

Charity Registration No. 1179854

Company Registration No. CE015081 (England and Wales)

THE CROSSLANE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

THE CROSSLANE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Critchley T Hughes (Chair) J Metcalf G Ridout M Sharples
Charity number	1179854
Company number	CE015081
Principal address	Manchester International Office Centre Styal Road Manchester M22 5WB
Registered office	Manchester International Office Centre Styal Road Manchester M22 5WB
Independent examiner	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
Bankers	National Westminster Bank plc 23 Sankey Street Warrington Cheshire WA1 1XG

THE CROSSLANE FOUNDATION

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THE CROSSLANE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

The trustees present their report and financial statements for the year ended 28 February 2021.

The Crosslane Foundation is a Charitable Incorporated Organisation (CIO) and its governing document is its constitution. The company was incorporated on 11 April 2018 and was registered as a CIO on 7 September 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a public benefit entity as defined by FRS 102.

Objectives and activities

The charity's objects are to raise funds to help expand the educational horizons of disadvantaged local children and support them through the whole education process, unlocking talent and enabling them to fulfil their potential. Driven by the firm view that equality of opportunity starts with education it is currently supporting a number of initiatives and existing charities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

In last year's report the charity reported that during the period prior to registration it had received indications of support from Crosslane suppliers, customers and other corporate sources that had, unfortunately, faded away as the reality approached. Crosslane agreed to step in and, as Founders, provide the charity with direction, sponsorship and financial support from its own resources in the interim until such time as the charity was, itself, able to raise funds at the higher level required. As part of the agreement to fund particular projects, individual beneficiaries were asked to help and support the charity in building up its own fundraising skills and abilities.

An agreement had been made with The Lowry Centre under the terms of which the charity agreed to fund the conversion of one of their dedicated classroom spaces to a new digi-centre. In return, The Lowry agreed to provide support, including tutorials and other items of help to the charity with fund raising. The charity was offered similar help and support by the new Manchester IntoUniversity centre which it had agreed to part fund.

Recognising that important educational, regimen and character building lessons can be learnt through sport, the charity agreed to provide financial and other support over two seasons to the Chris Williams Academy, a local football academy. This enabled the Academy to take on around 30 local young people who demonstrated the required ball and team skills but were unable to afford the fees. The Academy agreed to provide tuition free of charge and the classroom fees and third party costs were covered by the two-year sponsorship agreement. Several of these students were "spotted" as a result of being taken on by the Academy and the charity received some extremely useful exposure. There was a change in direction by the Academy in the second season that resulted in the early ending of these arrangements.

THE CROSSLANE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

The charity signed up to three equal donations to the Lowry, the first of which was made in 2019, enabling The Lowry to carry out the basic conversion of the designated room into their new digi-centre. The reduction in activities resulting from the Covid-19 pandemic took the pressure off the outstanding remaining work programme but The Lowry has indicated that the continued lack of available funding could result in their seeking a replacement sponsor to enable them to complete and run this new digi-centre as the activities return to previous levels.

The IntoUniversity Manchester North centre ("the Centre") relocated in September 2021 to Harpurhey, that according to the Manchester Evening News was once named the most-deprived neighbourhood in England but has recently seen significant investment in its district centre and schools. Certain of the IntoUni activities such as Zoom Meetings and Mentoring were able to continue during the height of the pandemic but, recently, the Centre has returned to running at full capacity. The charity is one of five providing to funds to the Centre and the lack of funds from the charity, although significant, has not been critical. Their cash flow estimates show that provided that the outstanding payments are restarted by the end of March 2022 there would be no disruption to their proposed activities.

Crosslane has informed the charity that it is not likely that payment schedules can recommence much before this date.

Financial review

As the charity did not operate for most of the year the trustees cannot comment on the performance of the charity in its second period and, with its total reliance on Crosslane for funds, with the charity's financial position at the balance sheet date.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level would ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. However, it has not been possible to maintain such levels during the extended periods experienced with the current pandemic

The trustees did not meet regularly but only on a small number of occasions as and when required. They have continued to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a charitable incorporated organisation.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

K Critchley

T Hughes (Chair)

J Metcalf

G Ridout

M Sharples

The Chair is responsible for the induction of new trustees. The induction provides new trustees with an awareness of their responsibilities, the governing document and the history and philosophical approach of the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.

THE CROSSLANE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 28 FEBRUARY 2021*



T Hughes (Chair)

Trustee

Dated: 17 December 2021

THE CROSSLANE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CROSSLANE FOUNDATION

I report to the trustees on my examination of the financial statements of The Crosslane Foundation (the charity) for the year ended 28 February 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Jackson Stephen LLP

Peter Atkinson F.C.A.
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Dated: 22 December 2021

THE CROSSLANE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations	2	21,234	173,280
<u>Expenditure on:</u>			
Raising funds	3	10,365	98,467
Charitable activities	4	10,867	72,311
Total resources expended		21,232	170,778
Net income for the year/ Net movement in funds		2	2,502
Fund balances at 29 February 2020		2,502	-
Fund balances at 28 February 2021		2,504	2,502

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CROSSLANE FOUNDATION

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	8	11,190		7,375	
Cash at bank and in hand		-		2,440	
		<u>11,190</u>		<u>9,815</u>	
Creditors: amounts falling due within one year	9	(8,686)		(7,313)	
Net current assets			<u>2,504</u>		<u>2,502</u>
Income funds					
Unrestricted funds			2,504		2,502
			<u>2,504</u>		<u>2,502</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 17 December 2021



T Hughes (Chair)
Trustee

Company Registration No. CE015081

THE CROSSLANE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

Charity information

The Crosslane Foundation is a charitable incorporated organisation in England and Wales. The registered office is 3D Manchester International Office Centre, Styal Road, Manchester, M22 5WB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

THE CROSSLANE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE CROSSLANE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies (Continued)

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	21,234	173,280

3 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Staff costs	9,820	88,450
Travelling costs	545	10,017
Fundraising and publicity	10,365	98,467
	10,365	98,467

4 Charitable activities

	2021	2020
	£	£
Insurance	1,206	2,641
Office costs	934	2,523
Governance costs	3,727	3,397
Charitable donations	5,000	63,750
	10,867	72,311
	10,867	72,311

THE CROSSLANE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

5 Independent examiner remuneration

Fees payable to the independent examiner:	2021 £	2020 £
Independent examiner review of the annual accounts	1,750	1,750

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

There were no employees during the year. The staff costs below represent recharged salary costs from Crosslane.

Employment costs	2021 £	2020 £
Wages and salaries	8,751	79,922
Social security costs	456	6,666
Other pension costs	613	1,862
	9,820	88,450

8 Debtors

Amounts falling due within one year:	2021 £	2020 £
Prepayments and accrued income	11,190	7,375

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	135	-
Trade creditors	8,545	7,307
Other creditors	6	6
	8,686	7,313

THE CROSSLANE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 28 FEBRUARY 2021*

10 Related party transactions

At the year end date, included within accrued income was a donation of £9,797 (2020: £910) due from Crosslane Investments Limited.

Crosslane Investments Limited is related by virtue of two common trustees and two common directors.