



The Work Foundation Alliance Limited
Annual Report and Financial Statements
For the year ended 31 July 2021

Charity number: 1146813
Company number: 07746776



The Work Foundation Alliance Limited

Annual Report and Financial statements for the Year Ended 31 July 2021

Contents	Page
1. Legal and administrative information	1
2. Annual report of the trustees	
2.1 Structure, governance and management	2-3
2.2 Activities and principal achievements	3
2.3 Future plans	4
2.4 Trustees' report of financial results	4
3. Statement of trustees' responsibilities	5
4. Independent auditor's report to the members of The Work Foundation Alliance Limited	6 - 9
5. Statement of Financial Activities including income and expenditure account for the year ended 31 July 2021	10
6. Balance sheet as at 31 July 2021	11
7. Notes to the financial statements for the year ended 31 July 2021	12 - 18

The Work Foundation Alliance Limited

1. Legal and Administrative information

Charity name: The Work Foundation Alliance Limited

Charity registration number: 1146813, registered in England & Wales

Company registration number: 07746776, registered in England & Wales

Registered Office:

Lancaster University

University House

Bailrigg

Lancaster

LA1 4YW

Trustees:

Mrs S Randall-Paley

Professor A Laing (Chair)

Mr GP Fielding

Company secretary:

Mr G P Fielding

Statutory auditor:

BDO LLP

2 Snow Hill

Queensway

Birmingham

B4 6GA

United Kingdom

Bankers:

Barclays Bank

Barclays Business Centre

Manchester City Office

PO Box 357

51 Mosley Street

MANCHESTER

M60 2AU

Legal advisors:

Ashurst LLP

Broadwalk House

G5 Appold Street

London

EC2A 2HA

Eversheds LLP

Eversheds House

70 Great Bridgewater Street

Manchester

M1 5ES

The Work Foundation Alliance Limited

2. Annual Report of the Trustees

The Trustees, who are also Directors of the charitable company for the purposes of the Companies Act, present their annual report and audited financial statements for the year ended 31 July 2021. The charity is exempt from preparing a strategic report under the small companies' exemption.

2.1 Structure, Governance and Management

Group Structure

The Work Foundation Alliance Limited (TWF) is a charitable company limited by guarantee which ceased trading in April 2021. The activities which underpinned the charitable purposes are now solely undertaken by Lancaster University. TWF was incorporated on 19 August 2011 and registered as a charity on 10 April 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Work Foundation Alliance Limited commenced trading as TWF on 1 August 2012 when the trade, activities, certain assets and liabilities of Landec Limited (trading as The Work Foundation) were transferred to TWF following its successful charity registration. The liabilities transferred were £294,512.

The charity is a wholly owned subsidiary of Lancaster University.

The charity has three appointed trustees as detailed in the legal and administrative information and comprise of two Lancaster University employees and four externally appointed trustees.

The trustees of the company during the year and up to the date of signing the financial statements were as noted on Page 2.

The trustees are responsible for overseeing and approving all key decisions undertaken with regards to the charity.

Remuneration Policy

The Trustees of the charity in their role as Trustees did not receive any remuneration in the current or prior period.

Recruitment, appointment and induction of trustees

Trustees were elected based upon the skills set and the deemed contribution they could make to the charity in achieving its objectives. The trustees were duly inducted into the organisation and the role of the trustee via meetings held at TWF with other trustees and the company secretary and meetings with the staff of the charity.

Trustee meetings were held at least once per annum with appropriate information being disseminated to the trustees as and when required.

The Work Foundation Alliance Limited

2. Annual Report of the Trustees (continued)

2.1 Structure, Governance and Management (continued).

Risks, uncertainties and key performance indicators

The trustees' reviewed and assessed the major risks of the charity on a regular basis and there were systems in place to both address and mitigate those risks as they arose. These included regular reporting to the board of trustees with regards to financial and operational issues affecting the business, meetings between members of the internal management team and regular reporting to Lancaster University representatives and committees with regards to those risks and the charity's performance against its key objectives.

Objectives, Activities and Public Benefit

The charitable objectives and activities of TWF are now operated directly through Lancaster University, namely, to support the promotion of the industry and commerce of the UK and worldwide. The outputs from research are made publicly available, benefiting workers by improving management and industrial relationships.

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' Liability Insurance in respect of itself and its directors.

Key personnel

The charity does not have any management personnel or employees (2020: nil). The operations of the charity are overseen by the Directors.

2.2 Activities and Principal Achievements

During the financial year 2020/21 until the Charity ceased trading in April 2021, the charity worked towards achieving the objectives set in 2016/17. Performance against these objectives is set out below: -

Links with Lancaster University

The charity continued to support the work of TWF, which operates through Lancaster University Management School, from its London base. TWF campaigns to improve the quality of working life through advocacy, research and practical interventions.

Financial sustainability

The charity continued to oversee the management of the premises for a tenant, until the lease ceased on 24 April 2021.

The Work Foundation Alliance Limited

2. Annual Report of the Trustees (continued)

2.3 Future plans

The charity has ceased trading and will be wound up during 2021/22.

2.4 Trustees' Report of Financial Review

Income for the year ended 31 July 2021 was £383,368 with expenditure of £724,740 resulting in a deficit of £341,372. The comparable results for the year ended 31 July 2020 were income of £525,209 and expenditure of £679,570 resulting in a deficit of £154,361.

Incoming Resources

Other trading activity contributed £383,368 to income (2020: £525,209) which comprised of income from venue space hire and ancillary services.

Resources Expended

Expenditure comprises of directly incurred project related costs and general overheads.

The trustees received no remuneration (2020: nil) for acting in their capacity as a trustee and have not received any reimbursement of expenses (2020: nil).

A breakdown of expenditure by type is given in note 2.

Reserves

The charity is currently reporting a negative reserves position of £3,240,306 (2020: £2,898,934). Taking future projections into account, the negative reserve position is unlikely to be eliminated. However, although these negative reserves will remain on the Balance Sheet, the charity continues to receive financial support from its parent entity, Lancaster University.

Going Concern Note 1 (Accounting Policies)

The Charity ceased trading in April 2021 and the trustees do not consider the Charity to be a going concern. Accordingly, the financial statements have not been prepared on a going concern basis. No adjustments were necessary to the amounts at which the remaining assets and liabilities are included in the financial statements.

The Work Foundation Alliance Limited

3. Statement of Trustees' responsibilities

The trustees (who are also directors of The Work Foundation Alliance Limited 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) including FRS102 "The financial reporting standard applicable in the UK & Republic of Ireland".

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 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 judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

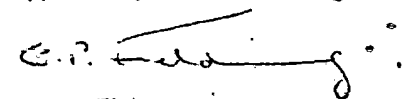
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business. As explained in note 1 to the financial statements, the trustees do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis. The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board and signed on its behalf by:



Mr G P Fielding
Company Secretary

12th April 2022.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE WORK FOUNDATION ALLIANCE LIMITED

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 July 2021 and of its incoming resources and application of resources 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.

We have audited the financial statements of The Work Foundation Alliance Limited ("the Charitable Company") for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet and 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to Note 1 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider the company to be a going concern. Accordingly the financial statements have been prepared on a basis other than that of going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

Other information

The Trustees are responsible for the 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 other information comprises: annual report of the trustees. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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:

As a part of our audit in accordance with United Kingdom Generally Accepted Accounting Practice; and requirements of the Companies Act 2006 we exercise professional judgement and maintain professional scepticism throughout the audit. Based on our understanding and accumulated knowledge of the Charity and the sector in which it operates we considered the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Charities SORP 2019, Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) the UK Companies Act 2006 and those that relate to the payment of employees. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries, management bias in accounting estimates and improper revenue recognition associated with year-end cut-off. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to recoverability of debtors
- Revenue year end cut-off procedures;
- Identifying and testing journal entries, in particular any journal entries posted with specific unusual narrative, manual journals to revenue and cash, and review of journals posted to least used accounts;
- Discussions with management; including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Obtained an understanding of how the Charity is complying with those legal and regulatory frameworks such as Companies Act 2006 & Employment Taxes Act by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other evidence gathered during the course of the audit;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control; and
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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.

DocuSigned by:

Kyla Bellingall

A11A16013DD84AC...

Kyla Bellingall (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
Birmingham

13 April 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Work Foundation Alliance Limited

5. Statement of Financial Activities including income and expenditure account for the year ended 31 July 2021

	Note	Total 2021	Total 2020
Income and endowments from:			
Other trading activities		383,368	525,209
		<u>383,368</u>	<u>525,209</u>
Total		<u>383,368</u>	<u>525,209</u>
Expenditure on:			
Raising funds	2	662,217	667,196
Charitable activities			
Governance costs		62,523	12,374
		<u>62,523</u>	<u>12,374</u>
Total		<u>724,740</u>	<u>679,570</u>
Net expenditure for the year		<u>(341,372)</u>	<u>(154,361)</u>
Net movement in funds		<u>(341,372)</u>	<u>(154,361)</u>
Reconciliation of funds:			
Unrestricted funds balances brought forward at 1 August		(2,898,934)	(2,744,573)
Unrestricted funds balances carried forward at 31 July		(3,240,306)	(2,898,934)

There is no material difference between the loss before taxation and the loss for the financial year stated above and their historical cost equivalents.

The Work Foundation Alliance Limited

6. Balance Sheet as at 31 July 2021

	Note	Total 2021	Total 2021	Total 2020	Total 2020
Current Assets					
Debtors	6	302,989		442,491	
Cash at bank and in hand		4,939		4,969	
Total Current Assets		<u>307,928</u>		<u>447,460</u>	
Creditors: amounts falling due within one year	7	<u>(3,548,234)</u>		<u>(3,337,314)</u>	
Net current liabilities			(3,240,306)		(2,889,854)
Total assets less current liabilities			(3,240,306)		(2,889,854)
Creditors: amounts falling due after one year	8		0		(9,080)
Net Liabilities			<u>(3,240,306)</u>		<u>(2,898,934)</u>
The funds of the Charity					
Unrestricted funds			(3,240,306)		(2,898,934)
Total Charity deficit			<u>(3,240,306)</u>		<u>(2,898,934)</u>

These financial statements on pages 10 to 18 were approved by the board of directors and were signed on its behalf by



Mrs S Randall-Paley

Trustee

12th April 2022

Charity number: 1146813

Company number: 07746776

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021

1. Accounting policies

Charity information

The Work Foundation Alliance Limited is a charitable company limited by guarantee registered in England & Wales. The charitable company is a public benefit entity. The registered office is Lancaster University, University House, Bailrigg, Lancaster, Lancashire, LA1 4YW.

Basis of preparation

These financial statements have been prepared under the historical cost convention and 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 (FRS102) (effective 1 January 2019) - the Charities SORP (FRS102), Charities Act 2011 and the Companies Act 2006.

Going Concern

The Charity ceased trading in April 2021 and the Trustees intend to liquidate the Charity in due course. The Trustees do not consider the Charity to be a going concern. Accordingly, the financial statements have not been prepared on a going concern basis. No adjustments were necessary to the amounts at which the remaining assets and liabilities are included in the financial statements.

Cash Flow

The company is exempt from the requirement of FRS 102, to prepare a cash flow statement, as it is a subsidiary undertaking of Lancaster University and its cash flows are included within the consolidated cash flow statement of that entity.

Financial Instruments

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021 (continued)

1. Accounting policies (continued)

Related party transactions exemption

The company has taken advantage of the exemption under section 33.11 from the provisions of FRS102 on the grounds that it is a wholly owned subsidiary of a group headed by Lancaster University.

Current taxation

Corporation tax payable is provided on taxable profits at the current rate. Irrecoverable VAT is charged to the income and expenditure account as incurred.

Turnover

Turnover arises from provision of services in the UK. Revenue is recognised in line with the provision of services.

The method of revenue recognition varies according the terms of the individual contracts or income stream with revenue being recognised when the deliverables are deemed to have been fully met. These methods include: -

- Venue hire - spread equally over the hire period.

All funds received during the year and the prior year were unrestricted funds and are used to deliver the aims and objectives of the charity.

Deferred income

Income is deferred in the annual financial statements to the extent that it has been billed in advance of service delivery and entitlement to the funds was not due at the year end.

Significant accounting estimates and judgements

Management has not made any accounting estimates or judgements that would have a significant effect on the amounts recognised in the financial statements.

The Directors discuss accounting estimates and judgements in the context of the budget setting process and during its periodic review of the accounts at Board meetings.

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021 (continued)

1. Accounting policies (continued)

Basis of allocation of expenditure

Direct costs are allocated in full to the specific department or income stream to which they relate.

Centrally incurred expenditure which is not directly attributable to a specific department or income stream is allocated to each department pro-rata to the staff numbers within the department.

During 2020/21 there was no centrally incurred expenditure that was not directly attributable to a specific income stream (2020: £nil).

Operating leases

Rentals payable in respect of operating leases are charged to the statement of financial activities over the period of the lease. Lease incentives, such as rent-free periods, are allocated over the term of the lease on a straight-line basis.

The management of the lease is the responsibility of the University property service team.

Fund accounting

Unrestricted funds are available to spend on activities that deliver the aims and objectives of the charity.

The charity has not received any restricted funds during the year and the prior year.

Currency

The financial statements are presented in £ sterling.

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021 (continued)

2. Resources expended

	Staff Costs	Office Costs	Other Costs	Total 2021	Total 2020
	£	£	£	£	£
Other	0	662,217	0	662,217	667,196
Governance	2,535	0	59,988	62,523	12,374
Total	2,535	662,217	59,988	724,740	679,570

Office Costs consist of rent, service charges, business rates, electricity and property insurance.

Prior year comparatives	Staff Costs	Office Costs	Other Costs	Total 2020
	£	£	£	£
Other	0	667,196	0	667,196
Governance	1,948	0	10,426	12,374
Total	1,948	667,196	10,426	679,570

Governance costs consist of: -

	2021 £	2020 £
Management Costs	2,535	1,948
Legal and Statutory Fees	59,988	10,426
Support Costs	0	0
Total	62,523	12,374

Staff costs

The charity does not have any employees (2020: nil).

3. Directors' remuneration

The charity does not employ any directors (2020: nil).

Administrative expenses include management charges of £2,535 in respect of part time duties of company directors employed by the University (2020: £1,948).

No trustees received remuneration or reimbursement of expenses from the charity during the current or prior year.

4. Interest payable and similar charge

Interest is received or paid on the inter-company balances held with its parent, Lancaster University, at a rate of Base Rate plus 0.25%. Interest payable is included within office support costs in Note 2.

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021 (continued)

5. Net outgoing resources before taxation

	2021	2020
	£	£
<i>Loss is stated after charging:</i>		
Auditor's remuneration: auditing of the financial statements	8,000	7,760

6. Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	-	22,282
Accrued income	-	13,805
Amounts owed by Landec Limited *	294,512	294,512
Prepayments	-	100,797
Value Added Tax	8,477	11,095
	<u>302,989</u>	<u>442,491</u>

* The Work Foundation Alliance Limited commenced trading as TWF on 1 August 2012 when the trade, activities, certain assets and liabilities of Landec Limited (trading as The Work Foundation) were transferred to TWF following its successful charity registration. The liabilities transferred were £294,512.

7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	6,967	210
Amounts owed to Lancaster University*	3,523,055	3,178,570
Accruals and deferred income	18,212	158,534
	<u>3,548,234</u>	<u>3,337,314</u>

*Lancaster University has confirmed that it will not seek repayment of this amount for the foreseeable future. Interest is paid on the balance at a rate of Base Rate plus 0.25% per annum.

Deferred income includes venue hire income received in advance of the hire period. The funds received are deferred and released to match the timing of the hire period. The movements in deferred income over the year were

	£
Deferred income balance brought forward	80,843
New deferral in the year	-
Releases from deferred income	<u>(80,843)</u>
Deferred income balance carried forward	<u>-</u>

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021 (continued)

8. Creditors: amounts falling due after more than one year

Lease Premium in respect of property rental	2021	2020
	£	£
Within one year	0	9,080
Within two to five years	0	0
Total	0	9,080

The lease premium was being released over a period of 10 years.

9. Operating lease commitments

Lessor

As the lease ceased on 24 April 2021, the charity had no commitments under operating leases at the year end (2020: £611,301). These figures reflect the rent review that took effect from September 2016.

Future minimum lease payments under non-cancellable operating leases	2020	2020
	£	£
Within one year	0	525,000
Within two to five years	0	86,301
Total	0	611,301

Lessee

The charity had a subtenant at its Palmer Street premises until the revised end date of 24 April 2021. At the year end the charity was therefore due no income under operating lease (2020: £486,351).

Future minimum lease receipts under non-cancellable operating leases	2021	2020
	£	£
Within one year	0	417,690
Within two to five years	0	68,661
Total	0	486,351

The Work Foundation Alliance Limited

7. Notes to the financial statements for the year ended 31 July 2021 (continued).

10. Ultimate parent company

The ultimate parent undertaking and controlling party is Lancaster University. The principal purpose of Lancaster University is the provision of teaching and research

Lancaster University is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 July 2021. The consolidated financial statements can be obtained from

Lancaster University
University House
Bailrigg
Lancaster
Lancashire
LA1 4YW