

**REGISTERED COMPANY NUMBER: 3686719 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1076541**

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 October 2017  
for  
The Prospects Foundation

KM  
1st Floor, Block C  
The Wharf  
Manchester Road  
Burnley  
Lancashire  
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The Prospects Foundation

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for the Year Ended 31 October 2017

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The Prospects Foundation

Reference and Administrative Details  
for the Year Ended 31 October 2017

**TRUSTEES**

Mr P Vincent-Barwood  
Mr C Cooper  
Mr N Cort  
Mr P Gott  
Mr S Hemingway  
Ms C Holmes  
Mr W Matthews  
Cllr M Parkinson  
Mrs M Worden  
Mr P Worswick  
Mr N Mooney  
Cllr P Short

**COMPANY SECRETARY**

Mrs M Worden

**REGISTERED OFFICE**

Prospects Environment Centre  
54 Broadway  
Accrington  
Lancashire  
BB5 1EW

**REGISTERED COMPANY NUMBER**

3686719 (England and Wales)

**REGISTERED CHARITY NUMBER**

1076541

**INDEPENDENT EXAMINER**

KM  
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**SOLICITORS BANKERS**

Forbes Solicitors  
Rutherford House  
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Triodos Bank  
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The Prospects Foundation

Reference and Administrative Details  
for the Year Ended 31 October 2017

**INVESTMENT ADVISOR**

Wrigleys Solicitors  
19 Cookridge Street  
Leeds  
West Yorkshire  
LS2 3AG

## The Prospects Foundation

### Report of the Trustees for the Year Ended 31 October 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2017. The trustees have adopted the provisions of 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 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Public benefit**

The trustees confirm that we have paid due regard to the Charity Commission guidance on public benefit reporting in deciding what activities the charity should undertake.

The objects of the Foundation, as set out in our Memorandum of Association, are as follows:

A) The Advancement of Environmental Protection or Improvement, including:

- a1) the conservation of flora, fauna and the natural environment in Hyndburn generally;
- a2) the education of the public around local and global sustainable development and biodiversity; and
- a3) the promotion of recycling and sustainable waste management.

B) The Advancement of Citizenship and Community Development, including:

- b1) the promotion of volunteering to improve the skills, qualities and life prospects for residents of Hyndburn;
- b2) the promotion of community capacity building in pursuance of environmental and sustainable development purposes; and
- b3) the promotion of urban and rural regeneration in Hyndburn, in relation to sustainable development for current and future generations.

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

In order to achieve the objectives set out above, the Foundation carried out the following programmes of work in the financial year:

#### **a. Environmental Awareness**

A key activity for the charity is the raising of awareness of our six themes of sustainability (Food, Biodiversity, Energy, Recycling, Transport and Awareness) and the work of the charity amongst the local community. In October 2013 we recruited a part-time 'Activity Organiser' to develop and run training, workshops, events and activities, both at our premises at 54 Broadway and in the community.

This awareness work continued during the year and primarily consisted of activities, events and training at our Broadway premises as well as at our workshop based at Oakhill Park in Accrington. These sessions related to our sustainability themes and were a combination of 'hands-on' activities, training events, talks, walks, visits and discussions. Other activities included support for our regular arts and crafts groups.

In addition, we continued to welcome many new volunteers through enquiries at our premises as well as continued presence in the local press and radio and social media. Finally, we have also been able to continue as an AQA centre, with the benefits of being able to offer accredited training to many volunteers across all our programmes. We see this as a tangible reward for our hard-working volunteers.

During the year we received income of £945 for the programme. This was made up of donations, contributions and room hire from partners for running AQA training sessions. Expenditure incurred amounted to £16,682. The large difference between income received and expenditure incurred is due to receiving funds for the programme in the previous financial year.

#### **b. Windfall Community Benefit Fund**

EnergieKontor UK Ltd. has created the 'Windfall Fund' for the 25-year life of the wind farm on Oswaldtwistle Moor in Hyndburn. The PROSPECTS Foundation receives £105,000 per year (index-linked from February 2010) to employ a Community Projects Officer and provide a capital fund to support volunteer groups in Hyndburn in developing projects in line with our six Sustainability themes.

During the year we received income of £128,388 for the Windfall Fund. This was almost entirely made up of the payment from EnergieKontor £128,048 plus bank interest. Total expenditure during the year amounted to £89,752 and consisted of the grants paid out plus the running costs of the Fund.

During the year there were four funding rounds and in total 16 grants were awarded. Payments made during the year included £3,251 towards a grant awarded in 2013/14 plus a further £8,939 for grants awarded in 2015/16, £27,183 for grants awarded in 2016/17 and five Mini grants totalling £1,117. This amounts to £40,490 in total. In addition £10,882 was paid to The PROSPECTS Foundation towards the Connecting with Nature and Rewilding programmes. In total therefore £51,372 was paid out during the year.

During the Summer of 2017 there were five school visits to the wind farm by St Andrew's Primary School, Broadfield Specialist School, Grindleton Primary School and Mount Carmel Roman Catholic High School. The PROSPECTS Foundation trustees also visited the wind farm in October 2017 to look at the habitat restoration work that has been carried out on the moorland.

#### **c. Connecting People to Hyndburn's Natural Heritage**

This programme started in April 2016 and will run until September 2018. The programme is primarily funded by the Heritage Lottery Fund (HLF) (£89,300) with match funding provided by Lancashire County Council (£2,000) and The PROSPECTS Foundation (£2,000).

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

The main focus of the 2.5 year programme is to engage local people in exploring, learning about, and protecting the Woodnook Vale and the Peel Park/Coppice sites in Accrington, with the aim of supporting partner organisations in the designation of both sites as Local Nature Reserves. A key aspect of this is the involvement of local people and this is being achieved through a varied programme of learning activities based around conservation and natural heritage. In addition we are aiming to work with 400 volunteers and also establish a new Volunteer Ranger Service to help look after both sites.

During the year the programme received income totalling £150 and expenditure totalled £30,424. The mid-term monitoring report for the HLF grant was submitted in September 2017 but the second instalment of the Heritage Lottery Fund grant was received just after the year end.

### **d. Connecting with Nature**

Connecting with Nature was a programme that started in April 2016 and ran until June 2017. It was primarily based around providing environmental activities on four sites across the borough - Piggy Park Community Garden in Rishton, Hyndburn Homes Community House in Huncoat, the Growing Wild site in Baxenden and Inward House in Accrington.

The key focus of the programme involved offering 'taster' sessions covering a wide variety of activities for groups in order to help spark an interest in the environment. Activities and sessions included practical conservation work, environmental education, organic food growing, craft sessions and wildlife gardening amongst others. As with our other programmes we also offered AQA accredited training and qualifications to volunteers taking part.

As a result of the programme 30 people achieved a John Muir award, 53 AQAs were awarded, 349 people accessed local green spaces, 17 different community groups got involved and 805 training hours were delivered. The project outcomes mean that green spaces have been rejuvenated and improved for the local community; people had the opportunity to socialise and enjoy activities which resulted in them feeling less isolated and improved their physical activity and confidence levels; and people learnt new skills in how to conserve and improve the local environment which will help them to look after their green spaces in the future.

During the year income was received from Newground Together, the Woodward Trust and the Windfall Fund. Expenditure for the year totalled £11,060.

### **e. Rewilding Hyndburn's Green Spaces**

The Rewilding programme started in October 2016 and is due to continue into the summer of 2018. During this financial year the programme was funded by the Postcode Local Trust which is a grant-giving charity funded entirely by players of People's Postcode Lottery, the Hyndburn Windfall Fund and the Co-op Local Community Fund

Originally the aim of the programme was to create and enhance habitats for wildlife on 20 sites across the borough whilst also providing natural resources to encourage organic practices on a range of community food growing sites. However, when the programme was extended beyond the first year it was broadened to include other green spaces and not just food growing areas. Bees, ladybirds, butterflies, hedgehogs and frogs are being enticed to take up residence and hedges, natural barriers and areas of organic feed as a natural 'security' fence are being planted around food growing sites as and when appropriate.

A major feature of the programme is the training and activity sessions with members of the community groups and schools taking part. These include activities such as creating wildflower meadows, making bug hotels, planting organic feed borders, hedgerows, fruit bushes and heritage orchards (e.g. Lancashire apples), making and installing bird boxes and feeders, habitat piles and bog gardens.

At the end of the initial phase of the programme we had worked with 24 different groups on 21 sites across the Borough. 692 people had acquired new skills around wildlife habitat creation and organic growing on food growing sites; 104 habitat training and activity workshops took place; and 31 people achieved an AQA award in woodland management, composting, wildlife gardening and creating habitats for wildlife.

During the year income was received totalling £11,050. This included £9,132 from the Windfall Fund. The grant of £19,975 from the Postcode Local Trust was received in the previous financial year. Expenditure incurred totalled £23,018.

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

#### **f. Social Enterprise Development Initiative**

Again, during the year we continued our support for a number of social enterprises linked to the charity. This support was provided through the Charity Manager post. The support primarily consisted of administration, funding and strategic development support for an ethical retail shop (One Planet) and a woodland management community interest company (Woody).

#### **g. Coach Road Meadows**

The land at Coach Road Meadow was purchased by The Foundation in March 2005. Following ongoing feasibility work the charity continues to explore alternative proposals to the original idea of an environmental business park on the site. This will require securing additional funding.

#### **h. Tinker Brook Tree Nursery**

The Tinker Brook site has been leased by the charity from Hyndburn Borough Council since 1998. In 2007 the charity entered into a new lease for the site that will expire in August 2031. The site is now used by the charity in conjunction with partners, Bootstrap Enterprises, to facilitate horticultural training and day care services for people with learning difficulties. The partnership with Bootstrap commenced in October 2013 following the decision by Lancashire Care (who ran it previously) to withdraw from the site. This means that this valuable service continues at Tinker Brook.

#### **i. Charity Development work**

A continual, and necessary, part of our work involves securing external funding in order to continue our charity work. During the year we were successful with new funding applications to the Woodward Charitable Trust, the Woodland Trust, the Co-op Local Community Fund, Lancashire Environmental Fund, Lancashire County Council and Tesco Bags of Help.

The work to potentially take on the management responsibility from Lancashire County Council (linked to the closure of Lancashire County Council's Countryside Service in March 2018) for 8 woodland sites in Hyndburn is ongoing.

Other Charity Development work has included organising and facilitating Management Committee meetings and Finance Group meetings, community consultation work for new project proposals, liaising with our Treasurer and staff to monitor project budgets and funder monitoring requirements and the line management of staff.

During the year the Charity Manager post was funded by grants from the Lancashire County Council's Central Gateway Fund (£7,500), the Woodland Trust (£4,574), Management Fees (£13,665), a contribution from Woody (Hyndburn) CIC (£2,320) towards support provided in developing the social enterprise and £3,467 from charity reserves.

#### **j. The PROSPECTS Panels**

The PROSPECTS Panels are separate entities and their finances do not therefore show in our accounts. They are an important part of the PROSPECTS movement, and deliver a range of volunteer projects in their neighbourhood that are important to local people. There is a relationship of mutuality between the Foundation and the Panels. The Foundation provides centralised services to support the work of the Panels, and the Panels frequently provide volunteer skilled labour to work on projects other than their own. Panels select a representative to serve on the Foundation's management committee. Four of the eight Panels are currently active: Baxenden Community Forum, Clayton-le-Moors with Altham Prospects Panel, Huncoat Community Forum and Rishton Prospects Panel.

#### **k. Volunteer contributions to the PROSPECTS Foundation**

The recorded time contributed by volunteers in all our activities during the year from November 2016 to October 2017 amounted to 6,458 hours, and has been valued at £89,766. This figure is calculated on the basis that each volunteer hour amounts to a cash equivalent of £13.90. We are aware that much volunteer time does not get recorded, and this is therefore an underestimate. Volunteer time includes attendance at practical work events, training events, promotional events, project development meetings, project delivery activities, 'best-practice' visits to other projects, attendance at PROSPECTS Foundation, PROSPECTS Panel and other meetings.



## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

The trustees are extremely grateful for the contribution that our volunteers make in terms of giving their own valuable time, support, advice and help and we fully recognise that this support is vital in enabling the Foundation to achieve its objectives. It is this enormous volunteer effort which ensures that the work achieved by PROSPECTS is far, far greater than that represented by the formal accounts. It is the backbone of everything we do.

## **FINANCIAL REVIEW**

### **Financial position**

The attached statements show the current state of the finances.

Total incoming resources decreased from £296,434 to £205,426 a decrease of £91,008 from the previous year. The total resources expended decreased from £261,444 to £252,939 a decrease of £8,505 from the previous year. The net outgoing resources for the year were £47,513.

Restricted income for specific activities totalled £200,492 and total restricted expenditure was £248,621. The overall balance on restricted funds was £73,346 at the 31st October 2017. The size of the balance is due to grant paid in advance of expenditure being incurred. The balance will be carried forward and spent on specific schemes.

### **Investment policy and objectives**

The Foundation has an investment in the One Planet Shop Ltd of less than 1%. Further details are included in the notes to the financial statements.

### **Reserves policy**

The Trustees have adopted a policy regarding reserves which ensures we are able to meet all our current and future liabilities and is reviewed annually and approved by the Management Committee. As we are so dependent on grants it is considered that the level of reserves needs to be adequate to maintain core activities and that the equivalent of three months of total expenditure is appropriate (being approximately £65,000).

During the year the unrestricted reserves decreased from £87,607 to £84,757. This includes £15,025 tied up in fixed assets. Hence, the free reserves amount to £69,732.

## **FUTURE PLANS**

The key tasks that have been identified for the forthcoming year are as follows:

### **Strategic**

Review and set Aims and Objectives annually (ensuring 'Community' features as much as 'Environment')

Ensure wide consultation with the broader local community to help influence current and future programmes, projects and activities

Keep under review the make-up of the Management Committee in terms of community representation and relevant skills

### **Projects & Programmes**

Review existing projects and amend / enhance / improve as necessary

Secure funding for project activities

Develop a new action plan for delivery of the Windfall Community Fund

### **Charity Management**

Update and review policies in the Staff Handbook as and when necessary

Ensure regular monitoring and evaluation

Improve facilities at our Environment Centre and at our training centre in Oakhill Park

Review the suitability of our current premises for the needs of the charity's activities

### **Further work planned for 2017/18 includes:**

Review of our Mission Statement

Write a short one-page Strategy statement for members of the public which is easy to understand

Agree and develop a 'Common Purpose' and medium-term plan

Generate new project ideas according to Common Purpose discussions and new medium-term plan

Write a funding plan

Increase PROSPECTS Foundation membership

Review the role and membership of PROSPECTS Panels

Improve and update our social media platforms including our website, Facebook and Twitter accounts

Hold a 20th anniversary celebration event

### **Our Six Themes of Sustainability:**

These are set by the Management Committee and provide the framework within which the Charity develops its project work:

Biodiversity - protecting and enhancing local wildlife and plant life;

Energy - home and community energy efficiency and development of renewables;

Sustainable Transport - encouraging more use of public transport, bicycles and walking;

## The Prospects Foundation

### Report of the Trustees for the Year Ended 31 October 2017

Waste and Recycling - identifying more ways of reducing, reusing and recycling our waste;

Local Food - finding ways of making more local, organic, healthy food, grown by the community for the community.

Awareness Raising - of the above and of environmental issues in general

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is governed by its Articles of Association dated 25th May 2016.

### **Appointment and election of Trustees**

As per our Articles of Association, the Committee shall consist of:

(a) one representatives from each of the Approved Prospects Panels, an Approved Prospects Panel being a Prospects Panel that has been approved by the Management Committee.

(b) one representative of Hyndburn Borough Council

(c) one representative of Lancashire County Council

(d) up to six members of the Prospects Foundation, elected at the AGM

(e) up to six co-options appointed by the Management Committee in accordance with Clause 42.

### **Induction and training of Trustee**

The Management Committee is responsible for the governance and overall strategic direction of the Foundation. Therefore, trustees need to be aware and capable of meeting those responsibilities for the benefit of all involved with the Foundation and associated groups and organisations. The responsibility of ensuring that trustees are given an appropriate induction lies with the current Chairperson. Once trustees are appointed, they are given a Trustees Induction Pack which includes information on:

Background information about The PROSPECTS Foundation

Roles & Responsibilities of Trustees

Organisational Chart

Charity Commission leaflet 'Responsibilities of Charity Trustees'.

Appropriate training is arranged for Trustees, following consultation on their training needs.

### **Organisational structure**

In general, the trustees have overall responsibility for the governance and strategic direction of the Foundation. The day-to-day operational business of the Foundation is delegated to the Charity Development Manager.

### **Relationships with related parties**

#### **The PROSPECTS Panels**

Each of the PROSPECTS Panels has one representative appointed to the PROSPECTS Foundation Management Committee.

The Prospects Foundation

Report of the Trustees  
for the Year Ended 31 October 2017

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finance of the charity and are satisfied that systems are in place to mitigate their exposure to major risks.

The Charity has the following insurance cover in place:

Employers Liability, £10 million

Public Liability, £5 million

Products Liability, £5 million

Trustee Liability, £500,000

Personal Accident Cover for Staff, Trustees & Volunteers £10,000

Property Damage

Contents Cover

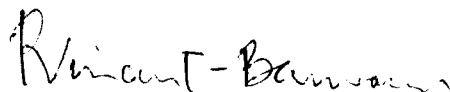
Legal Expenses £250,000

**SMALL COMPANY PROVISIONS**

This report had been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by order of the board of trustees on 11 April 2018 and signed on its behalf by:

Mr P Vincent-Barwood - Trustee



## The Prospects Foundation

### Statement of Trustees Responsibilities for the Year Ended 31 October 2017

The trustees (who are also the directors of The Prospects Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

Independent Examiner's Report to the Trustees of  
The Prospects Foundation

I report on the accounts for the year ended 31 October 2017 set out on pages thirteen to twenty three.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of 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 (FRS 102) (effective 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



M R Heaton FCCA FCIE DChA  
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11 April 2018

The Prospects Foundation

Statement of Financial Activities

(Incorporating an Income and Expenditure Account)

for the Year Ended 31 October 2017

	Notes	Unrestricted fund £	Restricted funds £	31.10.17 Total funds £	31.10.16 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	3,357	-	3,357	3,130
<b>Charitable activities</b>	4				
Environmental Projects		-	184,017	184,017	276,615
Investment income	3	777	340	1,117	1,546
Other income		800	16,135	16,935	15,143
<b>Total</b>		<u>4,934</u>	<u>200,492</u>	<u>205,426</u>	<u>296,434</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Accountancy Fees		456	1,464	1,920	1,926
Environmental Projects		-	8,287	8,287	23,232
General Costs		3,862	-	3,862	2,736
Cultivate Food Growing Programme		-	-	-	20,731
Environmental Awareness		-	16,490	16,490	25,871
Windfall		-	48,878	48,878	46,719
Charity Manager		-	34,927	34,927	38,546
Nature Conservation		-	-	-	10,921
Windfall Grants - Various		-	17,252	17,252	17,708
Windfall Grant - Environmental Awareness		-	-	-	25,903
Connecting with Nature		-	11,060	11,060	11,229
Rewilding		-	22,821	22,821	906
Natural Heritage		-	30,040	30,040	16,858
Whinney Hill		-	34,164	34,164	3,158
Windfall Grants - Energy		-	10,000	10,000	-
Windfall Grants - Local Food		-	-	-	7,500
Windfall Grants - Transport		-	6,400	6,400	7,500
Windfall Grants - Biodiversity		-	6,838	6,838	-
<b>Total</b>		<u>4,318</u>	<u>248,621</u>	<u>252,939</u>	<u>261,444</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>616</u>	<u>(48,129)</u>	<u>(47,513)</u>	<u>34,990</u>
<b>Transfers between funds</b>	17	<u>(3,466)</u>	<u>3,466</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>(2,850)</u>	<u>(44,663)</u>	<u>(47,513)</u>	<u>34,990</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>87,607</u>	<u>118,009</u>	<u>205,616</u>	<u>170,626</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>84,757</u></u>	<u><u>73,346</u></u>	<u><u>158,103</u></u>	<u><u>205,616</u></u>

The notes form part of these financial statements

The Prospects Foundation

Statement of Financial Activities - continued  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 October 2017

	Notes	Unrestricted fund £	Restricted funds £	31.10.17 Total funds £	31.10.16 Total funds £
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**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements



The Prospects Foundation

Balance Sheet

At 31 October 2017

	Notes	Unrestricted fund £	Restricted funds £	31.10.17 Total funds £	31.10.16 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	15,000	-	15,000	15,000
<b>CURRENT ASSETS</b>					
Debtors	13	430	-	430	150
Investments	14	25	-	25	25
Cash at bank and in hand		76,822	73,346	150,168	196,561
		<u>77,277</u>	<u>73,346</u>	<u>150,623</u>	<u>196,736</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(7,520)	-	(7,520)	(6,120)
<b>NET CURRENT ASSETS</b>		<u>69,757</u>	<u>73,346</u>	<u>143,103</u>	<u>190,616</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>84,757</u>	<u>73,346</u>	<u>158,103</u>	<u>205,616</u>
<b>NET ASSETS</b>		<u><u>84,757</u></u>	<u><u>73,346</u></u>	<u><u>158,103</u></u>	<u><u>205,616</u></u>
<b>FUNDS</b>	17				
Unrestricted funds				84,757	87,607
Restricted funds				<u>73,346</u>	<u>118,009</u>
<b>TOTAL FUNDS</b>				<u><u>158,103</u></u>	<u><u>205,616</u></u>

The notes form part of these financial statements

The Prospects Foundation

Balance Sheet - continued

At 31 October 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 October 2017 in accordance with Section 476 of the Companies Act 2006.

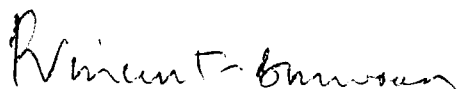
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 11 April 2018 and were signed on its behalf by:

Mr P Vincent-Barwood -Trustee



## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

### **Tangible fixed assets**

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

Freehold land - not provided

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

## **2. DONATIONS AND LEGACIES**

	31.10.17	31.10.16
	£	£
Employment Allowance	3,000	3,000
Donations	357	130
	<u>3,357</u>	<u>3,130</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

**3. INVESTMENT INCOME**

	31.10.17	31.10.16
	£	£
Bank interest received	1,117	1,546
	<u>1,117</u>	<u>1,546</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.10.17	31.10.16
		£	£
Recharges of expenditure	Environmental Projects	7,106	4,802
Bootstrap Enterprises	Environmental Projects	8,000	6,000
Grants	Environmental Projects	168,911	265,813
		<u>184,017</u>	<u>276,615</u>

Grants received, included in the above, are as follows:

	31.10.17	31.10.16
	£	£
Energiekontor	128,048	125,194
Local Authority Grants	7,731	29,500
Lancashire Environmental Fund	22,016	27,224
East Lancashire Clinical Commissioning Group	-	4,736
Postcode Local Trust	-	19,975
Newground CIC Together	5,542	4,534
Garfield Weston Foundation	-	10,000
Big Lottery Fund - Natural Heritage	-	44,650
Woodward Charitable Trust	1,000	-
Woodland Trust	4,574	-
	<u>168,911</u>	<u>265,813</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 6)	Grant funding of activities (See note 7)	Support costs (See note 8)	Totals
	£	£	£	£
Environmental Projects	7,487	-	800	8,287
General Costs	3,784	-	78	3,862
Environmental Awareness	13,955	-	2,535	16,490
Windfall	36,113	-	12,765	48,878
Charity Manager	8,336	-	26,591	34,927
Connecting with Nature	10,678	-	382	11,060
Rewilding	22,204	-	617	22,821
Natural Heritage	29,140	-	900	30,040
Whinney Hill	34,164	-	-	34,164
Windfall Grants - Various	-	17,252	-	17,252
Windfall Grants - Energy	-	10,000	-	10,000
Windfall Grants - Transport	-	6,400	-	6,400
Windfall Grants - Biodiversity	-	6,838	-	6,838
Accountancy Fees	-	-	1,920	1,920
	<u>165,861</u>	<u>40,490</u>	<u>46,588</u>	<u>252,939</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

**6. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31.10.17	31.10.16
	£	£
Staff costs	98,136	97,642
Staff training	763	830
Travel and subsistence	1,201	1,128
Rent	12,716	13,492
Insurance	2,630	2,059
Promotional Materials	12,589	3,501
Office expenses	4,515	5,537
Equipment & Communications	118	796
Promotional expenses	19	91
Environmental works	33,174	23,767
Other Professional fees	-	1,181
	<u>165,861</u>	<u>150,024</u>

**7. GRANTS PAYABLE**

	31.10.17	31.10.16
	£	£
Windfall Grants - Various	17,252	17,708
Windfall Grant - Environmental Awareness	-	25,903
Windfall Grants - Energy	10,000	-
Windfall Grants - Local Food	-	7,500
Windfall Grants - Transport	6,400	7,500
Windfall Grants - Biodiversity	6,838	-
	<u>40,490</u>	<u>58,611</u>

The total grants paid to institutions during the year was as follows:

	31.10.17	31.10.16
	£	£
General grants (under £5,000)	17,252	17,708
One Planet (Accrington) Ltd	-	5,435
Friends of St. Christopher's	-	13,595
Sure Start Hyndburn	-	6,873
PCC of St. Bartholomews & St. John	-	7,500
Newground CIC	-	7,500
Hyndburn Leisure	10,000	-
Martholme Greenway	6,400	-
River Ribble Trust Ltd	6,838	-
	<u>40,490</u>	<u>58,611</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

**8. SUPPORT COSTS**

	Management	Governance costs	Totals
	£	£	£
Accountancy Fees	-	1,920	1,920
Environmental Projects	-	800	800
General Costs	-	78	78
Environmental Awareness	-	2,535	2,535
Windfall	-	12,765	12,765
Charity Manager	26,591	-	26,591
Connecting with Nature	-	382	382
Rewilding	-	617	617
Natural Heritage	-	900	900
	<u>26,591</u>	<u>19,997</u>	<u>46,588</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 October 2017 nor for the year ended 31 October 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 October 2017 nor for the year ended 31 October 2016.

**10. STAFF COSTS**

	31.10.17	31.10.16
	£	£
Wages and salaries	111,692	119,301
Social security costs	9,796	9,394
Other pension costs	932	-
	<u>122,420</u>	<u>128,695</u>

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

	31.10.17	31.10.16
	5	5
Charitable activities	<u>5</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3,130	-	3,130
<b>Charitable activities</b>			
Environmental Projects	-	276,615	276,615
Investment income	1,186	360	1,546
Other income	2,109	13,034	15,143
<b>Total</b>	<u>6,425</u>	<u>290,009</u>	<u>296,434</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Accountancy Fees	452	1,474	1,926
Environmental Projects	-	23,232	23,232
General Costs	2,736	-	2,736
Cultivate Food Growing Programme	-	20,731	20,731
Environmental Awareness	-	25,871	25,871
Windfall	-	46,719	46,719
Charity Manager	-	38,546	38,546
Nature Conservation	-	10,921	10,921
Windfall Grants - Various	-	17,708	17,708
Windfall Grant - Environmental Awareness	-	25,903	25,903
Connecting with Nature	-	11,229	11,229
Rewilding	-	906	906
Natural Heritage	-	16,858	16,858
Whinney Hill	-	3,158	3,158
Windfall Grants - Energy	(7,500)	7,500	-
Windfall Grants - Local Food	-	7,500	7,500
Windfall Grants - Transport	7,500	-	7,500
<b>Total</b>	<b>3,188</b>	<b>258,256</b>	<b>261,444</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>3,237</b>	<b>31,753</b>	<b>34,990</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>84,370</b>	<b>86,256</b>	<b>170,626</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>87,607</b>	<b>118,009</b>	<b>205,616</b>

12. TANGIBLE FIXED ASSETS

	Freehold land £
<b>COST</b>	
At 1 November 2016 and 31 October 2017	15,000
<b>NET BOOK VALUE</b>	
At 31 October 2017	15,000
At 31 October 2016	15,000

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.17 £	31.10.16 £
Other debtors	430	150

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

**14. CURRENT ASSET INVESTMENTS**

	31.10.17	31.10.16
	£	£
Other	25	25
	<u>25</u>	<u>25</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.10.17	31.10.16
	£	£
Creditor	506	506
Accrued expenses	7,014	5,614
	<u>7,520</u>	<u>6,120</u>

**16. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.10.17	31.10.16
	£	£
Within one year	8,000	8,000
Between one and five years	1,650	1,650
	<u>9,650</u>	<u>9,650</u>

**17. MOVEMENT IN FUNDS**

	At 1.11.16	Net movement	Transfers	At 31.10.17
	£	in funds	between funds	£
		£	£	
<b>Unrestricted funds</b>				
General fund	87,607	616	(3,466)	84,757
<b>Restricted funds</b>				
Community Projects	2,502	43	1,748	4,293
Other Project Costs	22,402	3,064	(1,748)	23,718
Environmental Awareness	17,380	(15,737)	-	1,643
Windfall	6,599	38,636	(10,882)	34,353
Charity Manager	3,709	(7,175)	3,466	-
Connecting with Nature	2,494	(2,866)	372	-
Rewilding	19,021	(22,478)	10,510	7,053
Natural Heritage	32,560	(30,274)	-	2,286
Whinney Hill	11,342	(11,342)	-	-
	<u>118,009</u>	<u>(48,129)</u>	<u>3,466</u>	<u>73,346</u>
<b>TOTAL FUNDS</b>	<u>205,616</u>	<u>(47,513)</u>	<u>-</u>	<u>158,103</u>



**17. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	4,934	(4,318)	616
<b>Restricted funds</b>			
Community Projects	43	-	43
Other Project Costs	11,351	(8,287)	3,064
Environmental Awareness	945	(16,682)	(15,737)
Windfall	128,388	(89,752)	38,636
Charity Manager	28,059	(35,234)	(7,175)
Connecting with Nature	8,194	(11,060)	(2,866)
Rewilding	540	(23,018)	(22,478)
Natural Heritage	150	(30,424)	(30,274)
Whinney Hill	22,822	(34,164)	(11,342)
	200,492	(248,621)	(48,129)
<b>TOTAL FUNDS</b>	<u>205,426</u>	<u>(252,939)</u>	<u>(47,513)</u>

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 October 2017.