

Company Registration No. 07797133 (England and Wales)

Charity No. 1150126

Spring North Ltd

Company Limited by Guarantee

**Trustees' Report and Financial Statements
For the Year Ended 31 March 2021**

SPRING NORTH LTD

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YEAR ENDED 31 MARCH 2021

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SPRING NORTH LTD

CHARITY REFERENCE AND ADMINISTRATION DETAILS

YEAR ENDED 31 MARCH 2021

Registered Charity Name	Spring North Ltd
Charity Registration Number	1150126
Company Registration Number	07797133
Registered Office	Unit 21 Business Development Centre Eanam Wharf Blackburn Lancashire BB1 5BL
Auditor	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House 9 Winckley Square Preston PR1 3HP
Key Management Personnel	Mrs A Allen (Chief Officer)

SPRING NORTH LTD

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and the audited accounts for the year ended 31 March 2021.

Spring North

The charity changed its name from Families Health and Well Being Consortium to Spring North in November 2019. The new name, logo, vision and values were launched in November 2019.

Structure, governance and management

The charity is a company limited by guarantee. It is managed by a board of experienced trustees which is responsible for ensuring the financial stability of the charity and providing advice on policy and resource management.

The company was incorporated on 4 October 2011 and was registered with the Charities Commission on 11 December 2012.

The trustees who served the company during the year were as follows:

A Barrass
S Cotton
D Edmundson
S Swindley
A Leather
K McGee
L Tapner
C Bennett
A Greenwood
L Baxter (appointed 9 June 2020)

An invitation to join the Board is sent out with the AGM papers prior to the meeting. Nominations are received and voted on at the AGM by members.

As part of the induction and training programme, new Board members are required to:

- Meet the description outlined in the role of directors
- Comply with the process for election of directors
- Agree with the Code of Conduct
- Register any conflicts of interest and directors' interests
- Complete a skills audit to identify strengths and potential skills gaps

All of the above are outlined in the Spring North Directors Manual 2016. None of the trustees have any beneficial interest in the company.

Overall management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Articles of Association. Day to day project activity is carried out by the Chief Officer of Spring North and staff.

The Board of Trustees have delegated responsibility to the sub-finance committee for recommending pay and remuneration and establishing benchmarks and parameters used to set pay scales and wage increases for key management personnel. Overall responsibility lies with the Board members.

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Objectives and activities

Spring North is a member based charity - comprising 103 independent VCF organisations from across Lancashire. Our aim is to support these organisations to provide wellbeing for all across the geography through collaboration and partnership working. We aim to do this by redesigning support and services to reflect the changing landscape of health and social care, addressing disadvantage, reducing inequalities and improving the resilience of local people. Through collaborations and innovation we will achieve impact.

Our values

- Dynamic – Spring North is the driving force to improve health and well being in our communities
- Caring – We support all our members and communities with care and consideration
- Influential – We are a voice within our communities that will change lives through commitment and passion
- Trusted – We are respected, recognized and accountable to our members and stakeholders

We have a strong track record of contract management & sub-contract delivery and the feedback from commissioners, funders and delivery partners has consistently been good over the 11 years of our formation.

Spring North has in place an agreed process for sub-contracting which allows for internal competition for delivery of work where appropriate - all members are signed up to these arrangements. Spring North provides a single point of contract for commissioners and ensures the following:

Integration

The collaborative approach to planning and delivery allows for integrated support to be rolled out across Lancashire. Sub-contracted organisations report directly to Spring North using an agreed format - which are then consolidated into a single report for the funder.

Quality

All member organisations are required to evidence a quality kite-mark as a pre-requisite for membership. Quality of provision is monitored through regular meetings with our membership and the service users.

Compliance

Sub-contracted organisations are required to sign an agreement with Spring North outlining their obligations in terms of service delivery and financial monitoring. These are monitored on a quarterly basis.

Accountability

Systems and processes for reporting and monitoring are agreed with the sub-contracting organisation and Spring North. Accountability for the delivery of work lies within the delivery partnership but rests firmly with Spring North as the contract holder.

Performance

Agreed performance measures are outlined with funders at the outset of the contracts and monitored on a quarterly basis.

Efficiency

Through re-alignment of service provision, better collaboration and asset building, the Spring North model reduces duplication of services, ensures an end to end support service for the target groups and a person/family focused approach to roll-out.

Regular consultation with service users is an integral part of the work undertaken.

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Who we are

Spring North is a member based charitable company - established and incorporated as a company in October 2011, and registered as a charity in December 2012 and renamed and relaunched in November 2019. The organisations that make up Spring North are drawn from the VCFS across Lancashire. The trustees (who are also the Board of Directors of the company) are elected annually by the membership and are nominated by the member organisations themselves. There is also a minimum of two independent non-executive directors, one of whom undertakes the role of Chair.

How do we meet our vision and values?

- Provide a structure to support partnership and multi-agency working across our members in order to deliver commissioned and grant funded services throughout Lancashire and the North West
- Ensure the provision of effective, quality-assured service delivery to individuals, families and communities, tendering for contracts and funding on behalf of members
- Manage contracts and tenders and monitor outputs and outcomes
- Provide a single point of contact for commissioners and funders
- Undertake both general and specific research to identify the needs of local communities and determine appropriate solutions
- Provide business support and training to member organisations that builds their capacity and increases their effectiveness to meet the needs of their beneficiaries
- Provide networking opportunities and regular meetings with, and for, members and other stakeholders to encourage collaboration and strategic working
- Share best practice and enable our members to provide innovative solutions to meet local need
- Facilitate communication between the member organisations and other stakeholders
- Gather and share data - pooling knowledge and expertise to build capacity in the sector, ensure resilience and reduce duplication of provision
- Provide regular opportunities for member organisations to engage with the broader agenda of Health and Wellbeing transformation

Why a consortium approach?

- To enable members to work together in order to apply for tenders and grants that require a range of skills and expertise not found within a single agency
- To create clusters of expertise and support for organisations to draw on, whether they offer a specialist or generalist service
- To develop synergy and added social value by working together - our services delivered across the whole spectrum of health and social care to all ages and backgrounds
- To provide a system for information sharing - access to research findings, safe systems and protocols to promote safeguarding and protect client confidentiality
- To be used as a vehicle for influence through the size and scope of its membership
- To reach a wide geography through our network of local member organisations - enabling us to provide service delivery across the whole of Lancashire and the North West, touching thousands of lives
- To offer diversity of service provision through members, giving greater scope for innovation
- To maximize the breadth of knowledge, skills and experience contained within the member organisations and their beneficiaries

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Why a consortium approach? (continued)

- To afford opportunities to create efficiency savings through the provision of infrastructure support for all members e.g. payroll, HR, workforce development and to broker services.
- To facilitate cohesive service delivery and encourage more partnership funding bids
- To provide a platform for accountability and credibility through the provision of quality assured service delivery (through membership criteria and annual reviews)

What do we offer?

Spring North offers support to its member organisations to deliver - collaboratively - a range of interventions in order to improve emotional, mental and physical health across the life course and across communities.

Who do we support?

Ultimately the work of Spring North benefits children, families and adults of all ages in the local communities in Lancashire and the North West.

Through the take-up of both specialist and generalist services provided by members, we are engaging with vulnerable people, assessing their needs (especially physical and emotional health needs) and providing them, through our member organisations, with advice guidance and support in accordance with these. Delivery of provision is taking place in some of the most deprived local communities with a focus on vulnerable residents within those communities including;

- The long-term unemployed
- Lone parents
- Carers and their families
- Victims of domestic violence
- People requiring long term care
- People with disabilities
- People with mental health needs
- The homeless
- Offenders and ex-offenders
- Young people, including those not in education, employment or training (NEET)
- Older people
- People affected by substance misuse

The Board of Trustees have paid due regard to guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake.

SPRING NORTH LTD

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Achievements and performance

As with every business, charity, community, family and individual, the past 12 months have presented a challenge to us all. Our business strategy - predicated mainly on strong relationships and collaboration - was contested from the outset of Covid and the restrictions put upon us all. However, the organization reacted quickly and positively to the new regime of requirements and on-line meetings, digital communication and working from home became the new normal.

For many VCFSE organisations operating nationally and locally the pandemic has had a significant financial impact on their viability. Spring North recognised this to be a particular threat to some of our members organisations. In response the Board agreed to shift the criteria for the small grants programme to support those organisations who were themselves at the frontline in supporting their local communities

This year a large number of national funding opportunities and local commissioning opportunities have either been put on hold or redirected to support the local response to Covid. Despite this, Spring North has maintained its annual income level from the previous year. Whilst some commissions were concluded during the last accounting period (contracts ending rather than being terminated) the organisation has been successful in securing a number of other contracts including National Lottery funding, Department of Education Holiday Activity Fund and local commissions with our Health and Local Authority partners.

Membership of Spring North continues to grow and in terms of sub-contracts we have contracted with 19 member organisations within this financial period.

The National Lottery funding has enabled us to provide a comprehensive business support offer to our member organisations and access to a broad-range training package. To date 16 have accessed this support offer. The funding has also enabled us to extend our staff membership and employ a new Business Support Officer, providing additional support to our business development manager. Within the year we ran 24 courses with an average attendance of 288 people (12 persons per session). 14 of our member organisations participated in these courses.

Spring North is currently engaged with and represented on key strategic boards across the Integrated Care System geography (Lancashire and South Cumbria), as well as County-wide, Pennine Lancashire and BwD groups. These include the ICS Partnership Forum, ICS VCFSE Alliance, the Pennine Lancashire Community Safety Tactical Leads Group, the BwD Health and Well-Being Board and the BwD Childrens Partnership Board.

Spring North continues to support the Pennine Lancashire VCF Leadership group - a key vehicle through which genuine consultation with the sector can take place. The Chief Executive of Spring North is the elected chair of this group and she, with the other 4 x chairs of the ICP VCF Groups, comprise the membership of the above mentioned Alliance.

Spring North has also managed bi-monthly Forum meetings for our members and stakeholders enabling an unequivocal opportunity for networking and information sharing across partners.

Both the Forum meetings and the Pennine Leadership meetings have continued to be managed and have met throughout the year.

During this financial year, the Consortium has managed the following contracts:

1 VCFS Phase 2

Commission from BwD Joint Commissioning Group (ASC, CCG and PH) July 2016 – elements ended Oct 2019, with the following remaining as extension projects.

- Coordinated Substance Misuse Recovery Orientated Volunteering project – subcontracted to Community CVS
- Making Every Adult Matter project – subcontracted to CANWe Solutions and Lancashire Women

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

- 2 Genetics Project BwD**
Commission from BwD Public Health Oct 2013 - March 2021. To improve knowledge and understanding of genetic conditions affecting children where consanguineous marriages
- 3 Genetics Project Oldham**
Commission from Public Health/CCG January 2016 - March 2021 (as above). Sub-contracted to HOST - supporting families whose children are affected by genetic conditions where consanguinity is a factor
- 4 Holiday Activities & Food Fund**
Commission from the Department for Education. Commenced April 2020 and ended in October 2020. Targeted delivery to engage children and young people from vulnerable families on Free school meals. The borough wide programme was coordinated by Spring North, with delivery sub-contracted to Blackburn Rovers Community Trust, Blackburn Youthzone, IMO Charity, Newground Together, Youth Action, Blackburn with Darwen Borough Council divisions; Childrens Centres / Young peoples services / Seeds Adolescent Support Unit. Food preparation contracted to Westholme Kitchens and Thomas Franks.
- 5 Healthy Child Programme**
Sub contract from LCFT (commissioned from BwD PH) April 2017 - March 2021. To provide support for families of children under 5, emotional health and wellbeing support for teenage young people and improving access to health services (including the Everybody Centre). Partners for this project - Brook Young People, and Homestart BwD.
- 6 Pennine Lancashire VCF Leadership Group**
Funding from TAHF, April 2018 - March 2021. To provide the administrative duties to manage this group.
- 7 Rough Sleeper Initiative: Rapid re-housing Project**
Funding support facilitated by BwD Borough Council to accelerate support and safe accommodation for at-risk and homeless people. Delivery is subcontracted to CANWe Solutions CIC and Lancashire Women
- 8 Liaison & Diversion Peer Support**
Start of pilot project funding in Jan 2020 to run peer support facilitators within Custody suites – currently piloted within Preston only. We subcontract Red Rose Recovery to carry out this support.
- 9 Feeding Future Generations**
Funding from Sustain Food power. Aiming to support vulnerable expectant Mums with wellbeing and nutrition support and advice, and regular food parcels during the pandemic. Various partners from BwDBC and Blackburn Foodbank involved in the facilitation for this.
- 10 Stop Loan Sharks**
Funding from Birmingham City Council to raise awareness of loan sharks and effects of vulnerable families through community activity.
- 11 Perinatal Mental Health support**
Funding from Lancashire and South Cumbria Foundation Trust to scope mental health support on offer across Pennine Lancashire for perinatal women. Homestart organization across the area engaged in this work with us.
- 12 Homeless Intensive Support**
Funding from Homeless Link enabled us to upscale and intensify our support to rough sleepers at risk of harm during severe weather in the Winter period. Delivery was subcontracted to CGL, forming a strong wraparound team with the local authority Housing needs and Rehousing teams.

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13 Active through Football

Fund from The Football Foundation to develop consultation work around a pilot project aimed at increasing sport take-up within communities. Various local partners such as BRCTrust, CANW, One Voice Blackburn, Newground and IMO Charity are involved in this work have been supporting this work with focus groups/consultation and engagement.

Financial review

During the year ended 31 March 2021 the charity received total incoming resources of £1,204,026. Costs of £1,182,850 were incurred in connection with the delivery of these projects and core administration, resulting in a surplus of £21,176. The costs incurred during the year included grants awarded to members of £11,500.

Reserves policy

At 31 March 2021 the charity held total funds of £206,923, all of which were unrestricted in nature.

The Trustees originally set a policy of aiming to accumulate unrestricted funds which have not been designated for a specific use which are equivalent to six months' of core running expenditure. The trustees consider that reserves at this level would ensure that, irrespective of future funding they would be able to continue the charity's current activities and cover core salaries while consideration is given to ways in which additional funds may be raised.

Core running expenditure for the year ended 31 March 2021 amounted to £210,875 (total expenditure of £1,182,850, less payments to service providers of £921,626, less member training costs of £7,294, less small grants of £11,500 and less other non-recurring costs of £31,555), and so six months' of core running expenditure has been calculated to be approximately £105,000. As at 31 March 2021 the level of free general reserves was £206,923, which is £102,000 in excess of six months' of core running expenditure. However the trustees have re-visited the reserves policy and have decided that it is appropriate to maintain a higher level of reserves at the present time, in light of the current circumstances arising from the Covid 19 pandemic.

Risk management

The main risks facing Spring North include:

- Risk - Changes to local and regional commissioning through re-design of health and social care through the Healthier Lancashire Integrated Care System.

Spring North response - The organisation has been involved via representation on the programme board and is well positioned to benefit from the investment in the VCF sector once the system transformation (and associated funding) has been approved.

- Risk - Attracting new and additional funding

Spring North response – Recruitment of Business Development Manager Developing new partnerships to provide innovative project proposals for future investment.

- Risk - Maintaining adequate funding to support the core costs of the organisation

Spring North response - Management costs are agreed for each funding application by the relevant partnership at the outset of the commission/tender/project and are maintained at an appropriate level to support costs for the lifetime of the project.

- Risk - Loss of main contracts and associated reputational damage - against escalation of need and vulnerability in communities

Spring North Response - Sustainability strategy in place to secure future funding, engagement with key partners and transparency on delivery performance. System transformation plans with partners to improve community resilience.

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

- Risk - The impact of Covid 19 on the organisation and its members

Spring North Response – The impact of Covid 19 on the organization and its members is under current and continuous review and Spring North have applied for additional funding to maintain its viability and sustainability for its members.

The major risks to which the charity is exposed have been reviewed and adequate systems and procedures have been established to manage such risks.

Fundraising

We have considered the requirements of the Charities (Protection and Social Investment) Act 2016 regarding disclosures concerning fundraising and fundraising standards and confirm that these do not apply to the charity.

Plans for future periods

Spring North will continue to seek funding to deliver services across Lancashire through contracts, tenders and grant funding. We will encourage new member organisations (both associate and full) and will deliver activity according to our objectives. We will provide support to those members through information sharing on good practice, training and learning opportunities. We will ensure that all delivery, support, advice and guidance provided by Spring North is underpinned by quality assured standards. We will work closely with stakeholders and commissioners to ensure future delivery of activities aligns with local and national strategy. We will seek to diversify income sources to ensure future sustainability.

We will work with other infra-structure organisations to map funding opportunities, design innovative services and deliver worthwhile interventions which will not duplicate current provision.

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YEAR ENDED 31 MARCH 2021

Trustees' responsibilities statement

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 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 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

In so far as the trustees are aware:

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

Auditor

MHA Moore and Smalley is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the trustees



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Linda Tapner
Trustee

10/11/2021

Date:

SPRING NORTH LTD

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Spring North Ltd (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

SPRING NORTH LTD

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

SPRING NORTH LTD

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have had a direct effect on the financial statements. The key laws and regulations we considered in this context relate to the Charities Act. In addition, we consider compliance with employee legislation, as fundamental to the Charity's operations;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

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

Nicola Mason

Nicola Mason (Senior Statutory Auditor)
For and on behalf of MHA Moore and Smalley, Statutory Auditor

Richard House
Winckley Square
Preston
PR1 3HP

Date: 15/11/2021

SPRING NORTH LTD

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income from:					
Charitable activities	3	1,132,561	43,843	1,176,404	1,075,222
Other income	4	27,622	-	27,622	-
Total income		1,160,183	43,843	1,204,026	1,075,222
Expenditure on:					
Charitable activities	5/6	1,139,007	43,843	1,182,850	1,095,335
Total expenditure		1,139,007	43,843	1,182,850	1,095,335
Net income/(expenditure)		21,176	-	21,176	(20,113)
Transfers between funds		-	-	-	-
Net movement in funds		21,176	-	21,176	(20,113)
Reconciliation of funds					
Fund brought forward at 1 April 2020		185,747	-	185,747	205,860
Funds carried forward at 31 March 2021		206,923	-	206,923	185,747

The Statement of Financial Activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

SPRING NORTH LTD

BALANCE SHEET

AS AT 31 MARCH 2021

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
		£	£	£	£
	Note				
Current assets					
Debtors	9	110,514	-	110,514	120,940
Cash at bank and in hand		219,885	-	219,885	99,039
		330,399	-	330,399	219,979
Creditors: amounts falling due within one year	10	(123,476)	-	(123,476)	(34,232)
Net current assets		206,923	-	206,923	185,747
Total assets less current liabilities		206,923	-	206,923	185,747
Funds					
Designated funds	11	-	-	-	10,000
Unrestricted funds	11	206,923	-	206,923	175,747
Total funds		206,923	-	206,923	185,747

The notes on pages 17 to 26 form part of these accounts.

These accounts were approved by the Trustees on 10/11/2021 and signed on their behalf by:



.....
Linda Tapner
Trustee

Company Registration Number: 07797133

SPRING NORTH LTD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash generated from operating activities	120,846	(24,500)
Cash provided by investing activities		
Investment income	-	-
Increase/(decrease) in cash and cash equivalents in the year	120,846	(24,500)
Cash and cash equivalents at the beginning of the year	99,039	123,539
Cash and cash equivalents at the end of the year	219,885	99,039
Reconciliation of net movement in funds to net cash flow from operating activities		
	2021 £	2020 £
Net movement in funds	21,176	(20,113)
Investment income	-	-
Decrease/(increase) in debtors	10,426	(20,180)
(Decrease)/increase in creditors	89,244	15,793
	120,846	(24,500)

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Legal form

The charity constitutes a limited company, limited by guarantee as defined by the Companies Act 2006, incorporated in England and Wales. The registered office is as stated on page 1.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. Spring North Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

As with most organisations, Spring North has been affected by the Covid-19 pandemic. Whilst there was the potential for an adverse financial impact, the charity was able to work with commissioners to put in place alternative delivery methods such that the majority of services could be maintained.

Spring North has not been impacted by early termination of contracts, however a couple of contracts finished at the end of the financial year, which supported specifically the homeless population. However management have been successful in securing additional funding to be able to maintain these services.

Whilst the funding landscape beyond 31 March 2022 is not yet certain, the Board are confident they will be able to maintain the existing level of income through the continuation of contracts and a positive success rate in funding applications.

The Trustees have performed a going concern review and are satisfied the charity has sufficient funds brought forward to cover core salaries and overheads for at least the twelve month period following approval of the accounts. Therefore, at the time of approval of the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least the twelve month period following approval of the accounts. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied:

- Voluntary income is received by way of grants and donations and is included in full in the Statement of Financial Activities (SOFA) when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Contract income is recognised when the contractual obligations have been fulfilled. Where the contract is still in progress, income is recognised to the extent that it has been earned.

SPRING NORTH LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Resources expended and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities includes the costs of charitable activities undertaken directly to further the purposes of the charity and their associated support costs.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated between expenditure on a basis consistent with the use of resources.

Financial instruments

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

Operating leases

Rentals payable are charged on a time basis over the lease term.

2 Judgements and key sources of estimation uncertainty

There have been no significant judgements (apart from those involving estimates) made in the process of preparing the financial statements.

There have been no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income for delivery of services				
Blackburn with Darwen Borough Council:				
Genetics Project	6,760	-	6,760	9,500
Mental Wellbeing Hub	-	-	-	40,000
IAG	-	-	-	282,664
VCFS Phase 2	75,408	-	75,408	339,650
Reducing Reoffending	-	-	-	4,500
Rapid Rehousing	64,835	-	64,835	53,930
Community Ambassadors	11,600	-	11,600	119,900
Oldham Council:				
Genetics Oldham	54,750	-	54,750	55,300
Community Foundation:				
Community Action Fund	1,500	-	1,500	-
Department of Education:				
Holiday Activities & Food Fund	600,650	-	600,650	-
Homeless Link:				
Homeless Intensive Support	36,397	-	36,397	-
Lancashire Care NHS Foundation Trust:				
Healthy Child Programme	83,317	-	83,317	88,317
Leadership Group Admin Support	-	-	-	4,678
Perinatal Mental Health Support	10,000	-	10,000	-
NHS England:				
VCFS Leadership Network	5,000	-	5,000	5,000
Liaison & Diversion	34,650	-	34,650	8,663
NHS Blackpool CCG:				
PHM	13,000	-	13,000	-
Sustain Food Power:				
Feeding Future Generations	13,450	-	13,450	-
The Football Foundation:				
Active Through Football	4,500	-	4,500	-
National Lottery	-	43,843	43,843	-
Management fee for core services	116,744	-	116,744	63,120
	1,132,561	43,843	1,176,404	1,075,222

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3 Incoming resources from charitable activities (continued)

Included within income from charitable activities is unrestricted income of £1,132,561 (2020: £1,075,222) and restricted income of £43,843 (2020: £nil).

4 Other income

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Coronavirus Support Grant	10,000	-	10,000	-
Coronavirus Job Retention Scheme	8,999	-	8,999	-
Miscellaneous Income	5,000	-	5,000	-
Service Income	3,623	-	3,623	-
	27,622	-	27,622	-

Included within other income is unrestricted income of £27,622 (2020: £nil) and restricted income of £nil (2020: £nil).

5 Costs of charitable activities

	Activities directly undertaken (note 6) £	Support and governance costs (note 6) £	2021 Total funds £	2020 Total funds £
Genetics Project	9,246	3,860	13,106	9,923
Mental Wellbeing Hub	-	-	-	45,000
IAG	-	-	-	278,444
VCFS Phase 2	75,408	3,968	79,376	356,270
Reducing Reoffending	-	-	-	4,500
Genetics Oldham	54,053	7,250	61,303	60,960
Community Action Fund	1,500	1,000	2,500	-
Holiday Activities & Food Fund	597,225	86,775	684,000	-
Homeless Intensive Support	36,395	4,060	40,455	-
Small Grants	-	-	-	6,800
Healthy Child Programme	83,317	12,160	95,477	92,486
Leadership Group Admin Support	-	-	-	4,678
Perinatal Mental Health Support	8,000	1,000	9,000	-
VCFS Leadership Network	-	5,000	5,000	5,000
Rapid Rehousing	65,645	165	65,810	53,251
Community Ambassadors	8,200	-	8,200	122,633
Liaison & Diversion	34,650	3,850	38,500	9,626
Feeding Future Generations	13,446	-	13,446	-
Active Through Football	4,500	500	5,000	-
Stop Loan Sharks	-	700	700	-
Spring North Hub	10,000	50,977	60,977	45,764
	1,001,585	181,265	1,182,850	1,095,335

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

5 Costs of charitable activities (continued)

<i>Prior year costs of charitable activities</i>	<i>Activities directly undertaken (note 6)</i>	<i>Support and governance costs (note 6)</i>	<i>2020 Total funds</i>	<i>2019 Total funds</i>
	£	£	£	£
Genetics Project	8,850	1,073	9,923	28,797
Mental Wellbeing Hub	40,000	5,000	45,000	45,000
IAG	259,134	19,310	278,444	499,014
Local Family Offer	-	-	-	4,421
VCFS Phase 2	339,650	16,620	356,270	546,628
Reducing Reoffending	4,500	-	4,500	4,500
Genetics Oldham	54,260	6,700	60,960	57,425
Board & Facilitation Support	-	-	-	7,497
Small Grants	6,800	-	6,800	34,239
Healthy Child Programme	85,326	7,160	92,486	99,477
Leadership Group Admin Support	-	4,678	4,678	4,678
VCFS Leadership Network	-	5,000	5,000	4,000
Vulnerable People Liaison Service	-	-	-	16,485
Rapid Rehousing	50,851	2,400	53,251	-
Community Ambassadors	106,256	16,377	122,633	-
Liaison & Diversion	8,663	963	9,626	-
Spring North Hub	-	45,764	45,764	5,748
	964,290	131,045	1,095,335	1,357,639

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6 Costs of charitable activities analysed by nature

	2021 Direct costs £	2021 Support costs £	2020 Direct costs £	2020 Support costs £
Staff costs	40,801	127,816	46,670	102,530
Payments to service providers	921,626	-	897,824	107
Travel and subsistence	98	-	2,277	433
Grants to institutions	11,500	-	8,100	-
Activities and spot purchasing	22,416	-	9,360	-
Training	5,144	2,150	59	609
Meeting costs	-	370	-	293
Marketing	-	8,709	-	5,332
Consultancy fees	-	13,220	-	-
Stationery and consumables	-	126	-	2,484
Telephone	-	547	-	280
Accommodation	-	8,354	-	7,081
Insurance	-	2,761	-	1,163
IT Support	-	6,246	-	3,777
Bank charges	-	221	-	249
Bad debts	-	3,749	-	-
Sundry expenses	-	-	-	59
Professional fees, finance support & payroll	-	2,838	-	2,688
Governance costs – audit and accounts fee	-	4,158	-	3,960
	1,001,585	181,265	964,290	131,045

During the year ended 31 March 2021, 11 members were awarded a total of £11,500 in small grants (2020: £8,100).

7 Net (incoming)/outgoing resources

Net resources are stated after charging/(crediting):

	2021 £	2020 £
Independent auditors' remuneration:		
- Audit fee (exclusive of VAT)	3,465	3,300
- Other services (exclusive of VAT)	-	-

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	2021 £	2020 £
Total staff costs were as follows:		
Wages and salaries	156,534	136,934
Social security costs	9,832	8,618
Pension costs	2,251	3,648
	<u>168,617</u>	<u>149,200</u>

Particulars of employees:

The average number of employees during the year was as follows:

	2021 No	2020 No
Management	1	1
Information and administration	6	4
	<u>7</u>	<u>5</u>

No employees received emoluments of more than £60,000 during the year (2020: nil). None of the trustees received any remuneration during the current or previous year. No travel or related expenses were reimbursed to trustees during the year (2020: £nil).

The employee benefits paid to key management personnel including employer's NI and employer's pension contributions during the year was £53,048 (2020: £53,069).

9 Debtors

	2021 £	2020 £
Other debtors	80,088	119,312
Prepayments	30,426	1,628
	<u>110,514</u>	<u>120,940</u>

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

10 Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	121,097	29,900
Taxation and other social security	1,425	2,498
Other creditors	954	1,834
	123,476	34,232

Included within creditors falling due within one year is deferred income of £106,184 (2020: £26,600) relating to various contracts including The Holiday Activities & Food Fund and the Homeless Link Fund.

11 Fund movement

	Brought forward at 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward at 31 March 2021 £
Unrestricted general funds	175,747	1,160,183	(1,129,007)	-	206,923
Designated funds					
Small grants	10,000	-	(10,000)	-	-
	10,000	-	(10,000)	-	-
Total unrestricted funds	185,747	1,160,183	(1,139,007)	-	206,923
Restricted general funds	-	43,843	(43,843)	-	-
Total funds	185,747	1,204,026	(1,182,850)	-	206,923

Small grants fund

The small grants fund provides members with the opportunity to bid for funding to run one off projects.

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

11 Fund movement (continued)

Prior year fund movement

	<i>Brought forward at 1 April 2019 £</i>	<i>Incoming resources £</i>	<i>Outgoing resources £</i>	<i>Transfers £</i>	<i>Carried forward at 31 March 2020 £</i>
Unrestricted general funds	170,860	1,075,222	(1,087,235)	16,900	175,747
Designated funds					
Small grants	35,000	-	(8,100)	(16,900)	10,000
	35,000	-	(8,100)	(16,900)	10,000
Total unrestricted funds	205,860	1,075,222	(1,095,335)	-	185,747

12 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	80,088	119,312
Carrying amount of financial liabilities		
Measured at amortised cost	1,425	2,498

13 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	676	654
Within two to five years	-	-
Over five years	-	-
	676	654

SPRING NORTH LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

14 Related party transactions

Representatives, either Senior Employees or Trustees, from some of the member charities sit on the Board of Spring North Ltd. The member organisations are eligible to sub-contract and commission work from the consortium. These services are performed under formal contracts which are commissioned as part of an independent tendering process, in which the relevant individuals are not involved in discussions regarding their own organisations. During the year commissioning costs of £687,347 (2020: £897,931) were paid to the members of the consortium.

15 Company limited by guarantee

The charity is a company limited by guarantee. In the event of the charity being wound up or dissolved, each member undertakes to contribute such amount as is required, not exceeding £10, for payment of any debts or liabilities.