

Company Registration No. 07797133 (England and Wales)

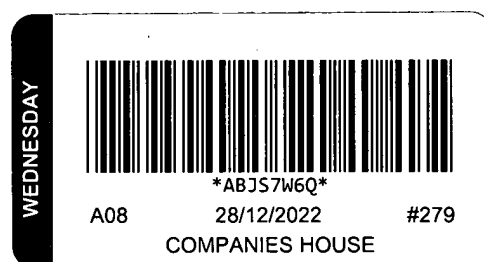
Charity No. 1150126

# **Spring North Ltd**

**Company Limited by Guarantee**

**Trustees' Report and Financial Statements**

**For the Year Ended 31 March 2022**



 **mha**  
**MOORE & SMALLEY**

# SPRING NORTH LTD

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YEAR ENDED 31 MARCH 2022

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## **SPRING NORTH LTD**

### **CHARITY REFERENCE AND ADMINISTRATION DETAILS**

**YEAR ENDED 31 MARCH 2022**

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<b>Registered Charity Name</b>	Spring North Ltd
<b>Charity Registration Number</b>	1150126
<b>Company Registration Number</b>	07797133
<b>Registered Office</b>	1 Exchange Street Room 103 Blackburn Lancashire BB1 7JN
<b>Auditor</b>	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House 9 Winckley Square Preston PR1 3HP
<b>Key Management Personnel</b>	Mrs A Allen (Chief Officer)

# **SPRING NORTH LTD**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2022**

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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 2022.

#### **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

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.

# SPRING NORTH LTD

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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### Objectives and activities

Spring North is a member-based charity - comprising 130 independent VCFSE 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 wellbeing 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 contact 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.

# **SPRING NORTH LTD**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2022**

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### **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

# **SPRING NORTH LTD**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2022**

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### **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
- Minority ethnic groups
- 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 2022

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#### **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 organisation 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 NHS England Health and Wellbeing Grant funding, and local commissions with our Health, Justice and Local Authority partners.

Membership of Spring North continues to grow and in terms of sub-contracts we have contracted with 48 member organisations within this financial period.

Service Income funding has enabled us to provide a comprehensive business support offer to our member organisations and enable access to a broad-range training package. This year we ran 54 courses with an average attendance of 12 persons per session. 33 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 local Children's 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 was the elected chair of this group in 2021 and she, with other chairs of the ICP VCF Groups, comprise the membership of the above-mentioned Alliance.

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

1. **Coordinated Substance Misuse Recovery Orientated Volunteering project**  
subcontracted to Community CVS to deliver Volunteering to those in recovery, and pathways for training and volunteering following recovery, including peer support and mentoring.
2. **Community Ambassadors**  
Funding from Blackburn with Darwen Borough Council in April 2021 until March 2022, to train and support 80 Champions for a 12 week period to value integration and set up local social action projects of their own which aim to increase community connectivity and improve cohesion. Partners subcontracted to on this work included Blackburn Rovers Community Trust and Care Network.
3. **Covid Community Champions**  
Commission from Blackburn with Darwen Borough Council from May 2021 until September 2021, to upskill members of the local workforce and communities to share public health messages around Covid infection control, dispel myths around the pandemic, and the vaccine, whilst informing local systems of the feelings and feed back locally to ensure barriers were reduced, takeup for vaccinations increased and transmission levels reduced. Funding was distributed to IMO Charity, One Voice Blackburn, YMCA Blackburn, Lancashire Council of Mosques and Youth Action.



## **SPRING NORTH LTD**

### **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2022**

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**4. Eating Disorders Intervention Support**

Funding through LSCFT to increase local capacity of counselling support in an aim of reducing numbers of young people classed as non-urgent, but remaining on a lengthy waiting list with signs of eating disorder traits. Funding commenced in October 2021 and ended March 2022. Partners included CANW, New Era Enterprises, Serenity Selfcare, Key Unlocking Futures and Homes for Humanity.

**5. 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, completed in November 2021.

**6. Holiday Activities & Food Fund – Blackburn with Darwen**

Commission from Blackburn with Darwen Borough Council. Commenced April 2021 and ended in January 2022. 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, One Voice Blackburn, Newground Together, Youth Action, Blackburn with Darwen Borough Council divisions; Childrens Centres / Young people's services / Seeds Adolescent Support Unit.

**7. Holiday Activities & Food Fund – Preston**

Commission from Lancashire County council. Commenced July 2021 and ended in January 2022. Targeted delivery to engage children and young people from vulnerable families on Free school meals. The county wide programme was coordinated by Spring North, with delivery sub-contracted to Preston North End Community and Education Trust, Preston united, Fishwick Rangers Youth development scheme, Discovery Vine, Community Futures, Krazy Kingdom (Flipout Preston and Giddy Kids playcentre) Lancashire and Regional Dietary Education Resource, The Foxton Centre, Gujarati Sunni Muslim Society and JJ Effect CIC.

**8. Kickstart Gateway Provider**

Funding from the Department for Work and pensions from June 2021, due to end in 2022/23 financial year. Spring North facilitated apprenticeship funding and provided training support for the Kickstart scheme to several providers across Lancashire including Trust House, Derian Homestart in East Lancashire, Homestart Blackpool, Fylde & Wyre, Carestation North West, Rummage Rescuers, Hozeit CIC, Hullo, CANWe Solutions CIC, HARV DA, Smile Mediation, Healthwatch Blackburn, Age UK BwD, PAC and Building for Humanity.

**9. Healthy Child Programme**

Subcontract from LCFT (commissioned from BwD PH) April 2017 - March 2022. 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.

**10. Pause for Thought**

Commission from Blackburn with Darwen Borough council February 2021 until November 2021. The work carried out included providing a programme of training aimed at providing young people with possible behavioural issues with a toolkit of skills to enable them to make wiser choices and reduce nuisance behaviour they may be involved in or at risk of becoming a part of. Partners for this project included Blackburn Youthzone, PAC, New Era and Child Action North West.

**11. Pennine Lancashire VCF Leadership Group**

Funding from ELHT, April 2018 - March 2022. To provide the administrative duties to manage this group.

**12. 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. This contract has a final extension into 2022-23

**TRUSTEES' ANNUAL REPORT**

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## SPRING NORTH LTD

YEAR ENDED 31 MARCH 2022

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### 13. 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.

### 14. Stop Loan Sharks

Funding from Birmingham City Council to raise awareness of loan sharks and effects of vulnerable families through community activity.

### 15. 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.

### 16. VCSE Health & Wellbeing Funding

Funding from NHS England in October 2021 until March 2022, to train and support 150 local community champions across Lancashire and South Cumbria to share key information around respiratory infections in young children to ensure those at risk, or suffering with the illness could be directed to the correct support and pathways, both to ensure they got the correct awareness raising, care and advice, and also reduce attendance at critical care centres/A&E when non-urgent. Partners engaging with this work included Homestart network in Lancashire, the Voluntary centres in Lancashire and South Cumbria, New Era enterprises and One Voice Blackburn.

### 17. 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 2022 the charity received total incoming resources of £1,604,052. Costs of £1,560,498 were incurred in connection with the delivery of these projects and core administration, resulting in a surplus of £43,554. The costs incurred during the year included grants awarded to members of £6,000.

### Reserves policy

At 31 March 2022 the charity held total funds of £250,477, 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 2022 amounted to £276,025 (total expenditure of £1,560,498, less payments to service providers of £1,239,195, less member training costs of £39,278, less small grants of £6,000). As at 31 March 2022 the level of free general reserves was £250,477 which is 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, and possible future staffing plans.

# SPRING NORTH LTD

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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### Risk management

The main risks facing Spring North include:

1. 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.

2. 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.

3. 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.

4. 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.

5. 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.

# SPRING NORTH LTD

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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### 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.

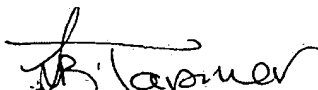
In so far as the trustees are aware:

- 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



.....  
**L Tapner**  
**Trustee**

Date: 06/12/2022  
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# **SPRING NORTH LTD**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Opinion**

We have audited the financial statements of Spring North Ltd (the 'charitable company') for the year ended 31 March 2022 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 2022, 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 trustee's 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 2022**

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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 2022

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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: 08/12/2022

## SPRING NORTH LTD

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

YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>Income from:</b>					
Charitable activities	3	1,562,294	-	1,562,294	1,176,404
Other income	4	41,758	-	41,758	27,622
<b>Total income</b>		<b>1,604,052</b>	<b>-</b>	<b>1,604,052</b>	<b>1,204,026</b>
<b>Expenditure on:</b>					
Charitable activities	5/6	1,560,498	-	1,560,498	1,182,850
<b>Total expenditure</b>		<b>1,560,498</b>	<b>-</b>	<b>1,560,498</b>	<b>1,182,850</b>
<b>Net income/(expenditure)</b>		<b>43,554</b>	<b>-</b>	<b>43,554</b>	<b>21,176</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>43,554</b>		<b>43,554</b>	<b>21,176</b>
<b>Reconciliation of funds</b>					
Fund brought forward at 1 April 2021		206,923	-	206,923	185,747
<b>Funds carried forward at 31 March 2022</b>		<b>250,477</b>	<b>-</b>	<b>250,477</b>	<b>206,923</b>

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 2022

		Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
		£	£	£	£
	Note				
<b>Current assets</b>					
Debtors	9	187,339	-	187,339	110,514
Cash at bank and in hand		309,376	-	309,376	219,885
		496,715	-	496,715	330,399
<b>Creditors: amounts falling due within one year</b>	10	(246,238)	-	(246,238)	(123,476)
<b>Net current assets</b>		250,477	-	250,477	206,923
<b>Total assets less current liabilities</b>		250,477	-	250,477	206,923
<b>Funds</b>					
Designated funds	11	-	-	-	-
Unrestricted funds	11	250,477	-	250,477	206,923
<b>Total funds</b>		250,477	-	250,477	206,923

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

06/12/2022

These accounts were approved by the Trustees on ..... and signed on their behalf by:



L Tapner  
Trustee

Company Registration Number: 07797133

# SPRING NORTH LTD

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash generated from operating activities	89,491	120,846
Cash provided by investing activities		
Investment income	-	-
Increase/(decrease) in cash and cash equivalents in the year	89,491	120,846
Cash and cash equivalents at the beginning of the year	219,885	99,039
Cash and cash equivalents at the end of the year	309,376	219,885
Reconciliation of net movement in funds to net cash flow from operating activities		
	2022 £	2021 £
Net movement in funds	43,554	21,176
Investment income	-	-
Decrease/(increase) in debtors	(76,825)	10,426
(Decrease)/increase in creditors	122,762	89,244
	89,491	120,846

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 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 2023 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 2022**

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### **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 2022

#### 3 Incoming resources from charitable activities

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
<b>Income for delivery of services</b>				
Blackburn with Darwen Borough Council:				
Genetics Project	-	-	-	6,760
HMO In Reach Officer	29,983	-	29,983	-
Pause 4 Thought (P4T)	17,500	-	17,500	-
VCFS Phase 2	32,322	-	32,322	75,408
FTE Uplift	1,001	-	1,001	-
Rapid Rehousing	-	-	-	64,835
Community Ambassadors	81,500	-	81,500	11,600
Personal Navigator Support	1,330	-	1,330	-
Community Champions	55,000	-	55,000	-
Rough Sleepers Initiative	74,009	-	74,009	-
Holiday Activities Fund	56,300	-	56,300	-
Blackburn with Darwen Healthy Living	11,288	-	11,288	-
Oldham Council:				
Genetics Oldham	-	-	-	54,750
Lancashire Country Council:				
Holiday Activities Fund	471,852	-	471,852	-
Lancashire South Cumbria NHS Foundation Trust:				
Healthy Child Programme	125,793	-	125,793	-
Birmingham City Council:				
Stop Loan Sharks	6,300	-	6,300	-
Community Foundation:				
Community Action Fund	-	-	-	1,500
Department of Education:				
Holiday Activities & Food Fund	-	-	-	600,650
Homeless Link:				
Homeless Intensive Support	-	-	-	36,397
Lancashire Care NHS Foundation Trust:				
Healthy Child Programme	-	-	-	83,317
Perinatal Mental Health Support	-	-	-	10,000

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

### 3 Incoming resources from charitable activities (Continued)

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
<b>Income for delivery of services</b>				
NHS England:				
VCFS Leadership Network	-	-	-	5,000
Health & Wellbeing Fund	137,374	-	137,374	-
Liaison & Diversion	-	-	-	34,650
DWP Resource Management:				
Kickstart	172,386	-	172,386	-
NHS Blackpool CCG:				
PHM	-	-	-	13,000
Parity of Esteem Training Programme	50,000	-	50,000	-
Sustain Food Power:				
Feeding Future Generations	1,100	-	1,100	13,450
The Football Foundation:				
Active Through Football	500	-	500	4,500
National Lottery	-	-	-	43,843
<b>Management fee for core services</b>	236,756	-	236,756	116,744
	<b>1,562,294</b>	<b>-</b>	<b>1,562,294</b>	<b>1,176,404</b>

Included within income from charitable activities is unrestricted income of £1,562,294 (2021: £1,075,222) and restricted income of £nil (2021: £43,843).

### 4 Other income

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Coronavirus Support Grant	-	-	-	10,000
Coronavirus Job Retention Scheme	-	-	-	8,999
Miscellaneous Income	4,298	-	4,298	5,000
Service Income	37,640	-	37,460	3,623
	<b>41,758</b>	<b>-</b>	<b>41,758</b>	<b>27,622</b>

Included within other income is unrestricted income of £nil (2021: £nil) and restricted income of £nil (2021: £nil).

# **SPRING NORTH LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

### **5 Costs of charitable activities**

	Activities directly undertaken (note 6)	Support and governance costs (note 6)	2022 Total funds	2021 Total funds
	£	£	£	£
Genetics Project	-	6,620	<b>6,620</b>	13,106
VCFS Phase 2	-	-	-	79,376
Genetics Oldham	-	-	-	61,303
Community Action Fund	-	-	-	2,500
Holiday Activities & Food Fund	71,728	44,700	<b>116,428</b>	684,000
Holiday Activities & Food Fund Preston	471,656	32,899	<b>504,555</b>	-
Homeless Intensive Support	-	-	-	40,455
Healthy Child Programme	88,316	7,161	<b>95,477</b>	95,477
Perinatal Mental Health Support	-	10,000	<b>10,000</b>	9,000
VCFS Leadership Network	-	5,000	<b>5,000</b>	5,000
Rapid Rehousing	77,687	5,000	<b>82,687</b>	65,810
Community Ambassadors	80,238	19,669	<b>99,907</b>	8,200
Liaison & Diversion	-	-	-	38,500
Feeding Future Generations	6,600	99	<b>6,699</b>	13,446
Active Through Football	500	2,000	<b>2,500</b>	5,000
Stop Loan Sharks	6,296	-	<b>6,296</b>	700
BAGS	4,298	-	<b>4,298</b>	-
Community Champions	55,000	5,000	<b>60,000</b>	-
ED Interventions	36,476	6,000	<b>42,476</b>	-
HMO In Reach	26,250	-	<b>26,250</b>	-
Homeless Link	13,000	5,017	<b>18,017</b>	-
Kickstart	182,260	32,743	<b>215,003</b>	-
P4T	23,750	20,000	<b>43,750</b>	-
Recovery Volunteering	36,758	1,928	<b>38,686</b>	-
RI Champions	122,790	42,262	<b>165,052</b>	-
BP Engagement	-	4,438	<b>4,438</b>	-
Spring North Hub	-	6,359	<b>6,359</b>	<b>60,977</b>
	<b>1,303,604</b>	<b>256,895</b>	<b>1,560,498</b>	<b>1,182,850</b>

# **SPRING NORTH LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2022**

#### **5 Costs of charitable activities (continued)**

##### *Prior year 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
	<b>1,001,585</b>	<b>181,265</b>	<b>1,182,850</b>	<b>1,095,335</b>



# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

#### 6 Costs of charitable activities analysed by nature

	2022 Direct costs £	2022 Support costs £	2021 Direct costs £	2021 Support costs £
Staff costs	-	191,261	40,801	127,816
Payments to service providers	1,221,907	17,288	921,626	-
Travel and subsistence	-	1,519	98	-
Grants to institutions	6,000	-	11,500	-
Activities and spot purchasing	37,096	2,869	22,416	-
Training	38,600	678	5,144	2,150
Meeting costs	-	833	-	370
Marketing	-	14,846	-	8,709
Consultancy fees	-	(3,280)	-	13,220
Stationery and consumables	-	485	-	126
Telephone	-	546	-	547
Accommodation	-	10,425	-	8,354
Insurance	-	2,908	-	2,761
IT Support	-	11,570	-	6,246
Bank charges	-	254	-	221
Bad debts	-	-	-	3,749
Light and Heating Costs	-	40	-	-
Professional fees, finance support & payroll	-	-	-	2,838
Governance costs – audit and accounts fee	-	4,693	-	4,158
	<u>1,303,604</u>	<u>256,894</u>	<u>1,001,585</u>	<u>181,265</u>

During the year ended 31 March 2022, 2 members were awarded a total of £6,000 in small grants (2021: £11,500).

#### 7 Net (incoming)/outgoing resources

Net resources are stated after charging/(crediting):

	2022 £	2021 £
Independent auditors' remuneration:		
- Audit fee (exclusive of VAT)	4,693	3,465
- Other services (exclusive of VAT)	-	-
	<u>4,693</u>	<u>3,465</u>

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 £	2021 £
<b>Total staff costs were as follows:</b>		
Wages and salaries	178,626	156,534
Social security costs	10,555	9,832
Pension costs	2,080	2,251
	<u>191,261</u>	<u>168,617</u>

#### Particulars of employees:

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

	2022 No	2021 No
Management	1	1
Information and administration	6	6
	<u>7</u>	<u>7</u>

No employees received emoluments of more than £60,000 during the year (2021: 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 (2021: £nil).

The employee benefits paid to key management personnel including employer's NI and employer's pension contributions during the year was £52,644 (2021: £53,048).

#### 9 Debtors

	2022 £	2021 £
Other debtors	185,488	80,088
Prepayments	1,852	30,426
	<u>187,340</u>	<u>110,514</u>

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	244,655	121,097
Taxation and other social security	1,425	1,425
Other creditors	158	954
	<u>246,238</u>	<u>123,476</u>

Included within creditors falling due within one year is deferred income of £80,750 (2021: £106,184) relating to various contracts including The Holiday Activities & Food Fund and the Homeless Link Fund.

#### 11 Fund movement

	Brought forward at 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward at 31 March 2022 £
Unrestricted general funds	206,923	1,604,052	(1,560,498)	-	250,477
Designated funds					
Small grants	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total unrestricted funds	<u>206,923</u>	<u>1,604,052</u>	<u>(1,560,489)</u>	<u>-</u>	<u>250,477</u>
Restricted general funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>206,923</u>	<u>1,604,052</u>	<u>(1,560,489)</u>	<u>-</u>	<u>250,477</u>

#### 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 2022

#### 11 Fund movement (continued)

##### *Prior year fund movement*

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

#### 12 Financial instruments

	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	177,021	80,088
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,425	1,425

#### 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:

	2022 £	2021 £
Within one year	850	676
Within two to five years	-	-
Over five years	-	-
	<b>850</b>	<b>676</b>

## **SPRING NORTH LTD**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **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 £1,192,675 (2021: £687,347) 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.

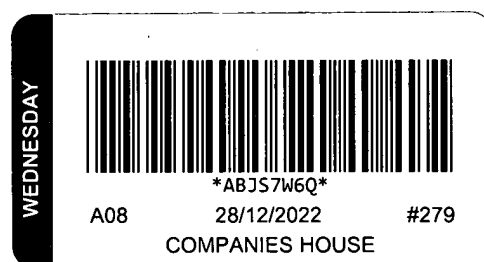
Company Registration No. 07797133 (England and Wales)

Charity No. 1150126

# Spring North Ltd

Company Limited by Guarantee

Trustees' Report and Financial Statements  
For the Year Ended 31 March 2022



 **mha**  
MOORE & SMALLEY

# SPRING NORTH LTD

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YEAR ENDED 31 MARCH 2022

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## **SPRING NORTH LTD**

### **CHARITY REFERENCE AND ADMINISTRATION DETAILS**

**YEAR ENDED 31 MARCH 2022**

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<b>Registered Charity Name</b>	Spring North Ltd
<b>Charity Registration Number</b>	1150126
<b>Company Registration Number</b>	07797133
<b>Registered Office</b>	1 Exchange Street Room 103 Blackburn Lancashire BB1 7JN
<b>Auditor</b>	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House 9 Winckley Square Preston PR1 3HP
<b>Key Management Personnel</b>	Mrs A Allen (Chief Officer)



# **SPRING NORTH LTD**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2022**

---

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 2022.

#### **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

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.

# SPRING NORTH LTD

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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### Objectives and activities

Spring North is a member-based charity - comprising 130 independent VCFSE 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 wellbeing 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 contact 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.

# **SPRING NORTH LTD**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2022**

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### **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

# **SPRING NORTH LTD**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2022**

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### **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
- Minority ethnic groups
- 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 2022

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#### **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 organisation 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 NHS England Health and Wellbeing Grant funding, and local commissions with our Health, Justice and Local Authority partners.

Membership of Spring North continues to grow and in terms of sub-contracts we have contracted with 48 member organisations within this financial period.

Service Income funding has enabled us to provide a comprehensive business support offer to our member organisations and enable access to a broad-range training package. This year we ran 54 courses with an average attendance of 12 persons per session. 33 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 local Children's 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 was the elected chair of this group in 2021 and she, with other chairs of the ICP VCF Groups, comprise the membership of the above-mentioned Alliance.

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

1. **Coordinated Substance Misuse Recovery Orientated Volunteering project**  
subcontracted to Community CVS to deliver Volunteering to those in recovery, and pathways for training and volunteering following recovery, including peer support and mentoring.
2. **Community Ambassadors**  
Funding from Blackburn with Darwen Borough Council in April 2021 until March 2022, to train and support 80 Champions for a 12 week period to value integration and set up local social action projects of their own which aim to increase community connectivity and improve cohesion. Partners subcontracted to on this work included Blackburn Rovers Community Trust and Care Network.
3. **Covid Community Champions**  
Commission from Blackburn with Darwen Borough Council from May 2021 until September 2021, to upskill members of the local workforce and communities to share public health messages around Covid infection control, dispel myths around the pandemic, and the vaccine, whilst informing local systems of the feelings and feed back locally to ensure barriers were reduced, takeup for vaccinations increased and transmission levels reduced. Funding was distributed to IMO Charity, One Voice Blackburn, YMCA Blackburn, Lancashire Council of Mosques and Youth Action.

## **SPRING NORTH LTD**

### **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2022**

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**4. Eating Disorders Intervention Support**

Funding through LSCFT to increase local capacity of counselling support in an aim of reducing numbers of young people classed as non-urgent, but remaining on a lengthy waiting list with signs of eating disorder traits. Funding commenced in October 2021 and ended March 2022. Partners included CANW, New Era Enterprises, Serenity Selfcare, Key Unlocking Futures and Homes for Humanity.

**5. 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, completed in November 2021.

**6. Holiday Activities & Food Fund – Blackburn with Darwen**

Commission from Blackburn with Darwen Borough Council. Commenced April 2021 and ended in January 2022. 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, One Voice Blackburn, Newground Together, Youth Action, Blackburn with Darwen Borough Council divisions; Childrens Centres / Young people's services / Seeds Adolescent Support Unit.

**7. Holiday Activities & Food Fund – Preston**

Commission from Lancashire County council. Commenced July 2021 and ended in January 2022. Targeted delivery to engage children and young people from vulnerable families on Free school meals. The county wide programme was coordinated by Spring North, with delivery sub-contracted to Preston North End Community and Education Trust, Preston united, Fishwick Rangers Youth development scheme, Discovery Vine, Community Futures, Krazy Kingdom (Flipout Preston and Giddy Kids playcentre) Lancashire and Regional Dietary Education Resource, The Foxton Centre, Gujarati Sunni Muslim Society and JJ Effect CIC.

**8. Kickstart Gateway Provider**

Funding from the Department for Work and pensions from June 2021, due to end in 2022/23 financial year. Spring North facilitated apprenticeship funding and provided training support for the Kickstart scheme to several providers across Lancashire including Trust House, Derian Homestart in East Lancashire, Homestart Blackpool, Fylde & Wyre, Carestation North West, Rummage Rescuers, Hozeit CIC, Hullo, CANWe Solutions CIC, HARV DA, Smile Mediation, Healthwatch Blackburn, Age UK BwD, PAC and Building for Humanity.

**9. Healthy Child Programme**

Subcontract from LCFT (commissioned from BwD PH) April 2017 - March 2022. 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.

**10. Pause for Thought**

Commission from Blackburn with Darwen Borough council February 2021 until November 2021. The work carried out included providing a programme of training aimed at providing young people with possible behavioural issues with a toolkit of skills to enable them to make wiser choices and reduce nuisance behaviour they may be involved in or at risk of becoming a part of. Partners for this project included Blackburn Youthzone, PAC, New Era and Child Action North West.

**11. Pennine Lancashire VCF Leadership Group**

Funding from ELHT, April 2018 - March 2022. To provide the administrative duties to manage this group.

**12. 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. This contract has a final extension into 2022-23

**TRUSTEES' ANNUAL REPORT**

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## SPRING NORTH LTD

YEAR ENDED 31 MARCH 2022

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### 13. 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.

### 14. Stop Loan Sharks

Funding from Birmingham City Council to raise awareness of loan sharks and effects of vulnerable families through community activity.

### 15. 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.

### 16. VCSE Health & Wellbeing Funding

Funding from NHS England in October 2021 until March 2022, to train and support 150 local community champions across Lancashire and South Cumbria to share key information around respiratory infections in young children to ensure those at risk, or suffering with the illness could be directed to the correct support and pathways, both to ensure they got the correct awareness raising, care and advice, and also reduce attendance at critical care centres/A&E when non-urgent. Partners engaging with this work included Homestart network in Lancashire, the Voluntary centres in Lancashire and South Cumbria, New Era enterprises and One Voice Blackburn.

### 17. 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 2022 the charity received total incoming resources of £1,604,052. Costs of £1,560,498 were incurred in connection with the delivery of these projects and core administration, resulting in a surplus of £43,554. The costs incurred during the year included grants awarded to members of £6,000.

### Reserves policy

At 31 March 2022 the charity held total funds of £250,477, 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 2022 amounted to £276,025 (total expenditure of £1,560,498, less payments to service providers of £1,239,195, less member training costs of £39,278, less small grants of £6,000). As at 31 March 2022 the level of free general reserves was £250,477 which is 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, and possible future staffing plans.

# SPRING NORTH LTD

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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### Risk management

The main risks facing Spring North include:

1. 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.

2. 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.

3. 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.

4. 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.

5. 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.



# SPRING NORTH LTD

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

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### 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.

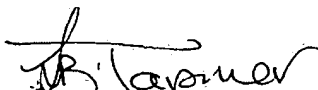
In so far as the trustees are aware:

- 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



.....  
**L Tapner**  
**Trustee**

Date: 06/12/2022  
.....

# **SPRING NORTH LTD**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Opinion**

We have audited the financial statements of Spring North Ltd (the 'charitable company') for the year ended 31 March 2022 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 2022, 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 trustee's 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 2022**

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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 2022

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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: 08/12/2022

## SPRING NORTH LTD

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

YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>Income from:</b>					
Charitable activities	3	1,562,294	-	1,562,294	1,176,404
Other income	4	41,758	-	41,758	27,622
<b>Total income</b>		<b>1,604,052</b>	<b>-</b>	<b>1,604,052</b>	<b>1,204,026</b>
<b>Expenditure on:</b>					
Charitable activities	5/6	1,560,498	-	1,560,498	1,182,850
<b>Total expenditure</b>		<b>1,560,498</b>	<b>-</b>	<b>1,560,498</b>	<b>1,182,850</b>
<b>Net income/(expenditure)</b>		<b>43,554</b>	<b>-</b>	<b>43,554</b>	<b>21,176</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>43,554</b>		<b>43,554</b>	<b>21,176</b>
<b>Reconciliation of funds</b>					
Fund brought forward at 1 April 2021		206,923	-	206,923	185,747
<b>Funds carried forward at 31 March 2022</b>		<b>250,477</b>	<b>-</b>	<b>250,477</b>	<b>206,923</b>

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 2022

		Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
		£	£	£	£
	Note				
<b>Current assets</b>					
Debtors	9	187,339	-	187,339	110,514
Cash at bank and in hand		309,376	-	309,376	219,885
		496,715	-	496,715	330,399
<b>Creditors: amounts falling due within one year</b>	10	(246,238)	-	(246,238)	(123,476)
<b>Net current assets</b>		250,477	-	250,477	206,923
<b>Total assets less current liabilities</b>		250,477	-	250,477	206,923
<b>Funds</b>					
Designated funds	11	-	-	-	-
Unrestricted funds	11	250,477	-	250,477	206,923
<b>Total funds</b>		250,477	-	250,477	206,923

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

06/12/2022

These accounts were approved by the Trustees on ..... and signed on their behalf by:



L Tapner  
Trustee

Company Registration Number: 07797133

# SPRING NORTH LTD

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash generated from operating activities	89,491	120,846
Cash provided by investing activities		
Investment income	-	-
Increase/(decrease) in cash and cash equivalents in the year	89,491	120,846
Cash and cash equivalents at the beginning of the year	219,885	99,039
Cash and cash equivalents at the end of the year	309,376	219,885
Reconciliation of net movement in funds to net cash flow from operating activities		
	2022 £	2021 £
Net movement in funds	43,554	21,176
Investment income	-	-
Decrease/(increase) in debtors	(76,825)	10,426
(Decrease)/increase in creditors	122,762	89,244
	89,491	120,846

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 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 2023 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 2022**

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### **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 2022

#### 3 Incoming resources from charitable activities

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
<b>Income for delivery of services</b>				
Blackburn with Darwen Borough Council:				
Genetics Project	-	-	-	6,760
HMO In Reach Officer	29,983	-	29,983	-
Pause 4 Thought (P4T)	17,500	-	17,500	-
VCFS Phase 2	32,322	-	32,322	75,408
FTE Uplift	1,001	-	1,001	-
Rapid Rehousing	-	-	-	64,835
Community Ambassadors	81,500	-	81,500	11,600
Personal Navigator Support	1,330	-	1,330	-
Community Champions	55,000	-	55,000	-
Rough Sleepers Initiative	74,009	-	74,009	-
Holiday Activities Fund	56,300	-	56,300	-
Blackburn with Darwen Healthy Living	11,288	-	11,288	-
Oldham Council:				
Genetics Oldham	-	-	-	54,750
Lancashire Country Council:				
Holiday Activities Fund	471,852	-	471,852	-
Lancashire South Cumbria NHS Foundation Trust:				
Healthy Child Programme	125,793	-	125,793	-
Birmingham City Council:				
Stop Loan Sharks	6,300	-	6,300	-
Community Foundation:				
Community Action Fund	-	-	-	1,500
Department of Education:				
Holiday Activities & Food Fund	-	-	-	600,650
Homeless Link:				
Homeless Intensive Support	-	-	-	36,397
Lancashire Care NHS Foundation Trust:				
Healthy Child Programme	-	-	-	83,317
Perinatal Mental Health Support	-	-	-	10,000

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

### 3 Incoming resources from charitable activities (Continued)

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
<b>Income for delivery of services</b>				
NHS England:				
VCFS Leadership Network	-	-	-	5,000
Health & Wellbeing Fund	137,374	-	137,374	-
Liaison & Diversion	-	-	-	34,650
DWP Resource Management:				
Kickstart	172,386	-	172,386	-
NHS Blackpool CCG:				
PHM	-	-	-	13,000
Parity of Esteem Training Programme	50,000	-	50,000	-
Sustain Food Power:				
Feeding Future Generations	1,100	-	1,100	13,450
The Football Foundation:				
Active Through Football	500	-	500	4,500
National Lottery	-	-	-	43,843
<b>Management fee for core services</b>	236,756	-	236,756	116,744
	<b>1,562,294</b>	<b>-</b>	<b>1,562,294</b>	<b>1,176,404</b>

Included within income from charitable activities is unrestricted income of £1,562,294 (2021: £1,075,222) and restricted income of £nil (2021: £43,843).

### 4 Other income

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Coronavirus Support Grant	-	-	-	10,000
Coronavirus Job Retention Scheme	-	-	-	8,999
Miscellaneous Income	4,298	-	4,298	5,000
Service Income	37,640	-	37,460	3,623
	<b>41,758</b>	<b>-</b>	<b>41,758</b>	<b>27,622</b>

Included within other income is unrestricted income of £nil (2021: £nil) and restricted income of £nil (2021: £nil).

# **SPRING NORTH LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

### **5 Costs of charitable activities**

	Activities directly undertaken (note 6)	Support and governance costs (note 6)	2022 Total funds	2021 Total funds
	£	£	£	£
Genetics Project	-	6,620	<b>6,620</b>	13,106
VCFS Phase 2	-	-	-	79,376
Genetics Oldham	-	-	-	61,303
Community Action Fund	-	-	-	2,500
Holiday Activities & Food Fund	71,728	44,700	<b>116,428</b>	684,000
Holiday Activities & Food Fund Preston	471,656	32,899	<b>504,555</b>	-
Homeless Intensive Support	-	-	-	40,455
Healthy Child Programme	88,316	7,161	<b>95,477</b>	95,477
Perinatal Mental Health Support	-	10,000	<b>10,000</b>	9,000
VCFS Leadership Network	-	5,000	<b>5,000</b>	5,000
Rapid Rehousing	77,687	5,000	<b>82,687</b>	65,810
Community Ambassadors	80,238	19,669	<b>99,907</b>	8,200
Liaison & Diversion	-	-	-	38,500
Feeding Future Generations	6,600	99	<b>6,699</b>	13,446
Active Through Football	500	2,000	<b>2,500</b>	5,000
Stop Loan Sharks	6,296	-	<b>6,296</b>	700
BAGS	4,298	-	<b>4,298</b>	-
Community Champions	55,000	5,000	<b>60,000</b>	-
ED Interventions	36,476	6,000	<b>42,476</b>	-
HMO In Reach	26,250	-	<b>26,250</b>	-
Homeless Link	13,000	5,017	<b>18,017</b>	-
Kickstart	182,260	32,743	<b>215,003</b>	-
P4T	23,750	20,000	<b>43,750</b>	-
Recovery Volunteering	36,758	1,928	<b>38,686</b>	-
RI Champions	122,790	42,262	<b>165,052</b>	-
BP Engagement	-	4,438	<b>4,438</b>	-
Spring North Hub	-	6,359	<b>6,359</b>	<b>60,977</b>
	<b>1,303,604</b>	<b>256,895</b>	<b>1,560,498</b>	<b>1,182,850</b>

# **SPRING NORTH LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2022**

#### **5 Costs of charitable activities (continued)**

##### *Prior year 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 2022

#### 6 Costs of charitable activities analysed by nature

	2022 Direct costs £	2022 Support costs £	2021 Direct costs £	2021 Support costs £
Staff costs	-	191,261	40,801	127,816
Payments to service providers	1,221,907	17,288	921,626	-
Travel and subsistence	-	1,519	98	-
Grants to institutions	6,000	-	11,500	-
Activities and spot purchasing	37,096	2,869	22,416	-
Training	38,600	678	5,144	2,150
Meeting costs	-	833	-	370
Marketing	-	14,846	-	8,709
Consultancy fees	-	(3,280)	-	13,220
Stationery and consumables	-	485	-	126
Telephone	-	546	-	547
Accommodation	-	10,425	-	8,354
Insurance	-	2,908	-	2,761
IT Support	-	11,570	-	6,246
Bank charges	-	254	-	221
Bad debts	-	-	-	3,749
Light and Heating Costs	-	40	-	-
Professional fees, finance support & payroll	-	-	-	2,838
Governance costs – audit and accounts fee	-	4,693	-	4,158
	<u>1,303,604</u>	<u>256,894</u>	<u>1,001,585</u>	<u>181,265</u>

During the year ended 31 March 2022, 2 members were awarded a total of £6,000 in small grants (2021: £11,500).

#### 7 Net (incoming)/outgoing resources

Net resources are stated after charging/(crediting):

	2022 £	2021 £
Independent auditors' remuneration:		
- Audit fee (exclusive of VAT)	4,693	3,465
- Other services (exclusive of VAT)	-	-
	<u>4,693</u>	<u>3,465</u>

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 £	2021 £
<b>Total staff costs were as follows:</b>		
Wages and salaries	178,626	156,534
Social security costs	10,555	9,832
Pension costs	2,080	2,251
	<u>191,261</u>	<u>168,617</u>

#### Particulars of employees:

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

	2022 No	2021 No
Management	1	1
Information and administration	6	6
	<u>7</u>	<u>7</u>

No employees received emoluments of more than £60,000 during the year (2021: 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 (2021: £nil).

The employee benefits paid to key management personnel including employer's NI and employer's pension contributions during the year was £52,644 (2021: £53,048).

#### 9 Debtors

	2022 £	2021 £
Other debtors	185,488	80,088
Prepayments	1,852	30,426
	<u>187,340</u>	<u>110,514</u>

# SPRING NORTH LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	244,655	121,097
Taxation and other social security	1,425	1,425
Other creditors	158	954
	<u>246,238</u>	<u>123,476</u>

Included within creditors falling due within one year is deferred income of £80,750 (2021: £106,184) relating to various contracts including The Holiday Activities & Food Fund and the Homeless Link Fund.

#### 11 Fund movement

	Brought forward at 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward at 31 March 2022 £
Unrestricted general funds	206,923	1,604,052	(1,560,498)	-	250,477
Designated funds					
Small grants	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total unrestricted funds	<u>206,923</u>	<u>1,604,052</u>	<u>(1,560,489)</u>	<u>-</u>	<u>250,477</u>
Restricted general funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>206,923</u>	<u>1,604,052</u>	<u>(1,560,489)</u>	<u>-</u>	<u>250,477</u>

#### 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 2022

#### 11 Fund movement (continued)

##### *Prior year fund movement*

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

#### 12 Financial instruments

	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	177,021	80,088
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,425	1,425

#### 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:

	2022 £	2021 £
Within one year	850	676
Within two to five years	-	-
Over five years	-	-
	<b>850</b>	<b>676</b>

## **SPRING NORTH LTD**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **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 £1,192,675 (2021: £687,347) 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.

# Spring North Ltd

Audit Findings Report for the year ended 31  
March 2022





# Contents

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# Executive summary

## Introduction

This Audit Findings Report (AFR) has been prepared to aid discussion with you about the significant and other matters encountered during the audit and how we have concluded on them.

## Audit risks

We have obtained sufficient and appropriate audit evidence to be able to conclude on the risks identified in the Outline Audit Strategy.

## Going concern

The financial statements have been prepared on the going concern basis. We believe that this is appropriate because the charity appears to have sufficient funds to continue in operational existence for at least the twelve month period following approval of the accounts.

## Financial statements

We have reviewed your draft financial statements and can confirm the accounting policies appear appropriate and have been applied consistently; the disclosures are in line with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland. The assumptions used in your key accounting estimates are reasonable

We do not expect to modify our audit or otherwise include either an 'emphasis of matter' or 'other matter' paragraph.

## Misstatements

We have identified a number of misstatements during the course of our work, however these fall below our materiality level. Total unadjusted misstatements, as shown on page 10, represent a net overstatement of surplus of £582.





# Executive summary (continued)

## Control recommendations

There are no control recommendations in respect of the current year. We followed up on the prior year recommendation on page 11.

## Written representations

In addition to the standard management representations, we will be requesting the following specific written representations from you:

- You have reviewed and approved the adjustments on page 9,
- You do not believe that the unadjusted misstatements on page 10 require adjustment as they are immaterial individually and in aggregate.
- You do not expect any claw-back of funding on underspent projects.

## Independence

As we noted in our Outline Audit Strategy document, we considered that appropriate safeguards were in place to address the threats to our independence.

There have been no changes since we communicated with you at the planning stage.



# Significant risks



The significant audit risks identified at the planning stage are set out below, together with the results of our testing:

Risk	Audit work and conclusion
<b>Revenue recognition</b>  Income the charity is entitled to in the year may not be correctly stated in the accounts or may have been recognised in the incorrect accounting period.	<p>We have reviewed all significant contracts to identify whether there were any potential claw backs and whether the receipt of funding was performance related.</p> <p>Our audit testing has provided sufficient assurance that income appears to be materially complete and recognised within the correct accounting period.</p>
<b>Management override of controls</b>  The risk that unauthorised transactions are processed in the accounting records.	<p>We have reviewed cashbooks and non-recurring journals for any non-routine transactions outside the normal course of business.</p> <p>No evidence of management override was identified throughout the course of our audit work.</p>

# Significant risks (continued)



Risk	Audit work and conclusion
<p><b>Completeness and validity of commissioning payments</b></p> <p>Amounts payable to other service providers may not have been recognised in the same accounting period as the associated services were provided and the income was generated.</p>	<p>We have reviewed significant contracts to identify the milestones at which commissioning payments to other service providers fall due. We have considered whether these milestones have been met at the balance sheet date to ensure the validity of commissioning payments already accounted for and to consider whether any additional costs should be accrued.</p> <p>Sufficient audit testing has been performed to provide assurance on the completeness and validity of commissioning costs.</p>
<p><b>Trustees' annual report (TAR)</b></p> <p>The Trustees' annual report may not be consistent with the accounts and all required disclosures may not be included.</p>	<p>We have read the TAR and ensured that it fulfils the minimum requirements, including all items as required under FRS 102 and the Charities SORP. We have ensured any principal risks are in line with our understanding of the charity's environment and any reference to financial figures agree to our understanding of the financial performance during the year and the figures disclosed within the financial statements.</p> <p>The annual report appears to be consistent with the accounts and all required disclosures appear to have been included.</p>





Risk	Audit work and conclusion
<p data-bbox="91 761 290 789"><b>Going concern</b></p> <p data-bbox="91 822 1261 882">The risk that the charity has insufficient funds to continue in operation for at least the twelve month period following approval of the accounts.</p>	<p data-bbox="1261 601 2463 692">We have obtained management's assessment of going concern and have considered whether there are any events or conditions which could cast significant doubt over the charity's ability to continue as a going concern.</p> <p data-bbox="1261 729 2463 849">We have reviewed the forecasts in place for 2022/23. Whilst forecasts are not yet available for 2023/24, we are satisfied that the charity appears to have sufficient funds brought forward to be able to continue to pay core running costs for the twelve month period following approval of the accounts, should there be a sudden unexpected loss of income.</p> <p data-bbox="1261 886 2463 978">We have obtained sufficient comfort that the charity appears to be a going concern, and we are satisfied that sufficient disclosures which support this conclusion have been included within the accounts.</p>



We are required by ISAs to make certain communications you as set out below:

Aspect of financial statements	Conclusions
Accounting policies and financial statement disclosures	The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland. As part of our audit work, we have reviewed your draft financial statements including the accounting policies which we found to be appropriate and have been applied consistently.
Key accounting estimates	We have identified no key accounting estimates.
Audit report	There are no expected modifications to the audit report and we do not intend to include either an 'emphasis of matter' or 'other matter' paragraph.
Other matters we are required to report to you	There are no other matters that we need to report to you in respect of the financial statement disclosures.

# Adjusted misstatements



This is a summary of the adjustments made to the financial statements during the course of our work:

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There are no adjustments to the management accounts.

# Unadjusted misstatements



This is a summary of the uncorrected misstatements identified during the course of our work. You will be asked to confirm via the letter of representation that you do not consider it necessary to adjust for these items as they are considered immaterial, individually and in aggregate

	Balance Sheet		Statement of Financial Activities	
	Dr	Cr	Dr	Cr
Understatement of audit accrual to reflect VAT		(£578)	£578	
Total		(£578)	£578	
Impact on reserves			£578	

# Control deficiencies and recommendations



The purpose of our audit was for us to express an opinion on the financial statements. It included consideration of internal controls relevant to the preparation of the financial statements in order for us to design appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of internal controls. The following are deficiencies that the we identified during the audit that we believe should be brought to your attention.

## Prior period matters

We have summarised how we followed up on the matters identified in the prior period as follows:

Control deficiency	Recommendation	Follow up
<p><b>VAT Liability</b></p> <p>The VAT liability of £1,425 from Q3 2019 remains unpaid as at the audit date due to ongoing issues with the system &amp; HMRC. Whilst subsequent VAT returns on QuickBooks show a nil liability owed, regular VAT returns still need to be submitted quarterly to avoid any penalties.</p>	<p>Discussions should be held with HMRC to resolve the problems around the submission of VAT returns.</p>	<p>The £1,425 has now been repaid to HMRC.</p>

# Other matters

There are no other matters we wish to discuss.



# Written representations

As part of our completion process, we will ask you to provide a letter making certain representations to us including that:

- You have fulfilled your responsibilities in respect of the preparation of the financial statements including that they reflect all transactions and any assumptions in respect of estimates made are reasonable;
- We have had access to all relevant information, books and records;
- Individual and aggregated unadjusted misstatements are immaterial;
- You have disclosed any non-compliance with laws and regulations/ litigations and claims to us and that they have been accounted for appropriately; and
- Any relevant post-balance sheet event adjustments/ disclosures are properly included in the financial statements.

Additionally, we will request representations on certain matters in respect of fraud and related parties and:

- You believe that the charity's financial statements should be prepared on a going concern basis
- You do not expect any claw-back of funds on underspent projects



# Communication plan



As we noted in our Outline Audit Strategy Document, ISA 260, ISQC (UK) 1\* and certain other ISAs specify the communications we are required to make and we have summarised these as follows.

Required communications	OAS	AFR
The respective responsibilities of the auditor and management/ those charged with governance	✓	
An overview of the planned scope and timing of our audit, including the significant risks we have identified	✓	
Significant facts and matters that may bear upon our integrity, objectivity and independence	✓	✓
Non-compliance with laws and regulations	✓	✓
Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern	✓	✓
Our views about significant qualitative aspects of your accounting practices, including accounting policies, accounting estimates and financial statement disclosures		✓
Any significant matters arising and/ or significant difficulties encountered during the audit		✓
Uncorrected misstatements the effect they may have on the opinion on our report		✓
Significant deficiencies in internal control identified during the audit		✓
Circumstances that will affect the form and content of our report, including modifications to the auditor's report or the inclusion of an emphasis of matter paragraph		✓
Identified or suspected fraud which results in a material misstatement of the financial statements and whether it involves management		✓
The written representations we are requesting		✓

In addition, we will maintain other such timely communication as required throughout the audit to ensure there is robust two-way dialogue between us and those charged with governance, particularly if we encounter any significant difficulties during the audit.

\* ISQC (UK) 1 (Revised November 2019), *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*.



# Confirmation of Independence and Objectivity



In line with the FRC’s Revised Ethical Standard 2019, as part of our audit planning procedures we are required to assess any threats to our integrity and objectivity, including any which could impair our independence. Where such threats are identified, we are required to implement safeguards which will either:

- Eliminate the threat; or
- Reduce the threat to level at which independence is not compromised.

We have identified the following potential threats and have outlined how we plan to guard against them:

Threats	Safeguards
Non-audit services	
We prepare your financial statements which could give rise to management and self-review threats.	We consider the preparation of your financial statements to be mechanical in nature. Management will be asked to approve the financial statements and any adjustments proposed in arriving at the final reported figures.
Our firm prepare and submit the dormant corporation tax return for the charity (as and when a return is requested from HMRC) which could give rise to an independence threat.	This service is carried out by the corporate tax team who are independent from the audit team.

In addition, all of our partners and staff are required to make annual declarations about their independence and ‘fit and proper status’.

We consider that appropriate safeguards are in place to address the threats to our independence. We confirm that MHA Moore and Smalley and the engagement team are independent and that our integrity and objectivity are not impaired.

This memorandum has been prepared by MHA Moore and Smalley in connection with the audit of the financial statements of Spring North Ltd and has been prepared solely for the benefit of this organisation. MHA Moore and Smalley neither owes nor accepts any duty of care to any third party and shall not be liable for any loss, damage and/or expense which is caused by any reliance that any other party may place on this information.

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