

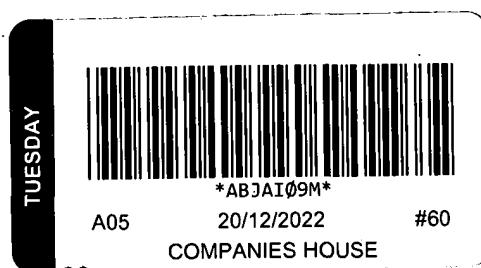
THE ASHLEY FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MAY 2022

Company Number: 3366712

Registered Charity Number: 1063208



THE ASHLEY FOUNDATION

Financial Statements

For the year ended 30 May 2022

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THE ASHLEY FOUNDATION

Reference and Administrative Details For the year ended 30 May 2022

Registered Charity Name:	The Ashley Foundation
Charity Registration Number:	1063208
Company Registration Number:	3366712
Principal Office:	81 Abingdon Street Blackpool Lancashire FY1 1PP
Registered Office:	81 Abingdon Street Blackpool Lancashire FY1 1PP
Trustees:	Mrs L Edwards - Chair Dr M O'Donnell Mr A Oldfield Mr S Robinson Mrs E Warren
Solicitors:	Napthens Jubilee House East Beach Lytham St Annes Lancashire FY8 5FT
Bankers:	Lloyds Bank 25-27 Birley Street Blackpool Lancashire FY1 1EG
Auditor:	Mitchell Charlesworth (Audit) Limited 3rd Floor 44 Peter Street Manchester M2 5GP

THE ASHLEY FOUNDATION

Trustees' Annual Report

For the year ended 30 May 2022

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 30 May 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

The principal objective of the charity throughout the year was the relief of poverty by the provision of accommodation to persons in need and providing support to clients to assist them with the wider issues of homelessness. This was achieved by the operation of 201 hostel rooms spread across 7 sites in Blackpool, Sunderland, and Blackburn, and 88 self-contained Move On flats across 20 sites in Blackpool and Sunderland. The properties are occupied under differing arrangements including owned and operated, leased and operated and operated on behalf of other parties via management agreements. From April 2022 the number of sites operated in Blackburn reduced from 3 to 1 following the surrender of the leases of the 2 properties, reducing the overall number of hostel rooms from 201 to 138

In the hostels, daily support is provided to the clients assisting them with daily living skills. The clients in the flats are supported to live independently.

From March 2020 to April 2021, a further 23 rooms were provided in Blackpool to support the Government initiative to eliminate rough sleeping during the COVID-19 pandemic. From April 2021 to March 2022 a flat in Blackpool and other accommodation was made available to accommodate homeless individuals with COVID. Additional accommodation was also provided in Sunderland via creative use of existing accommodation, and this is ongoing.

In September 2019 the Charity opened a Community Café & Hub in Blackpool to provide opportunities for clients to experience practical work experience. Unfortunately, due to the COVID-19 restrictions this was only able to operate fully until March 2020. The Café re-opened with limited opening hours from June 2020 to October 2020, before closing again until the end of May 2021 when it fully re-opened. From May 2021 the Café has opened fully and now supported several clients in obtaining catering experience and qualifications.

The Trustees are clear that the objectives and activities of The Ashley Foundation are carried out for public benefit. They have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the purpose and objectives and when planning the future activities. In particular, the Trustees will consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

Provision of accommodation - During the year accommodation was provided for a total of 751 (2021: 850) homeless individuals, 305 in Blackpool (2021: 395), 216 in Sunderland (2021: 231) and 230 in Blackburn (2021: 224). There continues to be high demand for accommodation from the local authorities and high occupancy levels were achieved. At any one time the charity could have 270 (2021: 289) residents staying in one of its properties. Overall numbers were less than the previous year when additional temporary accommodation was provided as a result of COVID-19.

Partnership working - we have developed excellent relationships with our local authority partners in Blackpool, Sunderland and Blackburn.

Move on - review of all residents in hostels and flats is undertaken regularly to facilitate moving residents, wherever possible, to the most appropriate accommodation. This involves independent flats, move on flats or other hostel accommodation.

Supporting People - the Ashley Foundation has co-operated fully with both Blackpool and Blackburn Councils on the Supporting People Review national pilots.

COVID-19 - we have continued to play a part in supporting our local authorities in addressing homelessness during the pandemic, supporting additional facilities and by providing COVID-19 secure isolation facilities.

THE ASHLEY FOUNDATION

Financial review

The statements of financial activities are set out on page 10 of the financial statements.

Consolidated income for the year was £3,937,270 (2021: £3,962,086), and consolidated expenditure for the year was £4,199,362 (2021: £4,204,878).

The overall consolidated deficit for the year was £156,679, (2021: deficit of £242,792). The year over year reduction in the deficit is largely due to operating cost savings net of inflationary increases and costs incurred in 2020-21 relating to the Charity Commission investigation which did not re-occur in 2021-22

Reserves/Reserves policy

Total reserves as at 30 May 2022 are £2,779,650 (2021: £2,936,329), of which £2,768,042 (2021: £2,890,193) are held in general unrestricted reserves and £11,608 (2021: £46,136) are held in restricted reserves. Within the unrestricted reserved are designated funds totalling £88,698 (2021: £37,303). See note 24 for further details.

Reserves are defined as unrestricted funds that are freely available to spend on charitable purposes. Reserves should be held to service an unexpected need for funds, covering unforeseen day-to-day operational costs, a shortfall in income or to fulfil our obligations. Our reserves policy is designed to reflect the underlying risks facing the charity and to ensure that we have appropriate level of reserves to safeguard our operations and services to homeless people, in particular the opening and initial operating of new buildings. Accordingly, we aim as far as reasonably practicable, to maintain reserve funds of up to six months operational running costs. This policy is reviewed annually. Based on the general reserves of £0.688 million (net of funds represented by property and associated borrowing and designated funds), 3.0 months reserves are in place. The decision to utilise available cash reserves to acquire the Blackpool Hostels reduced available reserves by approximately 3 months. The Trustees consider the level of reserves to be sufficient at the moment but will be reviewing this.

Going concern

Following a review of the financial position at the date of signing these accounts and projections for the following 12 months the Trustees consider that the charity is a going concern.

Trading subsidiary

The charity's wholly owned subsidiary, Homeless Action C.I.C. ceased operating its charity shop in March 2020 as a result of the Covid-19 pandemic. It was subsequently decided not to re-open the shop, and the lease which ended in August 2021 was not renewed. The Trustees have decided to retain the company in a dormant state.

Structure, governance, and management

Governing document

The charity was incorporated in May 1997. The Ashley Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 7 May 1997, as amended by special resolutions dated 4 September 1997, 4 January 2000, 5 January 2012, and 11 June 2021.

THE ASHLEY FOUNDATION

Trustees' Annual Report (Continued) For the year ended 30 May 2022

Governance

Introduction

On 20 March 2020, the Charity Commission opened a statutory inquiry into the affairs of the charity - full details can be found on The Charity Commission website. The Trustees at the time the inquiry was launched were Mr David Kam, who was suspended as a Trustee by the Charity Commission on 9 July 2020 and subsequently resigned on 14 July 2020, Mr Ashley Dribben who was suspended by the Charity Commission on 6 October 2020 and resigned 18 December 2020, Mr Goran Cemerikic, who subsequently resigned on 25 March 2020 and Mrs Lisa Edwards. On 8 October 2020 the Charity Commission authorised Mrs Edwards, as the only trustee able to act, to appoint new trustees in line with the provisions in the charity's Articles of Association in respect of the minimum and maximum numbers and quorum provisions. On 30 October 2020, in accordance with The Charity Commissions authority, Mrs Edwards appointed Dr Mark O'Donnell, Mr Alan Oldfield, Mr Simon Robinson and Mrs Elizabeth Warren as Trustees of the charity. In accordance with Articles 31 & 32 of the company's Articles of Association Mrs Edwards and Dr O'Donnell resigned as Directors in June 2022 and were unanimously re-elected for a further term of office.

Appointment of trustees

Other than in the exceptional circumstances outlined above, when new Trustees are required, positions will be advertised locally, and a formal selection process will take place. This will also involve the potential new trustee(s) visiting local hostels and flats and also attending a trustee meeting to gain an appreciation of the workings of the charity.

Trustee induction and training

Trustee induction involves visits to see the premises and to meet the management and staff teams, together with time spent with the Chief Executive and Senior Managers to better and more fully understand the activities of the charity. Due to the COVID-19 restrictions this was not possible for the new Trustees until June 2021.

Related parties

In addition to the trustees who served during the year, the Trustees consider the following individuals and organisations to be related parties for the purposes of disclosure of related party transactions: , Mrs W Swift and Homeless Action C.I.C.

Details of related party transactions required to be disclosed in accordance with the relevant legislation and guidance can be found in Note 23 on Page 27.

Fundraising standards

The charity does not carry out significant fundraising activities.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE ASHLEY FOUNDATION

Trustees' Annual Report (Continued) For the year ended 30 May 2022

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees who served the company during the period of the report were as follows:

Key management personnel: Trustees

Chair: Mrs L Edwards
Dr M O'Donnell
Mr A Oldfield
Mr S Robinson
Mrs E Warren

Key management personnel: Principal staff

Chief Executive Officer: Mrs W Swift

THE ASHLEY FOUNDATION

Trustees' Annual Report (Continued) For the year ended 30 May 2022

Trustees' responsibilities

The trustees (who are also directors of The Ashley Foundation 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 which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the current trustees are aware, and subject to the findings of the Charity Commission investigation which commenced on 20 March 2020 into events and transactions during this and previous financial years:

- there is no relevant audit information of which the charitable company's auditors is unaware; and
- the trustees have taken all steps 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.

Approved by the Board on 9-12-22 and signed on its behalf by:

Mrs L Edwards - Chair
Trustee



THE ASHLEY FOUNDATION

Independent Auditor's Report to the Members of The Ashley Foundation For the year ended 30 May 2022

Opinion

We have audited the financial statements of The Ashley Foundation for the year ended 30 May 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Company Statement of Financial Position, the Cash Flow Statement and the Notes to the Financial Statements, including a Summary of Significant Accounting Policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 group's and the charitable company's affairs as at 30 May 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 applicable law and International Standards on Auditing (UK) (ISAs (UK)). 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 group and 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 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.

THE ASHLEY FOUNDATION

Independent Auditor's Report to the Members of The Ashley Foundation (Continued) For the year ended 30 May 2022

Other information

The other information comprises the information included in the 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.

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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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 group financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

THE ASHLEY FOUNDATION

Independent Auditor's Report to the Members of The Ashley Foundation [Continued]

For the year ended 30 May 2022

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 directors 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 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 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and business performance;
- the organisation's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the organisation's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

THE ASHLEY FOUNDATION

Independent Auditor's Report to the Members of The Ashley Foundation (Continued) For the year ended 30 May 2022

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the following area:

The estimation of the housing benefit accrual. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

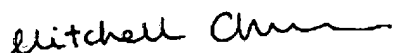
We also obtained an understanding of the legal and regulatory framework that the organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the House in Multiple Occupation regulations, and the Selective Licensing schemes.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Data Protection Regulations.

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



Jamielee Johnston (Senior Statutory Auditor)
For and on behalf of Mitchell Charlesworth (Audit) Limited
Chartered Accountants and Statutory Auditors
3rd Floor
44 Peter Street
Manchester
M2 5GP

12 December 2022

THE ASHLEY FOUNDATION

Consolidated Statement of Financial Activities (Including Consolidated Income and Expenditure Account) For the year ended 30 May 2022

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £
Income							
Donations and legacies	5	12,408	10,432	22,840	24,816	45,713	70,529
Income from charitable activities:							
Operation of accommodation and café	6	-	3,623,770	3,623,770	-	3,867,630	3,867,630
Income from other trading activities							
Commercial trading operation	7	-	-	-	-	14,538	14,538
Investment income - bank interest	8	-	1,779	1,779	-	1,073	1,073
Rental income		-	7,860	7,860	-	8,316	8,316
Total incoming resources		12,408	3,643,841	3,656,249	24,816	3,937,270	3,962,086
Expenditure							
Cost of raising funds:							
Commercial trading operation	7		(3,144)	(3,144)	-	(14,150)	(14,150)
Expenditure on charitable activities:							
Operation of accommodation and café	9	(24,236)	(3,785,548)	(3,809,784)	(5,516)	(4,185,212)	(4,190,728)
Total expenditure		(24,236)	(3,788,692)	(3,812,928)	(5,516)	(4,199,362)	(4,204,878)
Transfers		(22,700)	22,700	-	-	-	-
Net incoming resources for the year		(34,528)	(122,151)	(156,679)	19,300	(262,092)	(242,792)
Total funds brought forward		46,136	2,890,193	2,936,329	26,836	3,152,285	3,179,121
Total funds carried forward		11,608	2,768,042	2,779,650	46,136	2,890,193	2,936,329

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses has not been prepared.

The notes on pages 14 to 33 form part of these financial statements

THE ASHLEY FOUNDATION

Consolidated Balance Sheet

As at 30 May 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Tangible assets	17	2,321,175	1,347,226	2,321,175	1,347,226
Investments	18	-	-	1	1
Total fixed assets		2,321,175	1,347,226	2,321,176	1,347,227
Current assets					
Debtors	19	182,435	197,878	182,435	197,878
Cash at bank and in hand		773,313	2,318,925	771,940	2,318,908
Total current assets		955,748	2,516,803	954,375	2,516,786
Creditors: Amounts falling due within one year	20	(200,350)	(290,062)	(199,270)	(293,484)
Net current assets		755,398	2,226,741	755,105	2,223,302
Total assets less current liabilities		3,076,573	3,573,967	3,076,281	3,570,529
Creditors: Amounts falling due after more than one year	21	(296,923)	(637,638)	(296,923)	(637,638)
Net assets		2,779,650	2,936,329	2,779,358	2,932,891
The funds of the charity					
Restricted income funds	25	11,608	46,136	11,608	46,136
Unrestricted income funds	24	2,768,042	2,890,193	2,767,750	2,886,755
Total funds		2,779,650	2,936,329	2,779,358	2,932,891

The trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 9-12-22 2022 and are signed on their behalf by:

Mrs L Edwards
Chair of Trustees



Charity Number: 1063208
Company Number: 3366712

The notes on pages 14 to 33 form part of these financial statements

THE ASHLEY FOUNDATION

Statement of Cash Flows

For the year ended 30 May 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Cash generated from/(used in) operating activities	28	(192,424)	470,564	(193,779)	474,546
Cash flow from investing activities					
Interest income		1,779	1,073	1,779	1,073
Purchase of tangible fixed assets		(1,011,098)	-	(1,011,098)	-
Cash flow from investing activities		<u>(1,009,319)</u>	<u>1,073</u>	<u>(1,009,319)</u>	<u>1,073</u>
Cash flow from financing activities					
Repayments of loans		(343,869)	(35,359)	(343,869)	(35,539)
Cash used in financing activities		<u>(343,869)</u>	<u>(35,539)</u>	<u>(343,869)</u>	<u>(35,539)</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>(1,545,612)</u>	<u>436,278</u>	<u>(1,546,968)</u>	<u>440,261</u>
Cash and cash equivalent at the beginning of the year		<u>2,318,925</u>	<u>1,882,647</u>	<u>2,318,908</u>	<u>1,878,647</u>
Total cash and cash equivalents at the end of the year		<u><u>773,313</u></u>	<u><u>2,318,925</u></u>	<u><u>771,940</u></u>	<u><u>2,318,908</u></u>

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

1. Company information

The Ashley Foundation is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is 81 Abingdon Street, Blackpool, Lancashire, FY1 1PP.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 October 2019) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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 £.

The Ashley Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant Accounting Policy note(s).

(b) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Homeless Action CIC on a line by line basis. A separate statement of financial activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

(c) Going Concern

At the time of approving the financial statements and having due regard to the impact of Covid-19, as referred to in the Trustees' Report, 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.

(d) Funds structure

- General funds are unrestricted funds, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Restricted funds are funds subject to specific restrictive conditions imposed by the donor or by the purpose of the contract / monies received. The purpose and use of restricted funds is set out in note 24 to the financial statements.
- Designated funds are funds which have been allocated or designated for specific purposes by the charity out of unrestricted funds.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

2. Accounting policies (Continued)

(e) Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Grants are deferred to future periods only when this is specified by the funder or other preconditions of the fund are not yet met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Investment income is recognised on a receivable basis.

(f) Service agreements and management agreements

The charity has service agreements in place with other similar organisations. The income from these agreements is shown on a gross basis with expenditure included in Expenditure on Charitable Activities.

The charity has management agreements in place with Falcon Housing Association CIC to manage the provision of accommodation for the homeless, in properties in Blackpool and Sunderland. From April 2022 the management agreements in Blackpool were terminated following the purchase of the properties by the Charity. Falcon is the leaseholder of these properties. The terms of the agreements result in the charity receiving income from Falcon equal to the amounts that Falcon receive as housing benefit from the respective local councils. This income is included in Income from Charitable Activities. Expenditure incurred in providing the service required under the terms of the agreements is included in Expenditure on Charitable Activities.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

2. Accounting policies (Continued)

(g) Expenditure

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 is classified under the following activity headings:

- Costs of raising funds are the direct and indirect costs of raising funds for charitable purposes, including applying for grants.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs include costs of the preparation and examination of the statutory financial statements, the costs of Trustee meetings and the cost of any legal advice to Trustees on governance or constitutional matters.
- Other expenditure represents those items not falling into any other heading.

(h) Fixed assets

Individual fixed assets costing £2,000 or more are initially recorded at cost.

Depreciation is provided on all tangible fixed assets at the rates listed below so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life:

Freehold land and buildings	2% per annum on cost
Plant and machinery	10% per annum on cost
Office equipment	33.3% per annum on cost

(i) Investments

Fixed asset investments are included at market value at the Balance Sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds, and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

(j) Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the lease term.

(k) Pensions

The charity operates an auto enrolment defined contribution scheme for all eligible employees in line with the current legislation.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

2. Accounting policies (Continued)

(l) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid after taking any discount due.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments.

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party at the amount due to settle the obligation and can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

(o) Financial instruments

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

3. Legal status of the charity

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The number of members at the year-end was three (2021 - six).

4. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ASHLEY FOUNDATION

Notes to the Financial Statements

For the year ended 30 May 2022

5.	Grants, donations, and legacies	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 (Restated) £
	Donations and legacies						
	Appeals and donations	-	1,476	1,476	-	2,651	2,651
	Grants	<u>12,408</u>	<u>8,956</u>	<u>21,364</u>	<u>24,816</u>	<u>43,062</u>	<u>67,878</u>
	Total per statement of funds	<u>12,408</u>	<u>10,432</u>	<u>22,840</u>	<u>24,816</u>	<u>45,713</u>	<u>70,529</u>

The income from grants, donations and legacies was £22,840 (2021: £70,529) of which £10,432 was unrestricted (2021: £45,713) and £12,408 restricted (2021: £24,816).

6.	Incoming resources from charitable activities	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £
	Charitable activities						
	Housing benefit - hostels and flats	-	1,837,780	1,837,780	-	1,967,046	1,967,046
	Income from hostels and flats	-	1,517,606	1,517,606	-	1,596,207	1,596,207
	Residents' contributions - hostels and flats	-	145,966	145,966	-	119,015	119,015
	Emergency Beds Scheme	-	45,058	45,058	-	172,949	172,949
	Community Café & Hub takings	-	54,637	54,637	-	9,302	9,302
	Other income	-	22,723	22,723	-	3,111	3,111
	Total income from charitable activities	<u>-</u>	<u>3,623,770</u>	<u>3,623,770</u>	<u>-</u>	<u>3,867,630</u>	<u>3,867,630</u>

THE ASHLEY FOUNDATION

Notes to the Financial Statements

For the year ended 30 May 2022

7. Income earned from commercial trading activities

The wholly owned trading subsidiary Homeless Action CIC (Company Number: 08044728, registered office: 81 Abingdon Street, Blackpool, Lancashire, FY1 1PP) previously operated a charity shop providing clothing and furniture to those in need and to raise funds for The Ashley Foundation. This closed down in March 2020.

The summary financial results of the subsidiary were:

	2022 £	2021 £
Shop takings	-	-
Grant income	-	14,538
	-	14,538
	-	14,358
Cost of sales and administration costs	(3,144)	(14,150)
Operating profit	(3,144)	388
The assets and liabilities of the subsidiary company were:		
Current assets	1,373	4,638
Creditors: amounts falling due within one year	(1,081)	(1,200)
Net assets	292	3,438
Aggregate share capital and reserves	292	3,438

8. Investment income	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £
Bank interest	-	1,779	1,779	-	1,073	1,073
Total investment income	-	1,779	1,779	-	1,073	1,073

THE ASHLEY FOUNDATION

Notes to the Financial Statements

For the year ended 30 May 2022

9.	Expenditure on charitable activities - Current year	Community Café & Hub £	Accom Provision £	Total Funds 2022 £
	Wages and salaries costs	57,020	1,022,377	1,079,397
	Staffing costs	244	3,239	3,483
	Premises costs	13,601	1,296,720	1,310,321
	Service charges - Blackburn Hostels	-	884,298	884,298
	Office costs	271	17,677	17,948
	Food costs	20,123	63,188	83,311
	Other costs	1,339	15,195	16,534
	Laundry and cleaning costs	3,164	8,367	11,531
	Motor and travel costs	8	10,952	10,960
	Legal costs	-	793	793
	Loan interest	-	13,220	13,220
	Depreciation	-	32,231	32,231
	Governance costs	-	7,350	7,350
	Support costs	-	338,407	338,407
	Total	95,770	3,714,014	3,809,784
	Expenditure on charitable activities - Prior year	Community Café & Hub £	Accom Provision £	Total Funds 2021 £
	Wages and salaries costs	6,718	1,058,549	1,065,267
	Staffing costs	-	250	250
	Premises costs	2,076	1,601,388	1,603,464
	Service charges - Blackburn Hostels	-	946,955	946,955
	Office costs	65	16,571	16,636
	Food costs	4,048	79,436	83,484
	Other costs	1,150	9,735	10,885
	Laundry and cleaning costs	620	16,814	17,434
	Motor and travel costs	33	5,252	5,285
	Legal costs	-	(5,750)	(5,750)
	Loan interest	-	19,086	19,086
	Depreciation	-	27,702	27,702
	Governance costs	-	6,250	6,250
	Support costs	-	393,780	393,780
	Total	14,710	4,176,018	4,190,728

Expenditure on charitable activities was £3,809,784 (2021: £4,190,728) of which £3,785,548 was unrestricted (2021: £4,185,212) and £24,236 restricted (2021: £5,516).

THE ASHLEY FOUNDATION

Notes to the Financial Statements

For the year ended 30 May 2022

10.	Summary of analysis of expenditure and related income for charitable activities – Current year	Community Café & Hub £	Accom Provision £	Total Funds 2022 £
	Costs (note 9)	95,770	3,714,014	3,809,784
	Grant support (note 5)	(12,408)	(8,956)	(21,364)
	Net cost - other income	83,362	3,705,058	3,788,420
	Summary of analysis of expenditure and related income for charitable activities – Prior year	Community Café & Hub £	Accom Provision £	Total Funds 2021 £
	Costs (note 9)	14,710	4,176,018	4,190,728
	Grant support - restated (note 5)	(24,816)	(43,062)	(67,878)
	Net cost - other income	(10,106)	4,132,956	4,122,850

11. Analysis of governance and support costs - Current year

The charity allocates its support costs as shown in the table below and then further apportions those costs to the charitable activities undertaken (see note 10). Unless stated otherwise, support costs are directly attributed to the activity.

Support cost	General Support £	Governance £	Total 2022 £
Bank charges	900	-	900
Wages and salaries costs	187,009	-	187,009
Staffing costs	21,431	-	21,431
Bad debt	3,217	-	3,217
Premises costs	22,527	-	22,527
Office costs	24,412	-	24,412
Food costs	170	-	170
Other costs	2,136	-	2,136
Laundry and cleaning costs	510	-	510
Motor and travel costs	1,226	-	1,226
Accountancy costs	40,746	-	40,746
Audit costs	-	7,350	7,350
Legal costs	28,762	-	28,762
Trustees' expenses	-	-	-
Loan interest	443	-	443
Depreciation	4,918	-	4,918
	338,407	7,350	345,757

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Notes to the Financial Statements

For the year ended 30 May 2022

11. Analysis of governance and support costs - Prior year

The charity allocates its support costs as shown in the table below and then further apportions those costs to the charitable activities undertaken (see note 10). Unless stated otherwise, support costs are directly attributed to the activity.

Support cost	General Support £	Governance £	Total 2021 £
Wages and salaries costs	156,190	-	156,190
Staffing costs	36,527	-	36,527
Premises costs	33,336	-	33,336
Office costs	21,207	-	21,207
Food costs	134	-	134
Other costs	5,027	-	5,027
Laundry and cleaning costs	2,213	-	2,213
Motor and travel costs	2,758	-	2,758
Accountancy costs	62,271	-	62,271
Audit costs	-	6,250	6,250
Legal costs	66,678	-	66,678
Trustees' expenses	-	-	-
Loan interest	2,514	-	2,514
Depreciation	4,925	-	4,925
	<u>393,780</u>	<u>6,250</u>	<u>400,030</u>

12. Trustees' remuneration and expenses

The Trustees were not paid nor did they receive any other benefits from employment with the charity or its subsidiary in the year (2021: £Nil).

Expenses totalling £Nil (2021: £273) were paid to no (2021: one) Trustee(s) in the year to 30 May 2022 in respect of motor and travel costs.

THE ASHLEY FOUNDATION

Notes to the Financial Statements

For the year ended 30 May 2022

13.	Net income/(expenditure)	2022 £	2021 £
	Net income/(expenditure) is stated after charging:		
	Operating leases	196,178	216,636
	Management agreements	835,753	886,454
	Service charges - Blackburn Hostels	884,298	946,955
	Auditor's remuneration - statutory audit	7,350	6,250
	Bank interest payable	13,663	21,600
	Depreciation	37,149	32,626

14.	Analysis of staff costs and remuneration of key management personnel	2022 £	2021 £
	Wages and salaries	1,168,247	1,107,843
	National insurance contributions	84,835	94,713
	Employers' pension contributions	13,324	18,901
	Total staff costs	1,266,406	1,221,457

The average number of employees during the year was 38 (2021: 41) with all employees' time involved in providing either support to the governance of the charity or support services to charitable activities. The charity considers its key management personnel comprise the Trustees and the Chief Executive Officer. The total employment benefits including employer's pension contributions of the key management personnel was £115,270 (2021: £115,084). One employee (2021: one) had employee benefits (excluding pension contributions) in excess of £60,000. This employee received remuneration in the banding £110,000 - £120,000 (2021: £110,000 - £120,000).

During the year payments totalling £12,310 (2021: £41,121) were made in respect of termination payments to employees/former employees.

15. Pension costs

The charity operates an auto enrolment defined contribution scheme for all eligible employees in line with current legislation. It is a defined contribution scheme and contributions are charged in the statement of financial activities as they accrue. The employer's charge for the year for the charity was £13,324 (2021: £18,901).

16. Corporation tax

The company is a registered charity and is, therefore, exempt from taxation.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

17. Tangible fixed assets - Group					
		Freehold Interest in Land and Buildings £	Fixtures, Fittings and Equipment £	Plant and Machinery including Motor Vehicles £	Total £
Cost					
As at 30 May 2021		1,453,005	18,187	48,998	1,520,190
Additions		1,000,000	-	11,098	11,098
Disposals		-	-	-	-
As at 30 May 2022		2,453,005	18,187	60,096	2,531,288
Depreciation					
As at 30 May 2021		116,241	7,725	48,998	172,964
Charge for the year		33,228	3,565	356	37,149
Disposals		-	-	-	-
As at 30 May 2022		149,469	11,290	49,354	210,113
Net book value					
As at 30 May 2022		2,303,536	6,897	10,742	2,321,175
As at 30 May 2021		1,336,764	10,462	-	1,347,226

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

17. Tangible fixed assets - Charity				
	Freehold Interest in Land and Buildings £	Fixtures, Fittings and Equipment £	Plant and Machinery including Motor Vehicles £	Total £
Cost				
As at 30 May 2021	1,453,005	18,187	48,998	1,520,190
Additions	1,000,000	-	11,098	11,098
Disposals	-	-	-	-
As at 30 May 2022	2,453,005	18,187	60,096	2,531,288
Depreciation				
As at 30 May 2021	116,241	7,725	48,998	172,964
Charge for the year	33,228	3,565	356	37,149
Disposals	-	-	-	-
As at 30 May 2022	149,469	11,290	49,354	210,113
Net book value				
As at 30 May 2022	2,303,536	6,897	10,742	2,321,175
As at 30 May 2021	1,336,764	10,462	-	1,347,226

18. Investments held as fixed assets

The charity holds one ordinary share of £1 in its wholly owned trading subsidiary company Homeless Action CIC which is incorporated in England and Wales. The activities and results of this company are summarised in note 7.

19. Debtors	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Housing benefit receivable	82,958	163,984	82,958	163,984
Trade debtors	72,708	14,013	72,708	14,013
Prepayments, accrued income & other debtors	26,769	19,881	26,769	19,881
	182,435	197,878	182,435	197,878

THE ASHLEY FOUNDATION

Notes to the Financial Statements

For the year ended 30 May 2022

20.	Creditors: Amounts falling due within one year	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
	Bank loans and overdrafts	32,709	35,863	32,709	35,863
	Amounts due to suppliers	20,380	10,812	20,380	10,812
	Taxation and national insurance	24,737	29,077	24,737	29,077
	Other creditors	3,618	51,173	3,618	51,173
	Accruals and deferred income	118,906	163,137	117,826	166,559
		<u>200,350</u>	<u>290,062</u>	<u>199,270</u>	<u>293,484</u>

Creditors: Amounts falling due within one year includes the following liabilities, on which security has been given by the charity and group:

	Group & Charity 2022 £	Group & Charity 2021 £
Bank loans	32,709	35,863

The bank loans are secured by a first legal charge over 81-83 Abingdon Street, 254 Hornby Road, 39 and 45 Bairstow Street, 1 Wolverton Avenue, 176/178 Watson Road, 10 Knowle Avenue, The Warehouse back Cocker Street, 23 Cocker Street and 264-266 Dickson Road; all of which are situated in Blackpool.

There is further security provided by a fixed and floating charge over the other assets of the charity.

21.	Creditors: Amounts falling due after more than one year	Group & Charity 2022 £	Group & Charity 2021 £
	Bank loans	296,923	637,638

Included in the creditors are the following amounts due after more than five years:

	Group & Charity 2022 £	Group & Charity 2021 £
After more than five years by instalments	230,408	481,925

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

22. Operating lease commitments and management agreements

As at 30 May 2022 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases and management agreements as follows:

	Group & Charity 2022 £	Group & Charity 2021 £
Less than one year	453,012	1,053,692
Within two to five years	1,812,047	3,552,474
Over five years	5,257,683	10,282,271
Total	7,522,742	14,888,437

23. Related parties

Controlling entity

The charity is controlled by the Trustees who are all directors of the company.

Related party transactions in the current year.

The net amount owed by the Charity's subsidiary Homeless Action C.I.C to the Charity as at 31st August 2022 was £3,217. As the company has ceased to trade the Directors consider that the recovery of the outstanding balance is unlikely, therefore it has been written off.

Previous year related party transactions were:

Mrs Janet Kam, wife of the former trustee Mr David Kam, received reimbursement of expenses in respect of her mobile phone totalling £Nil (2021: £273).

An expense claim of £2,750 payable to Mr Lee Dribben, the former Business Development and Special Projects Manager remains unpaid.

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

23. Related parties [Continued]

The charity's wholly owned subsidiary, Homeless Action CIC ceased operating its charity shop in March 2020 as a result of the Covid-19 pandemic, and subsequent to that it was decided not to re-open the shop. This coincides with the lease on the shop terminating in August 2021 and it was not renewed. There is a balance owed to the subsidiary of £Nil (2021 – £4,621) at the year-end.

24. Analysis of charitable funds – Group - unrestricted current year	At 30 May 2021 £	Incoming Resources £	Resources Expended £	Transfers £	At 30 May 2022 £
General funds	2,852,890	3,592,436	(3,788,692)	(22,700)	2,679,334
Designated Fund – Poplar House	10,485	7,830	-		18,315
Designated Fund – Sunderland Flats	24,287	12,159	-		36,446
Designated Fund – 1,000 Voices	2,531	-	-		2,531
Designated Fund – Mini bus	-	5,000	-		5,000
Designated Fund – Blackpool Flats	-	26,416	-		26,416
Total funds	2,890,193	3,643,841	(3,788,692)	22,700	2,768,042
Analysis of charitable funds – Group - unrestricted prior year	At 30 May 2020 (Restated) £	Incoming Resources (Restated) £	Resources Expended £	Transfers £	At 30 May 2021 £
General funds	3,152,285	3,884,640	(4,184,035)		2,852,890
Designated Fund – Poplar House	-	25,383	(14,898)		10,485
Designated Fund – Sunderland Flats	-	24,287	-		24,287
Designated Fund – 1,000 Voices	-	2,960	(429)	-	2,531
Total funds	3,152,285	3,937,270	(4,199,362)	-	2,890,193
Analysis of charitable funds – Charity - unrestricted current year	At 30 May 2021 £	Incoming Resources £	Resources Expended £	Transfers £	At 30 May 2022 £
General funds	2,886,755	3,643,841	(3,785,546)	22,700	2,767,750
Total funds	2,886,755	3,643,841	(3,785,546)	22,700	2,767,750
Analysis of charitable funds – Charity - unrestricted prior year	At 30 May 2020 (Restated) £	Incoming Resources £	Resources Expended £	Transfers £	At 30 May 2021 £
General funds	3,149,236	3,922,732	(4,185,213)		2,886,755
Total funds	3,149,236	3,922,732	(4,185,213)		2,886,755

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

25. Analysis of charitable funds – Group & charity – restricted - Current

	At 31 May 2021 £	Incoming Resources £	Resources Expended £	Transfers £	At 30 May 2022 £
Mental Health Support	22,700	-	-	(22,700)	-
The National Lottery Community Fund - The Ashley Foundation Community Café and Hub	23,436	12,408	(24,236)	-	11,608
Total funds	46,136	12,408	(24,436)	(22,700)	11,608

Name of fund

Description, nature, and purposes of the fund

Mental Health Support

Support for the provision of mental health of our residents in Blackpool.

The National Lottery Community Fund - The Ashley Foundation Community Café & Hub

Support for running costs of the Community Café & Hub during the first three years of operation. Due to COVID-19 the funding period, in agreement with the National Lottery was extended by six months, and the final tranche of funding will be received in February 2023.

Analysis of charitable funds – Group & Charity - restricted - prior year

	At 31 May 2020 £	Incoming Resources (Restated) £	Resources Expended £	At 30 May 2021 £
Mental Health Support	22,700	-	-	22,700
The National Lottery Community Fund - The Ashley Foundation Community Café & Hub	4,136	24,816	(5,516)	23,436
Total funds	26,836	24,816	(5,516)	46,136

Transfers

26. As stated above, any surplus expenditure arising on any of the restricted funds is met from general (unrestricted) funds.

Where applicable and where not prohibited under any terms specified by the donor, any restricted funds where it is deemed that the associated activity or purpose has ceased are likewise transferred to general funds at the discretion of the Trustees.

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Notes to the Financial Statements

For the year ended 30 May 2022

27.	Net assets by fund – Group - Current year	Restricted Funds	Unrestricted Funds	Total Funds 2022
		£	£	£
	Tangible fixed assets	-	2,321,175	2,321,175
	Cash at bank and in hand	-	773,313	773,313
	Other net current assets / (liabilities)	11,608	(29,523)	(17,915)
	Creditors of more than one year	-	(296,923)	(296,923)
	Net assets	11,608	2,768,042	2,779,650
	Net assets by fund – Group - Prior year	Restricted Funds	Unrestricted Funds	Total Funds 2021
		£	£	£
	Tangible fixed assets	-	1,347,226	1,347,226
	Cash at bank and in hand	-	2,318,925	2,318,925
	Other net current assets / (liabilities)	46,136	(138,320)	(92,184)
	Creditors of more than one year	-	(637,638)	(637,638)
	Net assets	46,136	2,890,193	2,936,329
	Net assets by fund – Charity - Current year	Restricted Funds	Unrestricted Funds	Total Funds 2022
		£	£	£
	Tangible fixed assets	-	2,321,175	2,321,175
	Cash at bank and in hand	-	771,940	771,940
	Other net current assets / (liabilities)	11,608	(28,442)	(16,834)
	Creditors of more than one year	-	(296,923)	(296,923)
	Net assets	11,608	2,767,750	2,779,358
	Net assets by fund – Charity - Prior year	Restricted Funds	Unrestricted Funds (Restated)	Total Funds 2021 (Restated)
		£	£	£
	Tangible fixed assets	-	1,347,227	1,347,226
	Cash at bank and in hand	-	2,318,908	2,318,908
	Other net current assets / (liabilities)	46,136	(141,742)	(95,606)
	Creditors of more than one year	-	(637,638)	(637,638)
	Net assets	46,136	2,886,755	2,932,891

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

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

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Net movement in funds	(156,679)	(242,792)	(153,533)	(242,404)
Add: Depreciation	37,149	32,626	37,149	32,626
Deduct interest income shown in investing activities	(1,779)	(1,073)	(1,779)	(1,073)
Decrease/(increase) in debtors	15,443	737,094	15,443	737,094
(Decrease)/increase in creditors	(86,558)	(55,291)	(91,060)	(51,696)
Net cash used in operating activities	(192,424)	470,564	(193,780)	474,547

29. Net debt reconciliation – Group - Current year

	30 May 2021 £	Cash flows £	30 May 2022 £
Cash	2,318,925	(1,545,612)	773,313
Loans falling due within one year	(35,863)	3,154	(32,709)
Loans falling due after one year	(637,638)	340,715	(296,923)
Net debt	1,645,424	(1,201,743)	443,681

Net debt reconciliation – Group - Prior year

	30 May 2020 £	Cash flows £	30 May 2021 £
Cash	1,882,647	436,278	2,318,925
Loans falling due within one year	(35,754)	(109)	(35,863)
Loans falling due after one year	(673,106)	35,468	(637,638)
Net debt	1,173,787	471,636	1,645,423

THE ASHLEY FOUNDATION

Notes to the Financial Statements For the year ended 30 May 2022

29.	Net debt reconciliation continued – Charity - Current year	30 May 2021	Cash flows	30 May 2022
		£	£	£
	Cash	2,318,908	(1,546,968)	771,940
	Loans falling due within one year	(35,863)	3,154	(32,709)
	Loans falling due after one year	(637,638)	340,715	(296,923)
	Net debt	1,645,406	(1,203,099)	442,308
	Net debt reconciliation – Charity - Prior year	30 May 2020	Cash flows	30 May 2021
		£	£	£
	Cash	1,878,647	440,261	2,318,908
	Loans falling due within one year	(35,754)	(109)	(35,863)
	Loans falling due after one year	(673,106)	35,468	(637,638)
	Net debt	1,169,787	475,619	1,645,406