

Company number: 1284754



Places for People

**The Places Foundation
(Formerly Places Impact)**

Financial Statements

For the year ending 31 March 2020

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CONTENTS

Board of Trustees, Executives and Advisers	2
Report of the Trustees	3
Report of the Independent Auditor	8
Statement of Financial Activities	10
Statement of Financial Position	11
Notes to the Financial Statements	12

**The Places Foundation
(Formerly Places Impact)
Financial Statements
For the year ending 31 March 2020**

Trustees

C Phillips Chairman
D Cowans
A Cleal (appointed 1 June 2020)
L Lackey
J Lloyd (resigned 1 October 2019)
M Parsons
A Winstanley

Company Secretary

C Martin

Registered Office

80 Cheapside
London
EC2V 6EE

Bankers

Barclays Bank PLC
38 Fishergate
Preston
PR1 2AD

Registered Auditors

KPMG LLP
15 Canada Square
London
E14 5GL

Registration of Company

The company is incorporated under the Companies Act 2006 (Company number 1284754). It is also a registered charity (number 505813).

Management delegation

The Trustees have delegated day to day management of the charity to the Social Value Director of the Places for People Group

**The Places Foundation
(Formerly Places Impact)
Report of the Trustees
For the year ending 31 March 2020**

The Board of Trustees is pleased to present the report and audited financial statements for the year ending 31 March 2020.

Structure governance and management

Governing document

The Places Foundation is a company limited by guarantee (No. 1284754). It is registered as a charity with the Charity Commission in England and Wales (No. 505813). Its governing instruments are its Articles of Association which were adopted on 5th December 2012.

Appointment of Trustees

The composition of the Board is reviewed on a regular basis to ensure that it remains appropriate for directing the activities of the charity. Consideration is given to breadth of knowledge, diversity of skills and experience.

Board renewal is important for good governance, whilst the contribution of experienced Board members is vital. After completion of six years' service non-executive Board members must resign but may be re-appointed.

Trustee induction and training

Trustees complete a thorough programme which provides the contextual background to the work of the charity and the specific activities that are being delivered.

Organisation

The Board of Trustees, which can have up to fifteen members, directs the charity. All meetings include an opportunity for Trustees to declare any interest. The Social Value Director for the Places for People Group ('the Group') manages the day to day operations of the charity and reports progress to the Board.

The Board of Trustees has delegated to the Social Value Director authority for operational matters including authority to approve individual donations of up to £5,000. All donations approved under delegated authority must be reported to the Board.

For donations over £5,000, each individual proposal is considered by the Board of Trustees (or a committee of the Board established for that purpose) and the reasons for each approval or rejection are minuted.

Related parties

The charity has close relationships with Allia, a charity that develops innovative financial instruments for social value and provides affordable workspace for social and micro enterprise. A seat on the Allia Board is held by the Social Value Director of 'the Group'.

Risk management

The Places Foundation operates within a framework of procedures to provide effective internal controls and assurance.

The Trustees are responsible for monitoring the charity's systems of internal control. Any such system can only provide reasonable, not absolute, assurance against material misstatement or loss and the development of systems is a continuing process.

**The Places Foundation
(Formerly Places Impact)
Report of the Trustees
For the year ending 31 March 2020**

Risk management (continued)

A Risk Management Plan is produced annually to identify potential risks, gauge the likelihood of the risk occurring, estimate the effect and potential impact and detail the arrangements in place to reduce the risk. The Risk Management Plan is reviewed quarterly by the Social Value Director and reported annually to the Board.

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation.

The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs. Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Objective and activities for the public benefit

The charity's objective as adopted by the Board on 2nd May 2019 is to improve the quality of life for people and communities, particularly for those who suffer disadvantage as a result of exclusion from the labour market and inadequate access to essential services. In part these activities will be delivered with funding from grants and donations.

The key areas of activity in 2019/20 were to:

1. Launch The Places Foundation Grants Programme.
2. Develop a partnership with Big Issue Invest to provide loans for charities and social enterprises.
2. Run the Touchstone Fund which awards small grants to support local projects addressing homelessness.
4. Deliver the Building Better Opportunities Project creating employment opportunities.

The Trustees, as part of their remit, review the charity's objective alongside the latest strategies and priorities. They remain satisfied that the objective is capable of delivering public benefit.

Achievements and performance

During 2019/20 the main activities of the charity included launching The Places Foundation Grant Programme, developing a partnership with Big Issue Invest to provide loans to charities and social enterprises, running the Touchstone Fund and delivering the Building Better Opportunities Project. The progress for each of these activities is detailed below.

Launch The Places Foundation Grants Programme

The Places Foundation Grants Programme launched in 2019 and aimed to fund projects which would help to advance the objective of the charity, seventeen grants were awarded ranging from £1,850 to £16,000 for both local and national projects covering themes including well being, digital inclusion, healthy eating, domestic abuse, homelessness, financial inclusion and employment support.

Nine of the projects applied for multi year funding. The Board of Trustees approved the second year of funding for these projects in January 2020.

**The Places Foundation
(Formerly Places Impact)
Report of the Trustees
For the year ending 31 March 2020**

Partnership with Big Issue Invest

The charity has developed a partnership with Big Issue Invest to support charities and social enterprises across the UK. The Places Foundation made a £325,000 loan to Big Issue Invest in 2019 which is being used to provide onward finance for eleven charities and social enterprises. These organisations are addressing issues including social isolation, period poverty, community energy, well being, affordable furniture, training and specialist support.

Running the Touchstone Fund

The charity delivers the Touchstone Fund which has an annual funding programme to provide small grants to communities. The funding for 2019 had a specific focus on supporting people who were homeless or at risk of homelessness. Nine grants were awarded to projects that include providing emergency essentials, running a night shelter, offering free furniture to formerly homeless people, developing life skills and improving well being.

Delivering the Building Better Opportunities Project

In Lancashire the charity is delivering the Building Better Opportunities project, which is led by Selnet UK and funded by the National Lottery Community Fund and the European Social Fund. The project provides intensive support to vulnerable customers aged 50 and over and for 16-24-year olds. This involves helping people to improve their confidence, skills and employment prospects.

The project has delivered positive employment and skills outcomes for 100 people. Support is targeted at people who have multiple barriers to employment including poor mental health, alcohol and substance misuse. The charity's success in delivering the programme has resulted in securing additional project funding to extend activities until the end of 2021.

Financial Review

During the year ending 31 March 2020 the charity received project grants of £65,000 (2019: £23,000), had total incoming resources of £628,000 (2019: £53,000) and had total expended resources for the year of £308,000 (2019: £329,000). The accumulated funds at 31 March 2020 were £1,252,000 (2019: £932,000).

These financial statements have been prepared in accordance with the Statement of Recommended Practice - "Accounting and Reporting by Charities" and applicable accounting standards.

Investment powers and policy

The charity has the power to deposit or invest funds, employ a professional fund manager and arrange for the investments or other property of the charity to be held in the name of a nominee. Cash reserves are held within the charity's bank account.

**The Places Foundation
(Formerly Places Impact)
Report of the Trustees
For the year ending 31 March 2020**

Reserves policy

In furtherance of its objective, the charity engages in both long-term projects and those requiring immediate support. To preserve its capacity to support long term projects, the Board has adopted a policy to use its unrestricted reserves in pursuit of its charitable objectives but not to reduce those reserves below the level of the prior year's expenditure from unrestricted funds.

Restricted funds means those funds held as a result of grant funding received for specific projects and unrestricted funds means all those that do not fall into the former category.

The Trustees monitor reserve levels on a periodic basis to ensure the charity remains in a financial position to complete required activities both in the short and long term.

Plans for future periods

The charity will deliver five key activities over 2020/21. These are to:

- Deliver The Places Foundation grants programme which will support between 10 - 15 projects a year. The grant funding will be open to companies within the Places for People Group where they identify projects that are consistent with the charity's objective and that would be delivered by them directly or through an external charity partner.
- Provide social investment to charities and social enterprises to deliver social impact and generate a return which can be reinvested into further charitable activities. The charity will build on its partnership with Big Issue Invest to provide further investments to charities and social enterprises.
- Run the Touchstone Fund which will provide grants to projects that support people who are homeless or at risk of being homeless in 2020/21.
- Raise external resources from the Group and other funders to deliver additional social impact activities. The charity will identify relevant external funding opportunities and apply for funding for projects to further its objective. Projects will be delivered both directly by the charity and in partnership with external organisations.
- Manage the externally funded Building Better Opportunities Project to create employment opportunities. The charity will be applying for additional funding to continue the project for two years to deliver additional employment support to young people and older people across Lancashire.

Taxation

The Places Foundation as a registered charity, is exempt from taxation on its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objective. No tax charge has arisen in the year.

Strategic review disclosure exemption

The Trustees have taken advantage of the exemption in Companies Act 2006 (section 414b) from including a Strategic Review statement in the financial statements, on the grounds that the company is small.

Statement of disclosure to the Auditors

At the time of approval of this report:

- a) so far as the Trustees are aware, there is no relevant audit information of which the charity's auditor is unaware, and
- b) the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**The Places Foundation
(Formerly Places Impact)
Report of the Trustees
For the year ending 31 March 2020**

Statement of responsibilities of the Trustees of The Places Foundation in respect of the Trustees' annual report and the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income for that period. In preparing the charitable company's financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board



**C Martin
Company Secretary**

**The Places Foundation
(Formerly Places Impact)
Report of the Independent Auditor
For the year ending 31 March 2020**

Independent auditor's report to the members of Places Foundation

Opinion

We have audited the financial statements of The Places Foundation ("the charitable company") for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Statement of Financial Position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model, including the impact of Brexit, and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Report of the Trustees, which constitutes the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**The Places Foundation
(Formerly Places Impact)
Report of the Independent Auditor
For the year ending 31 March 2020**

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Trustees' responsibilities

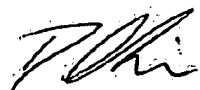
As explained more fully in their statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Debra Chamberlain (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

1 St Peters Square

Manchester

M2 3AE

25 September 2020

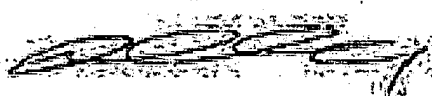
The Places Foundation
(Formerly Places Impact)
Statement of Financial Activities (including the Income and Expenditure account)
For the year ending 31 March 2020

	Note	2020 Unrestricted £'000	2020 Restricted £'000	2020 Total £'000	2019 Unrestricted £'000	2019 Restricted £'000	2019 Total £'000
Income							
Investment income	2	8	-	8	18	-	18
Voluntary income	3	-	65	65	-	23	23
Other incoming resources		555	-	555	12	-	12
Total income		563	65	628	30	23	53
Expenditure							
Charitable activities		(295)	(3)	(298)	(302)	(19)	(321)
Governance costs		(10)	-	(10)	(8)	-	(8)
Total expenditure		(305)	(3)	(308)	(310)	(19)	(329)
Net movement in funds for the year	4	258	62	320	(280)	4	(276)
Reconciliation of funds							
Total funds brought forward		978	(46)	932	1,258	(50)	1,208
Total funds carried forward	9	1,236	16	1,252	978	(46)	932

The Places Foundation
(Formerly Places Impact)
Statement of Financial Position
For the year ending 31 March 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Fixed asset investments	7	425	100
Current assets			
Debtors	8	664	14
Cash at bank and in hand		284	899
		948	913
Creditors - amounts falling due within one year	9	(121)	(81)
Net current assets / (liabilities)		827	832
Total assets less current liabilities		1,252	932
The funds of the charity			
Unrestricted income funds		1,236	978
Restricted income funds		16	(46)
	10	1,252	932

The financial statements on pages 11 to 15 were approved by the directors on 23 September 2020 and signed on its behalf by:



A Winstanley
Trustee



C Martin
Company Secretary

The Places Foundation
Notes to the Financial Statements
For the year ending 31 March 2020

1. PRINCIPAL ACCOUNTING POLICIES

Accounting Policies

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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation.

The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. The financial statements are prepared on a going concern basis.

Significant estimates and critical judgements

Management consider there to be no significant judgements or estimates.

Statement of cash flows

A statement of cash flow has not been prepared as the company is a subsidiary of Places for People Group Limited, which has prepared a consolidated cash flow statement, complying with FRS 102 section 1.12.

Income

Incoming resources represent grants, donations, interest receivable and monies received for the Touchstone Fund. Gift aid is recognised at the date of the meeting in which it is approved.

Financial Instruments

Cash at bank and in hand in the statement of financial position comprises all cash and cash equivalents that mature or are convertible within three months or less. Other debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income.

Fixed asset investments

Fixed asset investments are measured at cost. An annual review is carried out by management to assess if there are any triggers that would lead to an impairment review. In the event of any impairment, the investment is measured at the lower of its recoverable amount or its value in use. Investments in joint ventures are recognised initially at cost and subsequently measured using the equity method.

Reserves

The company has restricted reserves which are only expendable in accordance with the wishes of the funder.

Pensions

All staff are eligible to join the Group Stakeholder Scheme. Contributions from the company and participating employees are paid into independently administered funds.

The majority of the charity's turnover is exempt from VAT. However certain activities are subject to VAT and give rise to a small amount of VAT recovery. Costs are stated including irrecoverable VAT.

Financial Instruments

Creditors with no stated interest rate and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

The Places Foundation
Notes to the Financial Statements
For the year ending 31 March 2020

2. INVESTMENT INCOME

	2020	2019
	£'000	£'000
Interest receivable on loans from related undertakings	8	18

3. VOLUNTARY INCOME

	All funds	All funds
	2020	2019
Project :	£'000	£'000
BBO	65	23
	65	23

Main Grants received from :

The Big Lottery Fund

4. OTHER OPERATING INCOME

Gift aid	525	-
Other income	30	12
	555	12

5. NET EXPENDITURE FOR THE YEAR

	2020	2019
	£'000	£'000
This is stated after charging:		
Auditor's remuneration: audit services	7	6

The Places Foundation
Notes to the Financial Statements
For the year ending 31 March 2020

6. EMPLOYEES

The company had no employees during the period. Any administrative services were provided by Places for People Group Limited and recharged to the company. The trustees are not remunerated through the charity.

7. FIXED ASSET INVESTMENTS

	2020	2019
	£'000	£'000
External loans and cash deposits	425	100
	425	100

8. DEBTORS

	2020	2019
	£'000	£'000
Trade debtors	9	13
Sundry debtors, prepayments and accrued income	531	1
Amounts due from related undertakings	124	-
	664	14

9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Other creditors, accruals and deferred income	111	60
Amounts owed to related undertakings	-	15
Other taxes	10	6
	121	81

The Places Foundation
Notes to the Financial Statements
For the year ending 31 March 2020

10. RESERVES

	2020			2019
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
At 1 April	978	(46)	932	1,208
Incoming resources	563	65	628	53
Expenditure	(305)	(3)	(308)	(329)
At 31 March	1,236	16	1,252	932

Represented by:-

Cash at bank and investments	709	-	709	999
Other current assets	664	-	664	14
Current (liabilities)/assets	(137)	16	(121)	(81)
	1,236	16	1,252	932

The company is limited by guarantee and therefore has no share capital. The company had 6 members (2019: 6), each member agrees to contribute £1 in the event of the company winding up.

11. RELATED PARTY TRANSACTIONS AND ULTIMATE PARENT UNDERTAKING

The Places Foundation is a subsidiary of the Places for People Group Limited, 80 Cheapside, London, EC2V 6EE. As the parent company publishes consolidated group accounts, the company has taken advantage of the exemption not to report transactions with other group members as permitted in FRS 102 section 33.1A.