

Financial Statements

for the year ended 31 March 2020

Riverside Foundation

Charity number: 513727

Financial Statements

for the year ended 31 March 2020

Riverside Foundation

Registered Charity number: 513727

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Trustees, Principal Office and Professional Advisors

Trustees

Mark Cullinan
Michelle Dovey (resigned 1 December 2019)
Jane Harris (resigned 15 September 2019)
Jo Kennefick (resigned 30 April 2019)
Sarah Paton (appointed 18 February 2020)
Jacky Vince (resigned 31 December 2019)
Linda Wright

Principal office

2 Estuary Boulevard
Estuary Commerce Park
Liverpool
L24 8RF

Company secretary

Anne-Marie Owens (resigned 10 July 2019)
Sara Shanab (appointed 11 July 2019)

Trust custodian

BNY Mellon
One Canada Square
London
E14 5AL

Investment manager

Blackrock Investment Managers
33 King William Street
London
EC4R 9AS

Principal banker

National Westminster Bank Plc
2-8 Church Street
Liverpool
L1 3BG

Principal solicitor

Brabners Chaffe Street
Horton House
Exchange Flags
Liverpool
L2 3YL

Registered auditors

KPMG LLP
1 Sovereign Street
Leeds
LS1 4DA

Registered charity number

513727

Welcome from our Chair

The Riverside Foundation exists to provide practical support to help people overcome obstacles for a better quality of life.

It is closely aligned to Riverside, supporting its 2020 – 23 Plan to put people at its heart, living in homes for the future and places to thrive in.

The Foundation supports a diverse range of projects aimed at promoting community action and cohesion, and breaking the cycle of poverty in neighbourhoods.

In 2019/20, The Riverside Foundation focussed on three key priorities - Employment and opportunities, Neighbourhood and environment, and Supporting vulnerable people.

We have continued to fund services to support people seeking employment and training, provide advice and assistance on welfare benefits, assist people in improving the affordability and efficiency of their utilities and provide intensive support to the most vulnerable. In addition, our 'Helping Hands' Fund enables us to support vulnerable households with one off assistance, for example: replacing a cooker; providing fuel top up vouchers or interview clothing.

In helping beneficiaries into employment and training, we are particularly proud of the role our 'Ladders of Aspiration' fund has played, an initiative launched by Max Steinberg, Riverside's former Chair. It enables households to pursue their academic or professional goals. The programme began in October 2018, and was evaluated after its first 18 months of operation. The evaluation found that it supported 101 people to attend training, 73% gained sustainable employment and all participants reported improvements in their confidence and wellbeing. On the basis of this evaluation, Trustees agreed to continue the project in 2019/20.

During 2019/20, the Foundation funded Riverside to deliver projects which:

- Supported 385 people towards employment, delivering 238 people into jobs, 147 into formal training or volunteering and 11 into apprenticeships
- Delivered £1,162,447 in cash gains/savings to people through welfare benefits advice, and £197,449 through affordable warmth advice
- Helped 91 vulnerable households sustain their tenancies
- Provided 138 people with professional training to help them achieve their ambitions through Ladders of Aspiration
- Provided grants to 357 households in crisis through our Helping Hands Fund

With the onset of the COVID-19 crisis in March 2020, the Foundation acted quickly to release a £30,000 fund to support households facing immediate crisis. This was in place within a week of the Government's 'lock down' and provided much needed support to vulnerable households. Assistance to date has included food and fuel, baby milk and Wi-Fi to enable home working.

Trustees take a keen interest in all the projects supported through quarterly performance updates and audit reports on outputs. Monitoring information continues to be supported by regular updates from project leads, who give insight into the impact of activities on people's lives. This year Trustees visited the Citizen's Supermarket in Birkenhead to see first-hand how our grant had been utilised to help relieve food poverty in areas of deprivation. Trustees were very impressed by the excellent quality of the project, which enables people on very low incomes to buy high-quality low-cost food with dignity, while tackling food waste and training local people, helping them into employment.

This year has been a period of change for the Foundation, with our Chair Michelle Dovey and Trustees Jane Harris and Jackie Vince all moving on. I would like to thank Michelle, Jane and Jackie for their valuable contribution to the Foundation. Work is underway to recruit new Trustees.

During 2019, Riverside began an internal review of its income maximisation services. As the Foundation contributes to the funding of these services, we are commissioning an independent evaluation to explore good practice and make recommendations to the Foundation around future funding. This work is due to be completed in summer 2020 and will inform our future strategy.

Until that work is complete, for 2020/21 we have committed to continuing our key services of Employment and Training, Money Advice, Affordable Warmth and Intensive Intervention, and to maintain our Helping Hands and Ladders of Aspiration Fund.

We continue to be grateful for the financial and practical support of The Riverside Group, which allows us to be ambitious in our plans.

We know that the recovery from the current crisis will be slow and that the services we fund are likely to be more vital than ever. We also know that we will need to take a flexible and responsive approach to meeting need during these unparalleled times.

Mark Cullinan - Interim Chair

ADD DATE SIGNED

Review of Activities

Key Facts – 2019/2020

Over the last year we've helped **3,356** people or households with our projects.

Employment & Training advice and guidance* – We've helped **385** customers develop their employment skills and **238** customers have moved into employment. We've also helped **147** into formal training or volunteering and **11** into apprenticeships.

Through our **Ladders of Aspiration** funding we've helped **138** customers to gain qualifications.

Through our **Money Advice*** service we've had **1,346 referrals** and helped increase income for customers by **£1,162,447**.

Our **Helping hand hardship fund** has assisted customers to buy new clothes or pay for travel costs to attend job interviews. A further **357** customers benefited by getting essential furniture like a bed, fridge or sofa. We've also helped **106** customers to get emergency energy top ups.

Affordable warmth advisors* have helped **500** customers to save over **£197,449** on energy bills.

We've helped support **128** vulnerable customers to live independently and receive support for their needs through our **Intensive Intervention** scheme.

Plans for the future

As noted above, until the review of our income maximisation plans are completed in the Summer of 2020, for the time being, the Foundation remains committed to continuing to support existing projects. These include:

- Employment and Training,
- Ladders of Aspiration,
- Money Advice,
- Affordable Warmth Advice,
- Intensive Intervention; and
- Helping Hands funding

* Our Money Advice, Employment and Training and Affordable Warmth Services are part funded by The Riverside Housing Group

Report of the Trustees

Report of the Trustees

The Trustees of the Riverside Foundation present their report and audited financial statements for the year ended 31 March 2020.

Structure, governance and management

The Riverside Foundation was established under a Declaration of Trust dated 4 March 1983.

The Riverside Foundation is a registered charity (Reg No. 513727) with the object of promoting charitable purposes within and around the area where The Riverside Group Limited (TRGL) operates. In particular, this includes charitable purposes directed to the advancement of education, the prevention of ill health, the relief of poverty, distress and sickness occasioned by unemployment. The Riverside Foundation also looks to support charitable purposes connected with the environment, the advancement of arts and the provision in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life.

The Riverside Foundation operates independently of TRGL; a number of its Trustees are members or former non-executive members of Riverside Group boards or committees. They agree the broad strategy, objectives and priorities, and approve all grant 'giving' and projects undertaken.

In terms of the day to day administration of the Riverside Foundation, TRGL provides the support from its Strategy and Planning Team to monitor projects and report to Trustees, develop and coordinate requests for funding, provide management support for the Trustee body. The Foundation also benefits from the support of a Governance Officer to service Trustee meetings, a Finance Officer and marketing support as required.

Subsequent Events

During year ended 31 March 2020 a global pandemic was declared and on the evening of 23 March 2020 the UK Government declared a national lockdown. The Riverside Foundation complied with the requirements and has considered the impact of the event at year end and into 2020/21, as discussed further on page 7.

Trustees

The Declaration of Trust provides that the Riverside Foundation shall appoint no fewer than five nor more than fifteen Trustees by a vote of its committee. Trustees are not required to be re-appointed.

The Trustees at the date of this report are detailed on page 3. Other than those stated, all held office throughout the period 1 April 2019 to 31 March 2020.

Trustee recruitment

Trustee appointments are made in consultation with TRGL as the Charity's major donor. Trustee vacancies, when they arise, are promoted in an appropriate manner to seek a complimentary balance of skills and experience in relation to the current board.

The Riverside Foundation recognises that an effective board of Trustees is essential if the Charity is to be effective in achieving its objectives. Individual Trustees should have sufficient knowledge, both of trusteeship in general and of the Charity's activities, to enable them to carry out their role and to represent the Charity at meetings and other events.

Care has been taken to ensure the board has appropriate skills and experience. The Foundation has adopted the board skills audit and whole board appraisal process used by TRGL, which itself has the highest governance rating from its own regulator.

Trustee training

Trustees are offered relevant training as part of their development. They are encouraged to access training opportunities as appropriate and as a minimum, to read the Charity Commission's guidance, 'The Essential Trustee'.

Remuneration

The Trustees of the Riverside Foundation receive no remuneration for their work. Any expenses claimed by Trustees are donated by TRGL.

Costs

Any associated staff costs relating to the generation of funds, granting of donations, administration and/or other resources expended are funded by TRGL.

Report of the Trustees (continued)

Risk

In 2017-18 The Riverside Foundation reviewed and agreed a new Investment Strategy. Trustees benefit from detailed performance reviews by TRGL treasury team and overall investment performance is monitored by the Trustees throughout the year. The overall funding strategy is approved by the Trustees and projects supported are approved by Trustees after reviewing a detailed project proposal. The subsequent release of funding to projects is subject to the achievement of stated project outcomes as agreed with project staff and/or delivery partners. Regular performance reports, including detailed analysis of KPIs, are presented to the Trustees.

The Riverside Foundation only commits its current funds and does not anticipate future returns. It treats all future expenditure as committed even though future years' spend is subject to project performance and an analysis of the external environment.

The Riverside Foundation is a grant giving body and has no operational activity. It is fortunate in that it is further protected from most operational risks which would more normally be associated with this type of activity because of its partnership with TRGL, thus benefitting from its well established operational and other controls. Our free access to functional experts, to a greater degree than most charities of our size, minimises the Riverside Foundation's compliance, Governance and financial risks.

This year the Riverside Foundation reviewed its risk register and Trustees receive updated reports on key areas from the register in order to ensure successful mitigation.

The Trustees have considered the impact of COVID-19 and determined that it is unlikely to have a material impact on the Charity's Going Concern assessment as we determine housing to be a first order priority industry. There is limited risk to Riverside Foundation as it is funded entirely by The Riverside Group Limited. Despite the current situation in relation to COVID-19, Riverside's financial position is strong and it has a number of mitigating actions available if required to protect operational and financial resources. As such, it is not expected to be adversely impacted COVID-19.

Reserves

The Riverside Foundation has reserves of £33,491 after committing £810,511 to projects for 2020-21.

In October 2019, the Trustees agreed a delivery plan for 2020/21 and 2021/22 to support projects and communities in various parts of the country. £139,143 is earmarked for projects related to supporting people from deprived communities into employment and training; £147,662 for money advice; £147,662 for affordable warmth support; £25,000 towards poverty relief via hardship funds; £178,500 intensive support for younger people at risk of losing their homes and in February 2020 a further £40,000 a year was agreed for Ladders of Aspiration.

The Riverside Foundation will continue to seek support from fellow funders for these projects in order to build up reserves and finance where possible, in order to be able to fund further projects.

Reserves Policy

Charities are required to have a policy for holding reserves and to set a financial level for them. The reserves cover the money that may be needed in case of a shutdown, money required to address future uncertainties; and building reserves sufficient for new projects. The reserve policy was updated in February 2020 and states that The Riverside Foundation will always keep a reserve of £30k to cover shut down costs. Reserves will be regularly reviewed and monitored to ensure the effectiveness of the policy in the light of the changing funding and financial climates and other risks.

Public benefit

The Trustees have considered the Charity Commission's guidance on public benefit and borne it in mind when shaping and planning our activities.

Taxation

The charity is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments, and surpluses on any charitable activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes. The charity is not registered for VAT and accordingly, all expenditure is recorded inclusive of any VAT incurred.

Report of the Trustees (continued)

Financial review

The accounts of the Charity for the year ended 31 March 2020 are set out on pages 12 to 17.

The accounts have been prepared and audited in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The value of the Net Assets decreased from £1,597,742 at 31 March 2019 to £33,491 at 31 March 2020.

The Charity received income of £65,832 during the year from the return on existing resources.

The loss for the year, after administration expenses, grants paid out and investment gains or losses, amounted to £1,561,250. Income received is attributable to the interest received on investments, managed by the Blackrock investment manager, although the investment itself has had a £189,810 decrease due to current falls in the stock market.

TRGL has paid for the audit fee, as a gift to the Trust.

At 31 March 2020, £1,516,335 of the Charity's funds was invested in unit trusts, investment trusts and listed investments on the London Stock Exchange.

Investment management and performance

The investment policy was set in October 2017 on the basis of reports received from TRGL Treasury Function. The investment policy is currently under review, again with support from TRGL Treasury Function, with a view to adopting an updated Policy by the end of 2020. This is to ensure that the investment policy remains fit for purpose, incorporates up-to-date best practice and takes into consideration current economic affairs. It will also ensure that the investment policy is able to support the decisions of the Trustees following the results of the income maximisation review due in Summer 2020.

The investment assets of the Scheme were managed during the year by Blackrock Investment Management (UK) Limited and are held as part of a pooled fund.

The fund is entitled to a rebate on all in-house purchases. This results in a rebate being applied to the quarterly management fee.

There is no direct or indirect investment in TRGL. In addition, there are no loans made to TRGL.

Strategic objectives and activities

After a strategic review in 2015 and in response to a clear evidence base and the challenging external environment faced by all of the projects we fund, Trustees decided to maintain these five strategic areas for the future, but to focus solely on four key areas for the funding period 2020-22. These are:

- Employment and training
- Supporting vulnerable people
- Poverty relief
- Neighbourhood and community

This includes a commitment of the majority of the Foundation's remaining funds towards four projects under these themes: Employment and Training Support, Money Advice, Affordable Warmth Advice and Helping Hand funding for poverty relief. Trustees review this decision on an annual basis, taking all relevant factors into account.

The Charity was established with the objective of working in the communities where TRGL operates, across England and Scotland. The Riverside Foundation works closely with people within those local communities and TRGL's teams to identify areas of need, prioritise projects, and to ensure that grants are made in a coherent way across different areas of the country, in accordance with the Charity's objectives.

Report of the Trustees (continued)

Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the financial statements

Under the trust deed and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Mark Cullinan
Chair

ADD DATE SIGNED

Independent Auditor's Report

to the Trustees of Riverside Foundation

We have audited the financial statements of Riverside Foundation ("the charity") for the year ended 31 March 2020 which comprise the statement of financial activities, statement of financial position and related notes, including the principal accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources 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 properly prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

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 charity 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 charity or to cease its operations, and because they have concluded that the charity'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 charity's business model, including the impact of Brexit, and analysed how those risks might affect the charity'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 charity will continue in operation.

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustees and Review of activities. 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. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 8, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation

Independent Auditor's Report (continued)

of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 charity 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 charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Clare Partridge (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

for the year ended 31 March 2020

	Note	2020 £	2019 £
Income resources			
Income resources from generated funds:			
Interest receivable		1,035	665
Investment income		45,930	68,016
Donations in kind	2	18,867	20,411
Donations		-	900,250
		<hr/>	<hr/>
Total incoming resources		65,832	989,342
Resources expended			
Charitable activities			
Grants	3	(1,435,901)	(60,000)
Bank charges		(62)	(61)
Transfer from creditors	4	17,558	155,218
		<hr/>	<hr/>
		(1,418,405)	95,157
Costs of generating funds			
Staff costs			
Support costs	2	(18,264)	(19,820)
		(603)	(591)
		<hr/>	<hr/>
		(18,867)	(20,411)
Total resources expended			
		<hr/>	<hr/>
		(1,437,272)	(74,746)
Net incoming/(outgoing) resources for the year			
		(1,371,440)	1,064,088
Other recognised gains and losses			
Unrealised (losses)/gains on investment assets			
		(189,810)	66,890
		<hr/>	<hr/>
		(189,810)	68,890
Net movement in funds			
		<hr/>	<hr/>
		(1,561,250)	1,130,978
Fund balance brought forward			
		1,594,741	463,764
Fund balance as at 31 March 2020			
		<hr/>	<hr/>
		33,491	1,594,742

The notes on pages 14 to 18 form an integral part of these financial statements.

Statement of Financial Position

as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	5	1,516,335	1,706,146
Current assets			
Cash at bank	6	53,057	570,026
Total assets		1,569,392	2,276,172
Liabilities			
Creditors: amounts falling due within one year	7	(810,511)	(681,430)
Creditors: amounts falling due after one year	8	(725,390)	-
Liabilities		(1,535,901)	(681,430)
Net asset		33,491	1,594,742
Funds			
Unrestricted income funds	9	33,491	1,594,742

The financial statements on pages 12 to 18 were approved by the Trustees on 4 August 2020 and were signed on their behalf by on **ADD DATE SIGNED**:

Mark Cullinan
Chair

Charity number : 513727

The notes on pages 14 to 18 form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31 March 2020

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments to market value on a basis consistent with prior years. They have also been prepared in accordance with applicable Accounting and Financial Reporting Standards in the United Kingdom and comply with the Statement of Recommended Practice: Accounting and Reporting by Charities SORP FRS 102. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of preparation

Going concern

The board, after reviewing the charity's budgets for 2020/21 and the group's medium term financial position as detailed in the 30-year business plan including changes arising from the Covid-19 pandemic, is of the opinion that, taking account of severe but plausible downsides, the group and charity have adequate resources to continue in business for the foreseeable future. The Board therefore continues to adopt the going concern basis in preparing the annual financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

Provisions for grants are made when the intention to make a grant is agreed, irrespective of the timing.

Fixed asset investments

Investments are stated in the financial statements at market value prevailing at the balance sheet date. The movement arising from such valuation is accounted for through the Statement of Financial Activities.

The valuation of investments is based on the middle market price quoted on the London Stock Exchange at close of business on 31 March 2020.

Governance and support costs

All staff related costs including governance and the allocation of overheads are absorbed by TRGL.

Related party transactions and Trustees' remuneration

There were no payments made to Trustees for emoluments or expenses throughout the year ended 31 March 2020.

Cash flow statement

The Charity has taken advantage of the exemption under Charities SORP FRS 102 whereby small entities are not required to publish a cash flow statement.

Notes to the Financial Statements (continued)

for the year ended 31 March 2020

Unrestricted funds

All funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity and are therefore, considered to be unrestricted. However, Trustees are mindful of the wishes of the donors when determining how funds are spent.

Taxation

The Riverside Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2012 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

2 Donations in kind

	2020	2019
	£	£
Riverside staffing resource		
Salary	15,146	15,094
National insurance	1,455	2,027
Pension	1,663	2,699
	<hr/>	<hr/>
Staff costs	18,264	19,820
Audit fee	603	591
	<hr/>	<hr/>
	18,867	20,411
	<hr/>	<hr/>

The Riverside staffing resource includes salary, national insurance and pension are based on the proportion of their time.

3 Grants

	2020	2019
	£	£
Grants made in the year through TRGL for:		
Employment and training advice	366,690	50,000
Supporting Vulnerable People	981,711	-
Neighbourhood and community	37,500	10,000
Poverty relief	50,000	-
Health and wellbeing	-	-
	<hr/>	<hr/>
	1,435,901	60,000
	<hr/>	<hr/>

Notes to the Financial Statements (continued)

for the year ended 31 March 2020

4 Transfer from creditors

	2020 £	2019 £
Transfer from creditors	17,558	155,218
	<u>17,558</u>	<u>155,218</u>

5 Investments

Quoted investments	Market Value 31/03/19 £	Movement in securities £	Market Value 31/03/20 £
UK fixed interest	268,510	2,546	271,055
UK equities	920,917	(136,961)	783,956
Overseas equities	516,719	(55,395)	461,324
	<u>1,706,145</u>	<u>(189,810)</u>	<u>1,516,335</u>

Financial instruments measured at fair value

Where financial instruments are measured in the statement of financial position at fair value, disclosure of fair value measurements by level is required, in accordance with the following fair value measurement hierarchy;

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (from prices) or indirectly (that is derived from prices).

Level 3 – Inputs from the asset or liability that are not based on observable market data (that is, unobservable inputs).

Investments measured at fair value through profit and loss comprise investments in Charities Investment Fund Accumulated units. The fair value is determined by reference to their market price.

6 Cash

	2020 £	2019 £
Cash at bank	53,057	570,026
	<u>53,057</u>	<u>570,026</u>

Notes to the Financial Statements (continued)

for the year ended 31 March 2020

7 Creditors

Amounts falling due within one year

	2020	2019
	£	£
Amounts payable to TRGL:		
Employment and Training, Advice and Support	281,926	139,143
Supporting Vulnerable People	485,085	473,824
Poverty Relief	25,000	25,000
Health and Wellbeing	-	-
Neighbourhood and community	18,500	43,463
	810,511	681,430

8 Creditors

Amounts falling due after one year

	2020	2019
	£	£
Amounts payable to TRGL for:		
Employment and Training, Advice and Support	184,764	-
Supporting Vulnerable People	496,626	-
Poverty Relief	25,000	-
Health and wellbeing	-	-
Neighbourhood and Community	19,000	-
	725,390	-

9 Funds

	2020	2019
	£	£
Unrestricted income funds	33,491	1,594,740
	33,491	1,594,740

The transfer from creditors represents funds previously committed to projects that have now completed. Underspend has been transferred back to unrestricted reserves and will still be used for charitable activities.

Notes to the financial statements (continued)

for the year ended 31 March 2020

10 Parent association and related party disclosures

The Charity has taken exemption under section 28.4 Charities SORP from the requirement for disclosure of related party transactions on the grounds it is an associated organisation of The Riverside Group Limited (registered in the UK). The Charity's charitable purpose is to support the aims and objectives of The Riverside Group Limited in its' areas of operation and to this extent the two organisations are closely aligned. The consolidated financial statements of the Group are available to the public and may be obtained from the Society's registered office at 2 Estuary Boulevard, Estuary Commerce Park, Liverpool L24 8RF.

The Riverside Group Limited is registered under the Co-operative Community Benefit Societies Act 2014 and is registered with the Homes and Communities Agency as a Private Registered Provider of Social Housing, registered number L4552. Control is exercised through The Riverside Group Limited having a contractual right to approve Trustee appointments as per the Agreement for Services signed by appointed Trustees.