul Jaitly Stuart McMinnies Michael Pringle Dr Andreas Raffel Caroline Shuldham
Key management personnel	Francesca Findlater Julian Stanley Andrew Mondon Vicki Markiewicz	
Registered Office	3 rd Floor, North West Suite Tower Point 44 North Road Brighton BN1 1YR	
Principal office	204 Kennington Lane London SE11 5DL	
Charity registration number	1144297	
Company number	07675301	
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Bankers	HSBC 90 Baker Street London W1U 6AX	
Solicitors	Hewitsons Exchange House 482 Midsummer Boulevard Central Milton Keynes MK9 2EA	

Report of the Trustees 31 March 2021

The trustees present their statutory report together with the financial statements for the year ended 31 March 2021.

The report has been prepared in accordance with Part VIII of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 21 to 25 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and Activities

Purpose and main activities

The primary purpose of the Foundation is to reduce re-offending by ensuring as many ex-offenders as possible are able to access the Bounce Back training and work experience programme, prior to joining the painting and decorating company, Bounce Back Project Limited or being supported to work within construction companies. Bounce Back Foundation owns 100% of the Ordinary Share Capital of the limited company, Bounce Back Project Limited.

The Objects of the Foundation are the rehabilitation of ex-offenders, the relief of unemployment and the advancement of education and training; principally for ex-offenders but also other socially excluded or marginalised people by providing them with:

- ◆ Tools and mechanisms to assist in finding employment
- ◆ Identifiable routes into employment
- ◆ Work experience, training, mentoring and advice & guidance on victim empathy and workplace and citizenship responsibilities

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The board of trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the Charity's future activities.

Bounce Back has been consistent in its mission since it began. With a focus on painting and decorating, over the years additional skills training such as dry lining and scaffolding have been added in response to labour market demand. It starts early intervention in custody, then provides people in and out of custody with education and qualifications leading them into employment in Bounce Back's own social enterprise, as well as with their partners who include the construction industry, housing associations and Local Authorities.

Objectives and Activities (continued)

Activities

To achieve its objectives, the Bounce Back programme is outlined below and the impact of Covid has been noted separately:

Bounce Back Foundation is a training Charity that supports people throughout their journey from custody and through the gate into employment. It is an 'end to end' solution to reducing re-offending, working with individuals at every stage of the process.

It has seven training centres. Of these five are in prisons in HMP's Brixton, Wandsworth, Pentonville, Coldingley and Isis. Bounce Back also has two community training centres as well as a training centre within the Crisis HQ in Shoreditch.

The skills it trains in are largely focussed on construction and they respond specifically to training required by the industry adding new skills every year which are often driven through its partnership with Landsec and its knowledge of industry need. Part of the 'work readiness' are CSCS cards and self-employment support. This means people can leave prison with a qualification and support to walk into a job, further helped by the fact that employers come into prisons to interview pre-release.

Bounce Back Foundation engages with individuals in prison up to six months or more before release. It then works with them to help them get prepared for a job, to overcome some of their personal challenges and barriers to work. Once they are out, people continue their relationship with Bounce Back as they are supported into employment.

How we support participants

The fundamental principle is around engaging on a one-to-one basis. The Bounce Back case management team engage with individuals pre and post release to support them into further training, education and employment opportunities with a full wraparound service responding to the needs of the individual.

Bounce Back also works to support and guide employers through the recruitment and employment process so that companies have the correct policies in place, understand DBS checks and how to evaluate risk and know they have statutory advice available when needed.

The Bounce Back Social Enterprise

Bounce Back Project Limited is a social enterprise which is wholly owned subsidiary of Bounce Back Foundation. The enterprise can employ up to 30 decorators at any one time, painting on various size contracts within the M25 and beyond.

Once individuals have gained employment with the social enterprise, the team continue to train them to further enhance their skills.

Change Grow Live

Change Grow Live became the sole member of Bounce Back Foundation on the 29 July 2020.

The activity and purpose of Bounce Back Foundation aligns with the charitable objectives of Change Grow Live, centred on improving the lives of individuals and the communities in which they live.

Achievements and Performance

Achievements

Since the Foundation was established it has:

- ◆ Worked with over 3,000 people leaving prison and put them through some part of the programme of training and subsequent employment,
- ◆ Maintained contact with over 70% of its trainees, the rest have either obtained employment elsewhere or set up their own businesses.
- ◆ Acknowledged a duty of care to the public by providing a structured environment to teach life skills to get people to re-engage back into society and challenge their approach to crime in the interest of protecting the public.
- ◆ Been described as a "social innovator" by HMPPS. The Bounce Back approach is to equip every participant with the mindset, qualifications, and skills to work on any site.
- ◆ Created a core team of up to thirty professional decorators working for the social enterprise on a variety of projects, including residential and large construction industry projects, as well as Local Authority and Housing Association commissions. A number of our participants have stayed with Bounce Back for 18 months or more, within the social enterprise and the Alumni return annually.

Measurement

Following early recognition of the importance of measurement, in 2014 we produced a social return on investment report which gave us an early understanding of the data required. Since then, we have published a review annually that includes evaluation of costs and value we achieve through our work, along with key outcomes and impact of the services we deliver.

The target for employment in 2020/2021 was 200 which started to be impacted by Covid which we have referenced later but despite it we achieved over 130 into work. The measured reoffending rate from participants we support into work is 10%, this compares favourably with the national average of over 40% occurring within the first year of release.

In addition, we also undertake impact measurement on special projects for our funders and the construction companies we work with.

Difference made to beneficiaries and wider society

There are currently over 80,000 people in prison and a government reported re-offending rate of over 40%. It costs over £50k p.a. to keep someone in prison for a year and the cost

of reoffending is £18bn. A job cuts the likelihood of re-offending by 50% and this is what Bounce Back seeks to address.

When reoffending occurs, judges and courts are giving people back to Bounce Back in preference to putting them back in prison.

Difference made to beneficiaries and wider society (cont.)

This helps to ensure re-offending is minimised and centres on an indirect saving to the public purse, especially given the average costs of prison is estimated at over £50k per offender per year.

In addition, continued growth in the construction industry has meant that trained Bounce Back painters and decorators, dry liners and scaffolders have been increasingly in demand. The prison population provides a pool of potential trainee workers that the construction industry is keen to tap into, which has the potential to change the employment landscape dramatically, as well as reducing re-offending rates.

Bounce Back, through its unique relationships across the prison and the community, as well as its longstanding commitment to employing ex-offenders, provides a valued link between the prison population and the construction industry. Bounce Back has built a reputation of a recognised conduit from prison into the construction industry.

Covid 19

From the beginning of Covid, Prisons and probation services implemented significant changes to comply with the Government's social distancing rules and to protect staff and service users. The prisoners were locked down 23 hours a day and this has continued throughout, meaning we are unable to deliver face to face training or casework engagement but focussed instead on paper-based training and capturing individuals on release from prison. Although we have navigated the systems and the window of access in prisons has grown, we are still focussing on the community.

HMPPS have stayed in discussion with all contract holders (including us) about what the next stages might look like, and we have provided them with our risk assessments and recommendations for the way in which we will go in and begin again when the time arises. That would mean class sizes will be smaller to allow for social distancing. We are ready with all PPE and necessary preparations at the time of this report but there has been no opening up as yet.

To this end, our community training, which re-opened in late July temporarily replaced the training in prisons and we worked with a number of training partners including HSS to deliver the required courses. We have therefore focussed heavily on changing our approach to an emphasis on digital learning and blended learning or, when possible, face to face.

Meanwhile our caseworkers liaised with prisoners via prison staff/officers and different departments in the prison to gain access to people either on the phone or through Probation etc. In addition, there are a broad range of educational and resettlement information materials that are sent into the prison to read in their cells. Then we capture people immediately on release and we have been funded to give participants phones/tablets and whatever they need to continue to train and engage. In addition,

Covid 19 (continued)

the team are in touch with them regularly on the phone. A number of the participants are people we know from the work we did with them in prison.

During this time, collaboration with other organisations has been key – including those in our sector, the MOJ, and employers. We have also been funded by the Pan Livery and the Mayor of the City of London to run an employment programme called No Going Back with a target of 40 people through prison, training, support, and employment within a year. Unusually this programme also has the benefit of housing, if it is needed, at the end of the programme when they have a job. Initial communication planning was to launch in April 2020 having done 3 months of development work, but this got put back to July 2020.

Employers, and particularly the Livery Steering Group through this will be engaged on a one-to-one basis subject to their interest and the NGB team will ensure they are contacted regularly with potential clients. One of the elements of the programme that will be missing throughout is the visits to the prisons and to replace this a series of online activities have been running for interaction and interviewing using digital approaches.

Financial Review

Financial statements

The charity generated a surplus of £18,030 during the year (2020 - deficit of £65,431), with a deficit on unrestricted funds of £75,105 (2020 - deficit of £69,684) and a surplus on restricted funds of £93,135 (2020 – surplus of £4,253).

Despite the COVID-19 pandemic, income increased by £130,585 to £2,077,417 compared to the prior year (2019 - £1,946,832) arising from charitable activity and donations from various trusts, foundations, private funders, and companies.

Total expenditure for the year was £2,059,387 (2020 - £2,012,263).

Financial position

The charities total funds of £133,252 are represented by a restricted fund of £97,388 (2020 - £4,253) and unrestricted fund of £35,864 (2020 - £110,969). Free reserves which exclude the value of tangible fixed assets (£30,720) are £102,532 (2020 - £97,730).

The Foundation received restricted funding of £157,431 during the year of which £64,296 was spent in 2020/21. Total restricted funds at the year-end was £97,388.

Reserves policy

The charity requires reserves primarily for working capital purposes as some of its contract income is received in arrears. In addition, the charity is reliant upon grants and donations to support its charitable activities and therefore reserves are required for cash flow purposes in the event that there are any gaps in funding.

The trustees are seeking to build the general reserves in order to provide sufficient working capital for these purposes. Given the current level of free reserves, the charity is carefully managing budgets and cash flows in order to enable operations to continue without disruption. The trustees intend to achieve surplus in Foundation in order to build its reserves.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees have considered the impact of Covid-19 on the charities activities for 2022 and are confident that the charity will retain its current key training contract work through 2021/22 and, in the event of contracts not being renewed, the trustees have identified options to reduce the scale of activities. In addition, the acquisition by Change Grow Live is anticipated to accelerate partnership arrangements with third sector bodies to broaden the charity's portfolio of charitable activities.

Taking into account the charities financial position, the impact of Covid-19 and future financial projections, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

Plans for the future

As part of a process of ongoing review and improvement the charity is always exploring ways in which it can increase participant outcomes and broaden its portfolio to reduce risk. To these ends Bounce Back continually grows partnerships with other statutory bodies, Housing organisations, Government agencies and charities that complement its own programme.

Working closely with Change Grow Live, we have been able to widen our client group and support clients who are at the end of their journey through the Change Grow Live programmes with training and employment.

Fundraising

The Foundation does not fundraise directly with individuals and therefore is not registered with the Fundraising Regulator. If donations from individuals are received the Foundation aims to protect personal data and never sells data or swaps data with other organisations. The Foundation manages its own fundraising activities. The Foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2020/21, the Foundation received no complaints about its fundraising activities.

We take this opportunity to thank just some of our supporters: Landsec, Columbia Threadneedle, The Tom AP Rhys Price memorial Trust, Bromley Trust, Rayne Foundation, Peter Cruddas, Awards for All, RAS, Cutler Trust, Third House Trust, Charles Hayward Fdn, Fishmongers, Peoples Postcode Trust, Aldo Trust, Persula Fdn, AB charitable Trust, Green Hall Fdn, PDT Equip, DCR Allen, The Turners Company, Wates Foundation and Chesterhill Trust.

Structure, Governance and Management

Governing document

The governing instrument of the Foundation is the Memorandum and Articles of Association dated 20 June 2011 and was amended on 11 October 2011.

Constitution

Bounce Back Foundation was incorporated as a company limited by guarantee on 20 June 2011 and registered as a charity on 17 October 2011.

Trustees

The trustees who served throughout the year and to the date of approval of these financial statements, were as follows:

Mark Essex – resigned 29 July 2020

Francesca Findlater – resigned 29 July 2020

Simon Hall – resigned 29 July 2020

Antony Theodorou – resigned 29 July 2020

Thomas Wright – resigned 29 July 2020

Following the acquisition of Bounce Back Foundation by Change Grow Live, the following trustees were appointed on 29 July 2020:

Sheena Asthana

Rachel Atkinson

Nicholas Burstin

Jean Daintith

Craig Denholm

John Harris

Rahul Jaitly

Stuart McMinnies

Michael Pringle

Dr Andreas Raffel

Caroline Shuldham

The Trustees meet regularly during the year to agree the broad strategy and areas of activity for the Foundation, including consideration of reserves and risk management policies and performance. On a regular basis, the Trustees review the major risks facing the charity. In particular, they consider the risks related to the activities of the charity to ensure sufficient systems are in place to mitigate the major risks identified.

Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charitable company in the event of a winding up.

Structure, Governance and Management (continued)

Recruitment, induction and training of trustees

The power to appoint new Trustees is exercised by a majority in number of the existing Trustees. Where there is a need for new Trustees, this would be identified by the remaining Trustees.

New trustees are invited to meet with the management team and other member staff, as well as ex- offenders who are participating on the scheme, to discuss the operation of the Charity and the Social Enterprise. They receive all the relevant documentation relating to the constitution of the Foundation and minutes of recent Board meetings. Additional training is provided as required and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Risk management

The trustees have established a risk management process comprising:

- ◆ An annual review of the risks the Foundation may face summarised in a 'Risk Register';
- ◆ The establishment of systems and procedures to mitigate those risks identified; and
- ◆ The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The principal risk faced by the Foundation is its financial sustainability. The trustees and governance board regularly review the activities, financial position and risk management policies together with factors likely to affect future development, including the impact of economic uncertainty on contract income, donations and service delivery.

Statement of Trustees' Responsibilities

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

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

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

Structure, Governance and Management (continued)

Statement of Trustees' Responsibilities (continued)

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

Each of the trustees confirms that:

- ◆ So far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Approved by the Trustees and signed on their behalf by:



Trustee – Michael Pringle

Date: 21 September 2021

Independent Auditor's Report to the Members of Bounce Back Foundation

Opinion

We have audited the financial statements of Bounce Back Foundation ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

Independent auditor's Report Year ended 31 March 2021

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from

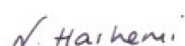
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irregularities, including fraud, to be within the timing and recording of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006,. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 4th November 2021

Statement of financial activities Year to 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:							
Donations and legacies	1	272,961	157,431	430,392	325,980	107,500	433,480
Charitable activities	2	1,640,225	-	1,640,225	1,513,343	-	1,513,343
Other trading activities		6,800	-	6,800	9	-	9
Total income		1,919,986	157,431	2,077,417	1,839,332	107,500	1,946,832
Expenditure on:							
Charitable activities	3	1,922,622	64,296	1,986,918	1,819,213	103,247	1,922,460
Raising funds	4	72,469	-	72,469	89,803	-	89,803
Total expenditure		1,995,091	64,296	2,059,387	1,909,016	103,247	2,012,263
Net (expenditure) / income		(75,105)	93,135	18,030	(69,684)	4,253	(65,431)
Net movement in funds for the year		(75,105)	93,135	18,030	(69,684)	4,253	(65,431)
Reconciliation of funds							
Total funds brought forward		110,969	4,253	115,222	180,653	-	180,653
Total funds carried forward		35,864	97,388	133,252	110,969	4,253	115,222

All income and expenditure derives from continuing activities.

The statement of financial activities includes all recognised gains and losses.

Balance Sheet as at 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	7		30,720		17,492
Investments	12		100		100
Total fixed assets			30,820		17,592
Current assets					
Debtors	8	193,768		244,922	
Cash at bank and in hand		673,894		104,484	
		867,662		349,406	
Current liabilities:					
Creditors: amounts falling due within one year	9	(765,230)		(251,776)	
Net current assets			102,432		97,630
Net assets			133,252		115,222
The funds of the charity:					
Restricted funds	11		97,388		4,253
Unrestricted funds:	11		35,864		110,969
Total shareholders funds			133,252		115,222

Approved and authorised by the Board and signed on their behalf by:



Trustee - Michael Pringle
Date: 21 September 2021

Bounce Back Foundation
Company No. 07675301

Statement of Cash Flows as at 31 March 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash (used in) provided by operating activities (note A)	592,502	(28,614)
Cash flows from investing activities		
Purchase of plant and equipment	(23,092)	(2,935)
Net cash used in investing activities	(23,092)	(2,935)
Change in cash, cash equivalents and net debt in the year	569,410	(31,549)
Cash, cash equivalents and net debt at 1 April 2020	104,484	136,033
Cash, cash equivalents and net debt at 31 March 2021	673,894	104,484

A Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds per statement of financial activities	18,030	(65,431)
Adjustments for:		
Depreciation charge	14,635	13,423
(Profit) on fixed asset disposal	(4,770)	-
Increase in debtors	51,154	63,379
Increase/(decrease) in creditors	513,453	(39,985)
Net cash generated /(used in) provided by operating activities	592,502	(28,614)

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

The charity is a Public Benefit Entity. The charity was established in 20 June 2011 and registered as a charity with the Charity Commission for England and Wales on 17 October 2011 (charity number: 1144297) and is a company limited by guarantee. Its registered office is 3rd Floor, Tower Point, 44 North Road, Brighton, East Sussex, BN1 1YR.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) and the Charities Act 2011.

The financial statements present the results for the Charity only and do not consolidate transactions and balances of its subsidiary, Bounce Back Project Limited as these are included within the financial statements of the ultimate parent charity Change Grow Live.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and senior management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation; and
- ◆ Estimating the likelihood of receipt of accrued income balances.

Assessment of going concern

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees have considered the impact of Covid-19 on the charities activities for 2022/23 and remain optimistic that the charity will retain its current key training contract work through 2021/22 and, in the event of contracts not being renewed, the trustees have identified options to reduce the scale of activities. In addition, the acquisition by Change Grow Live is anticipated to accelerate partnership arrangements with third sector bodies to broaden the charity's portfolio of charitable activities.

Taking into the account the charities financial position, the impact of Covid-19 and future financial projections, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, legacies and income from charitable activities.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. 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.

Income from charitable activities is recognised to the extent that it is probable that the economic benefits will flow to the charity and the income can be reliably measured. They are measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Interest on funds held on deposit and interest on loans and investments are included when receivable and the amount can be measured reliably by the charity.

Gifts in kind

Gifts for onward distribution to beneficiaries of the charity are included at their fair value as at the time of distribution. Gifts are typically tools and other equipment used to train participants.

Assets donated to the charity for its own use are included in income and expenditure at their fair value as at the time of the gift.

Items donated to the charity for resale are included within income when sold and no value is placed on stock of such items at the year-end.

Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure recognition (continued)

All expenditure is accounted for on an accruals basis and is classified as follows:

- ♦ Expenditure on generating funds include the salaries, direct costs and allocated support costs associated with generating fundraising income.
- ♦ Expenditure on charitable activities comprises expenditure on the charity's primary charitable purposes as described in the Trustees' report.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Tangible fixed assets

All assets with an expected useful life exceeding one year are capitalised.

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

- | | |
|---------------------------------|------------------------------|
| ♦ Motor vehicles | 25% p.a. on reducing balance |
| ♦ Computer and office equipment | 33% p.a. on cost |

Investments

The charity's investment in its subsidiary company is valued at cost.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have an original maturity of less than three months.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund accounting

Unrestricted funds comprise the general fund.

The general unrestricted fund comprises those monies which may be used towards meeting the charitable objectives of the Foundation at the discretion of the Trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pensions

Contributions in respect to defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme.

Notes to the financial statements 31 March 2021

1 Income from donations and legacies

	2021 £	2020 £
Unrestricted		
Individual donations	353	416
Corporate donations	220,048	96,685
Trust and Foundation donations	52,560	113,679
Donations in kind	-	115,200
	272,961	325,980
Restricted		
Corporate donations	9,735	41,000
Trust and Foundation donations	147,696	66,500
	157,431	107,500
Total	430,392	433,480

2 Income from charitable activities

	2021 £	2020 £
Training and employability	1,640,225	1,513,343
	1,640,225	1,513,343

Income from charitable activities was unrestricted for both the years. This included £75,721 received from the Coronavirus Job Retention scheme.

3 Expenditure on charitable activities

	Direct costs £	Support costs £	2021 Total £	Direct costs £	Support costs £	2020 Total £
Training and employability	1,483,189	503,729	1,986,918	1,322,363	600,097	1,922,460
Total	1,483,189	503,729	1,986,918	1,322,363	600,097	1,922,460

4 Expenditure on raising funds

	2021 £	2020 £
Direct costs:		
Fundraising costs	3,574	2,789
Salary costs	45,359	42,229
	48,933	45,018
Support costs (note 5)	23,536	44,785
Total expenditure on raising funds	72,469	89,803

Expenditure on raising funds was unrestricted for both the years.

5 Support and governance costs

Support costs

	Charitable activities £	Cost of raising funds £	2021 £
Staff costs	107,184	5,008	112,192
Freelancers	113,950	5,324	119,274
Property costs	52,394	2,448	54,842
Professional fees	70,361	3,287	73,648
Marketing	42,958	2,008	44,966
Office costs	73,324	3,426	76,750
Depreciation	10,327	-	10,327
Other administration costs	33,231	2,035	35,266
Gifts in kind	-	-	-
	503,729	23,536	527,265

	Charitable activities £	Cost of raising funds £	2020 £
Staff costs	160,828	14,789	175,617
Freelancers	133,514	12,278	145,792
Property costs	46,200	4,247	50,447
Professional fees	51,022	4,692	55,714
Marketing	19,761	1,818	21,579
Office costs	31,224	2,872	34,096
Depreciation	11,919	1,096	13,015
Other administration costs	30,429	2,993	33,422
Gifts in kind	115,200	—	115,200
	600,097	44,785	644,882

Governance costs included within professional fees

	Unrestricted	
	2021 £	2020 £
Auditor's remuneration	9,000	8,600
Legal costs	70,361	28,348
Accountancy	-	1,385
	79,361	38,333

Governance costs incurred by the Charity are included as part of support costs.

No expenses were reimbursed to Trustees during the year ended 31 March 2021 (2020 - £nil to no Trustees).

No Trustees received any remuneration during the year ended 31 March 2021 (2020 - £nil)

The auditors' remuneration is borne by the parent company undertaking.

6 Staff costs

	2021 £	2020 £
Wages, salaries	748,448	830,172
Social security	70,888	73,542
Pension costs	14,583	14,292
Recruitment costs	19,719	—
	853,638	918,006

The average number of employees during the year was 27 (2020 - 27).

No employee earned £60,000 per annum during the year (2020 - none)

Key management personnel

The key management personnel in charge of directing and controlling, running and operating the group's activities on a day-to-day basis comprise the Trustees together with the Chief Executive Officers, Head of Strategy and Business Development and the Head Operations. The total remuneration, which consisted of consultancy fees (and including taxable benefits and employers national insurance contributions) payable to the key management personnel during the year was £113,950 (2020 - £175,590).

7 Tangible fixed assets

	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2020	18,245	16,759	20,934	55,938
Additions in year	-	-	23,092	23,092
Disposals	(2,245)	-	-	(2,245)
At 31 March 2021	16,000	16,759	44,026	76,785
Depreciation				
At 1 April 2020	14,138	8,744	15,564	38,446
Charge in year	2,220	5,286	7,129	14,635
Depreciation on disposal	(7,016)	-	-	(7,016)
At 31 March 2021	9,342	14,030	22,693	46,065
Net book value				
At 31 March 2021	6,658	2,729	21,333	30,720
At 31 March 2020	4,107	8,015	5,370	17,492

8 Debtors

	2021 £	2020 £
Trade debtors	128,942	229,375
Amounts owed by group undertakings	3,035	-
Other debtors and prepayments	61,791	15,547
	193,768	244,922

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	172,326	111,343
Amounts owed to group undertakings	241,280	-
Taxation and social security	-	25,455
Other creditors and accruals	351,624	114,978
	765,230	251,776

10 Analysis of net assets between funds

	Tangible fixed assets and investments £	Net current assets £	Balance at 31 March 2021 £
Unrestricted funds	30,820	5,044	35,864
Restricted funds	-	97,388	97,388
Total funds	30,820	102,432	133,252

	Tangible fixed assets and investments £	Net current assets £	Balance at 31 March 2020 £
Unrestricted funds	17,592	93,377	110,969
Restricted funds	-	4,253	-
Total funds	17,592	97,630	115,222

11 Restricted funds

	Total funds brought forward at 1 April 2020 £	Incoming resources £	Resources expended £	Net incoming resources £	Total funds carried forward at 31 March 2021 £
Unrestricted funds	110,969	1,919,986	(1,995,091)	(75,105)	35,864
Restricted funds					
a. Gwyneth Forrester	-	22,730	(2,066)	20,664	20,664
b. Paddington Development Trust	-	19,800	(10,146)	9,654	9,654
c. The Rayne Foundation	-	20,000	(2,400)	17,600	17,600
d. Wates Foundation	-	9,800	-	9,800	9,800
e. Donations to support individuals entering employment	4,253	85,101	(49,684)	35,417	39,670
Restricted funds	4,253	157,431	(64,296)	93,135	97,388
Total funds	115,222	2,077,417	(2,059,387)	18,030	133,252

a. Gwyneth Forrester

Funding to support 12 individuals who are homeless or at the risk of homelessness to provide employment skills and information and guidance.

b. Paddington Development Trust

Supporting adults in the local community with employment skills, information and guidance and work experience.

c. The Rayne Foundation

Funding towards a community training centre.

d. Wates Foundation

Funding to work with ex-offenders to gain level 2 qualifications and CSCS cards to secure future employment.

e. Restricted Donations

Various grants and donations received for specific purposes to support the training and employability of ex-offenders.

	Total funds brought forward at 1 April 2019 £	Incoming resources £	Resources expended £	Net incoming resources £	Total funds carried forward at 31 March 2020 £
Unrestricted funds	180,653	1,839,332	(1,909,016)	(69,684)	110,969
Restricted funds					
a. Donations to support individuals entering employment	-	107,500	(103,247)	4,253	4,253
Total funds	180,653	1,946,832	(2,012,263)	(65,431)	115,222

12 Investments

Bounce Back Foundation owns 100% of the Ordinary Share Capital of Bounce Back Project Limited.

13 Trustee and related party transactions

During the year, no Trustee received any remuneration or expenses. (2019-2020: £nil).

During the year £0.23 million (2019-2020: £nil) was payable to Change Grow Live. At the year end £0.23 million (2019-2020: £nil) was owed to Change Grow Live.

During the year £nil million (2019-2020: £nil) was receivable from Bounce Back Project Limited to Bounce Back Foundation. At the year end Bounce Back Project Limited owed £0.38 million (2019-2020: £nil) to Bounce Back Foundation.

There were related party transactions with F Findlater, please see note 14.

14 Ultimate Holding Company

The ultimate parent undertaking, from 29 July 2020, is Change Grow Live. Change Grow Live is a company limited by guarantee (registered number: 03861209) which is incorporate and registered in England. The address of the registered office is 3rd Floor, North West Suite, Tower Point, 44 North Road, Brighton, East Sussex, BN1 1YR.

The activity and purpose of Bounce Back Foundation aligns with the charitable objectives of Change Grow Live, centred on improving the lives of individuals and the communities in which they live.

14. Ultimate Holding Company (continued)

The acquisition agreement included cash payments of up to a maximum of £50,000 to F Findlater, to be paid post year end. This also included the cancellation of redeemable preference shares held by F Findlater which had a redemption value of £214,000. F Findlater was a director of the company and a trustee of Bounce Back Foundation until 29 July 2020.