

**CHARITY COMMISSION
COPY**

**South of
England
Foundation**

**Operating as Charlton
Athletic Community Trust**

**Annual Report and Consolidated
Financial Statements**

CHARITY COMMISSION
FIRST CONTACT
30 SEP 2015
ACCOUNTS
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31 March 2015

Company Limited by Guarantee
Registration Number
04654582 (England and Wales)

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Reference and administrative details of the charity, its trustees and advisers

Trustees	Roger Godsiff MP – Chair Luke Ashworth Peter Cousins FCA Paul Elliott CBE Ken Palmer Paul Statham Marilyn Toft David White
Company Secretary	Taylor Business Services
Chief Executive	Jason Morgan MBE
Honorary Life President	Sir Maurice Hatter
Vice President	Lord Grade of Yarmouth CBE
Registered office and operating office	Charlton Athletic Training Ground Sparrows Lane New Eltham London SE9 2JR
Trust Ambassadors	Paul Dunn MBE Peter Gilroy OBE Richard Rufus Steve Sutherland
Youth Service Ambassador	Dave Berry
Disability and Mental Health Ambassador	Andy Barrow
Equality and Diversity Ambassador	Martin Simons

Reference and administrative details of the charity, its trustees and advisers

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers Bank of Scotland plc
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Legal/HR Consultants Outset (UK) Limited
Vinters Business Park
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Maidstone
ME14 5NZ

Website www.cact.org.uk

Financial highlights

	2015 £000's	2014 £000's
Total income	5,643	4,946
Total resources expended	(5,755)	(5,435)
Net outgoing resources	(112)	(489)
Expenditure		
Charitable activities		
. Youth and social inclusion	2,360	2,274
. Football and sports development	940	825
. Education	1,142	968
. Health	674	650
. Disability and mental health	348	469
. Equality and diversity	173	51
	5,637	5,237
Cost of generating funds	89	119
Governance costs	29	79
	5,755	5,435

CACT highlights of the year

Youth and social inclusion

The number of young people participating in CACT's youth and disability youth service has increased to over 6,500 young people per year.

Football and sports development

CACT's popular football and multi-sport holiday courses were enjoyed by over 6,700 boys and girls across 30 locations.

Education

CACT achieved accreditation for the "Matrix Standard", a kite-mark of good practice for the delivery of further education programmes.

Health

"Kick the Habit" a stop smoking programme delivered by trained smoking advisers contributed to a fall in smoking prevalence in the Royal Borough of Greenwich, from 29% to 18%.

Disability and mental health

Over 180 walkers including Charlton football legends supported the "Upbeats Day," an 8 mile walk from the training ground to The Valley that took place on World Down's Syndrome Day, raising awareness and funds.

Equality and diversity

CACT delivered "Woolwich United", a multi-sports community engagement programme designed to break down barriers and encourage social cohesion amongst marginalised groups. A total of 4,046 local people from a wide range of backgrounds and ages participated.

Highlights of the year Year to 31 March 2015

Awards

Attributed to the hard work and dedication of the staff, CACT was one of 350 organisations that entered the Beyond Sports Awards and was awarded first prize for “Sports Team of the Year”. At the global awards ceremony in South Africa, judges commented that CACT demonstrated positive social impact on the lives of young people it works with.

Governance, structure and management

The trustees, who are directors for the purposes of company law are pleased to present their statutory report together with the financial statements of the South of England Foundation for the year ended 31 March 2015.

The report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 30 to 33 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

The South of England Foundation is incorporated as a company limited by guarantee and registered as a charity. The charity registered with the Charity Commission under the working name of Charlton Athletic Community Trust (CACT). The governing document is the Memorandum and Articles of Association.

Subsidiary companies

The charity has two trading subsidiary companies, South of England Foundation (Community Facilities) Limited (CFL) and Community Scheme Solutions Limited (CSSL). CFL was established to develop an artificial training pitch under the Barclays Spaces for Sport scheme during 2006. It also undertakes other projects relating to the development and ongoing use of sporting facilities for the use of the community.

In the opinion of the trustees, the current activities of CFL fall within the charitable objects of the charity itself and therefore the activities of the group are all regarded as charitable activities in the report which follows and the financial statements which accompany it.

CSSL was active between 2007 and 2009 running the "Football in the Community Scheme", formerly run by Charlton Athletic Football Club until these activities were transferred to the Trust itself. It is now dormant.

Trustees

The charity has a board of eight trustees. The board is conscious of the need to have an appropriate skills mix to ensure trustees can contribute fully to the charity's continued development and trustees keep this under constant review. Prospective trustees are asked to meet with the Chair and the CEO to discuss the role and their ability to input into the charity. His or her CV is sent to other trustees and the nomination voted on at a trustees' meeting.

Two trustees have been appointed since the start of the financial year; Luke Ashworth a Lawyer, and Ken Palmer the Safeguarding Co-ordinator for Schools in the Royal Borough of Greenwich. Both have expertise in areas that trustees agreed will enhance governance of the charity.

There were no resignations during the reporting period.

Governance, structure and management (continued)

Trustees (continued)

The following trustees served since 1 April 2014 except where indicated:

Trustee	Appointed/Resigned
Luke Ashworth	Appointed 11 April 2014
Peter Cousins FCA	
Paul Elliott CBE	
Roger Godsiff MP	
Ken Palmer	Appointed 1 April 2015
Paul Statham	
Marilyn Toft	
David White	

Declaration of interest forms are completed by all trustees annually and interests are declared and minuted before board and sub-committee meetings. All trustees are DBS checked on appointment and this is renewed at three yearly intervals.

Marilyn Toft is paid by CACT as an education consultant for work in addition to and distinct from her duties as a trustee. Such payment is allowed under the Articles of Association and her contract is reviewed annually by trustees. Details of payments are included in the notes to the financial statements which accompany this report.

No other trustee received any payment during the period.

The charity has insurance to protect it from any loss arising from the neglect or defaults of its trustees and employees and to indemnify the trustees and other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the period amounted to £1,060 (2014 - £1,060) and provides cover up to a maximum of £1m (2014 - £1m).

Sub-committees

CACT has three sub-committees: Finance and Personnel, Marketing and Education. An annual calendar of meetings is agreed alongside a schedule of key discussion topics for the board and sub-committees that all meet quarterly.

Membership of the Finance and Personnel sub-committee comprises four trustees; Peter Cousins (Chair), Marilyn Toft, Luke Ashworth (from 10 June 2015) and Paul Statham (from 10 June 2015). Jason Morgan (Chief Executive), Matt Parish (Chief Operating Officer), Mark Gregory (Financial Controller) and Victoria Parsons (HR Officer) provide the necessary input to the meetings.

Membership of the Marketing sub-committee comprises two trustees, David White (Chair) and Paul Statham. Jason Morgan (Chief Executive) and Jake Martens (Press and Marketing Officer) provide the necessary input to the meetings.

Membership of the Education sub-committee comprises two trustees, Marilyn Toft (Chair) and Ken Palmer (from 10 June 2015). Jason Morgan (Chief Executive), Matt Parish (Chief Operating Officer) and Dr Alan Sanders (Director of Education, Health and Football and Sports Development) provide the necessary input to the meetings.

Governance, structure and management (continued)

Ambassadors

Paul Dunn MBE, Peter Gilroy OBE, Richard Rufus and Steve Sutherland are Ambassadors appointed in recognition of their outstanding contribution and consistent support of CACT's work. Ambassadors act as advocates for CACT programmes and initiatives and use their expertise to assist the continued growth, development and success of community programmes.

Dave Berry, Capital Radio DJ and supporter of CACT's community work, is the Ambassador for the Greenwich Youth Service.

Andy Barrow, British Paralympian is CACT's Disability and Mental Health Ambassador. Andy works with CACT staff and delivers mentoring programmes to help raise young people's self-esteem.

Martin Simons, a former Chair of the Charlton Athletic Football Club, was appointed as an Ambassador for Equality and Diversity. This was in recognition of his continued work and commitment to the Charlton Athletic Race Equality (CARE) Partnership since it was established in 1992 and now sits under the Equality and Diversity department within CACT.

Sir Maurice Hatter is CACT's Honorary Life President in recognition of his continued support. The Hatter Foundation has supported CACT with a number of generous donations over the years including £125,000 in this financial year.

A former director of Charlton Athletic Football Club, Lord Grade of Yarmouth CBE, is Honorary Vice President of CACT.

Connected charities and related parties

CACT is Charlton Athletic Football Club's (CAFC) charitable arm and operates via a Trade Mark Licence Agreement to use the club's name and badge. CACT's head office operates from the club's training ground in Sparrows Lane in South East London, recognising the strong association and responsibility between the football club and community in delivering activities within the local area.

CACT works with several other partners and agencies in the public, private and charitable sectors. This includes local authorities, (Royal Borough of Greenwich, Bexley and Kent County Councils) the Police, NHS Trusts, National Citizenship Scheme, Football Foundation, Football League Trust, Professional Football Association, schools, colleges, universities as well as local and national businesses.

A multi-agency collaborative approach ensures that expertise of other organisations plays an integral role in delivering a high quality range of projects.

Within political circles it is recognised that powerful messages can be delivered through football, sport and positive role models. CACT continues to deliver initiatives around local needs.

Connected charities and related parties (continued)

CACT is predominantly funded from three main sources:

- ◆ grants - through funding applications and bids
- ◆ public funding - through local government commissioning
- ◆ private funding - through sponsorships and donations

CACT continued to work with local businesses and secured a two year front-of-kit sponsorship with ITRM, a locally based IT service provider. In addition CACT agreed a back-of-kit sponsorship agreement with Andrew Sykes Air Conditioning.

Nine other local business and organisations joined CACT's revised Patrons Scheme. Each patron supports one main area of CACT's work which gives them access to volunteering opportunities across programmes.

Patrons

Areas of work

Taylor Technology	Social Inclusion
Middleton Murray	Give Youth a Chance
Hadlow College	Football and Sports Development
University of Greenwich	Education
Delaware North	Health
Regular Cleaning Services	Disability and Mental Health
The O2	Greenwich Youth Service
Whitecode Design Associates	Equality and Diversity

Funding from sponsorships and patrons' subscriptions secured £77,000 during the accounting period. Trustees and the Executive would like to thank patrons and sponsors for their valued commitment and support.

Principal aims and objects

Charlton Athletic Community Trust (CACT) works "At the Heart of the Community" with all people regardless of their background, ethnicity, economic status or physical ability.

CACT's legal objects are to promote any charitable purpose for the general benefit in the communities in which the Trust operates.

CACT uses the power of football and sport to engage, empower and provide positive activities for young people as highlighted in the mission statement below:

Mission statement

"Using the power of football CACT works in partnership with local communities to empower individuals to improve their lives and their environment. CACT's ground breaking and innovative programmes are delivered through a regular presence in schools and working with disadvantaged or socially excluded groups in society through crime reduction initiatives and community based football coaching sessions."

Mission statement (continued)

From engagement and early intervention schemes, young people are signposted into recreational or educational structured activities delivered by CACT and partner agencies. There is emphasis on creating pathways into training or employment and turning young people into positive role models. These include personal improvement programmes centred on education, health and social inclusion.

CACT is dependent on a well-trained and professional workforce that has continued to grow year on year and currently comprises; 61 permanent staff and a pool of approximately 160 casual coaching/delivery staff.

Key achievements and performance

Several key objectives were achieved during the year, as out-lined in CACT's three year business plan (2013 – 2016) and highlighted under "future plans" in last year's 2014 - 2015 Annual Report.

These included a review of CACT's staffing structure to reinforce the management structure and define lines of reporting. Trustees agreed it was necessary to invest in some key appointments to ensure the organisation has adequate capacity for continued development and delivery of high quality services. These included the following appointments:

- ◆ Financial Controller: to strengthen and support the Executive Team that comprises: Chief Executive, Chief Operating Officer, Director of Youth and Social Inclusion, and the Director of Education, Sport and Health;
- ◆ Designated Safeguarding Officer: CACT takes safeguarding extremely seriously and saw this appointment as essential due to the expansion of several programmes including education, the youth services and National Citizenship Service (NCS);
- ◆ Marketing Officer: to implement a new marketing strategy and increase the use and range of social media platforms to engage more effectively with young people, promoting CACT's activities to wider audiences;
- ◆ Bid Writer (part-time): with funding becoming increasingly competitive it is important to ensure that funding opportunities are maximised and co-ordinated as efficiently as possible; and
- ◆ Quality Assurance and Impact Manager: this role was seen as vital to ensure monitoring, evaluation and the impact can be clearly illustrated for both current and future funding partners.

CACT's IT System and HR Information System were upgraded to support current requirements and future development.

CACT continued to work in partnership with Charlton Athletic Football Club on the development of a new education, health and sporting hub at the training ground in Sparrows Lane. A change of ownership and management at the football club resulted in a number of options being explored. At the time of writing this report the club have submitted a revised planning application to the Royal Borough of Greenwich and outcomes are yet to be confirmed.

Key achievements and performance (continued)

CACT has a bursary fund to ensure individuals are not prevented from taking part in CACT activities due to financial hardship which is accessed by a simple application process. Bursary payments totalled £7,927 and supported over 200 people in a number of ways from paying for a young person's haircut to attend an interview, football boots, training kit, course fees and help with travel costs.

CACT regained the Investors in People (IIP) accreditation, having originally achieved IIP status in 2008. This is the third renewal against the standard.

In addition CACT, successfully completed the accreditation process for the "Matrix Standard", a quality framework to assess and measure organisations' information, advice and guidance services for young people in career choice, learning, work and life goals.

CACT also achieved the London Healthy Workplace Charter, a self-assessment framework that recognises employers for investing in workplace health and wellbeing for their staff.

Public benefit and achievement

When setting the objectives and planning the work of the charity for the year, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The trustees consider that the rest of this report demonstrates many aspects of the public benefit which the charity provides. The fact that CACT engages with over 10,000 young people per week, works in partnership with several agencies on a wide range of activities, provides evidence of such benefit to the communities in which CACT operates.

CACT's principal areas of work are:

- ◆ Youth and Social Inclusion
- ◆ Football and Sports Development
- ◆ Education
- ◆ Health
- ◆ Disability and Mental Health
- ◆ Equality and Diversity

This report highlights some of the key aspects from programmes delivered during the year including the impact, achievements and performances. Four case studies are included to illustrate CACT's work and positive social impact.

Public benefit and achievement (continued)

Youth and social inclusion

CACT's Youth and Social Inclusion programme is one of CACT's largest departments and operates across Bexley, Greenwich and Kent with expenditure of £2,360,000 (2014 - £2,274,000).

Youth and Social Inclusion encompasses a diverse range of initiatives with the common theme of providing activities and opportunities to young people who may be socially excluded.

Youth service

In 2012/13 CACT was commissioned by the Royal Borough of Greenwich to deliver the council's universal youth service, known as the Greenwich Youth Service. This also includes delivery of the disability youth service. After successfully completing targets set by the Council in the first year, the contract was extended for an additional two years with funding of £1.3m per year. The service is delivered across eight broad themes from four youth hubs located in Royal Borough of Greenwich. Programmes are varied, inclusive and include: careers and employment, sport and health, digital media, arts and culture, volunteering, music and performing arts, skills for life and discovering the Royal Borough.

The number of young people participating in both the universal and disability youth services have more than doubled from numbers recorded in 2011, (prior to CACT taking over the contract), to circa 6,500 a year in 2014/15.

CACT has worked with a number of local sub-contracted partners in the delivery of the service. The initial contract came to an end in September 2015, however CACT has been recommissioned to deliver the service for a further 3½ years from October 2015.

Public benefit and achievement (continued)

Youth and social inclusion (continued)

Youth service (continued)

The following case study shows how the youth service supported a young girl from Greenwich in fulfilling her ambition:

Case study 1

AS, a 17 year old girl from Greenwich attended the Woolwich Common Youth Centre for the first time in 2012. AS showed real interest in music and told staff she dreamed of pursuing a career in the music industry but had no idea where to start. Although talented, AS was shy even when asked to sing in front of small groups at the youth centre.

Staff encouraged AS to audition for CACT's annual talent contest, "Perform 14". Still nervous but with continued support from staff, AS performed and progressed through to the final, where she and two other finalists had the opportunity to perform at CACT's Annual Charity Concert at the Indigo at The O2, in front of over 2,000 people.

AS credited the experience and confidence gained from the competition and the concert, together with much appreciated support and guidance from staff at Woolwich Common, as playing a major part in giving her the confidence to audition for the BBC's television programme "The Voice". Much to the delight of everyone at Woolwich Common, AS made it through to the live shows of "The Voice" and sang on live Saturday night TV.

AS is now pursuing a career in music. Keen to give something back to the staff and young people in the youth service, AS volunteered to be on the judges' panel for this year's annual talent competition. She said this gave her a stepping stone and she wants to support and inspire other young people with her own personal journey. In addition, AS will be performing at CACT's Charity Concert in July 2015.

AS said, "I was given the opportunity to perform at the Indigo as a support act for Lawson last year. I felt so privileged and blessed to be given a chance. I would like to thank Charlton Athletic Community Trust and Dave Berry for giving me the opportunity to do what I love, at one of the best venues in the UK. I can honestly say that I wouldn't have had the courage to audition for The Voice if it hadn't been for my experiences there. It really brought me out of my shell, so thank you again to the Trust and Dave Berry".

Public benefit and achievement (continued)

Youth and social inclusion (continued)

Social inclusion

CACT continued as a delivery partner for the National Citizen Service (NCS) network. The NCS programme comprises of a range of high quality, topical social action projects delivered by the NCS teams designed to appeal to wide range of young people aged 15-17. Projects include increasing awareness of social issues, such as homelessness, raising funds for food banks and promoting the importance of young people and their vote.

Success of the NCS projects led to CACT being sub-contracted for a further three years 2015-2019 for the SE1 region by the new prime contractor CXK. Retention of young people is over 98% and 28 graduates now volunteer or work on the current programme and are excellent role models for the new intakes.

The Crime Reduction Team works with some of the hardest to reach young people, including first-time offenders, prolific offenders and those at risk of custodial sentences. Staff mentor and support some of the most challenging young people to make life changes and encourage them into a range of positive activities.

As part of Project Mosaic, CACT were key strategic partners in the delivery of the first "Faith and Gangs" conference held in Woolwich. The conference was a joint initiative bringing together leaders from all faiths across Greenwich, together with CACT, the NHS, the Royal Borough of Greenwich and Royal Greenwich Police. The project, which seeks to increase community safety and confidence in the police and other agencies, also aims to enhance youth safety and increase access to the range of youth provision and activities in the Borough. The event was attended by over 70 faith and community leaders, attracting interest from central government and The Mayor's Office for Policing and Crime.

CACT held the first 'Gang Call In' to be hosted at a football club. 17 young people affected by gangs attended the event at the Valley, which was supported by the Metropolitan Police Service (MPS) and the Royal Borough of Greenwich. The event focused on choices, consequences and opportunities, with keynote speakers from CACT, The Rob Knox Foundation, MPS and Sainsbury's PLC. Two examples of successful outcomes are that a prominent gang member entered into employment with Sainsbury's, and another completed his first full season at The CACT Post-16 Football Academy.

Public benefit and achievement (continued)

Social inclusion (continued)

The following case study illustrates effective partnerships with external agencies and across CACT's departments:

Case study 2

EN an 18 year old from Greenwich had already experienced highs and lows in his life; ranging from being a promising academy footballer with Charlton Athletic, followed by his release from football and a feeling of rejection. EN then entered the criminal justice system after getting involved in gang related activities causing upset and despair to his family.

In 2012, during his involvement with Greenwich Youth Offending Service, EN was referred to CACT's Crime Reduction programme. He was mentored by dedicated staff who over time helped him to make positive changes through his thinking and behaviour. This was difficult at times, but EN was encouraged to think of his future and enrolled on an FA Level 1 course. The course gave him confidence and skills that allowed him to volunteer as a coach alongside CACT staff as well as on the National Citizenship Service programme. From here he was offered part-time work, which gave him valuable work experience helping him grow in self-confidence along the way.

EN realised he was in a far better place than he had been and was keen to pass on his experience to other young people by becoming a peer mentor through the "Gang Call In" programme. He conveyed his experiences and warned them about the dangers of gang involvement.

EN and his family were delighted when he received the Royal Borough of Greenwich prestigious "Outstanding Young Person of The Year" award. EN also spoke about his journey at a Football League Trust event on "Tackling Youth Crime" held at the House of Commons.

In October 2014 EN started a Sports and Exercise Management Course at the University of Kent. EN also works part-time as a football coach and also with CACT's Health Improvement Team.

EN said, "CACT have given me some really good opportunities. I was in a bad place and am away from all that now."

In early 2015, EN was given the opportunity to share his story with London Mayor Boris Johnson at the Premier League "Kicks" event in held in partnership with the Mayor's Office for Policing and Crime (MOPAC), attended by all football London clubs.

EN's journey demonstrates genuine connection with CACT and the extra mile that staff are prepared to go. Without such intervention and investment from CACT staff EN could have easily remained in the criminal justice system. The gravity of EN's offending and the young people he chose to associate with may well have led him towards a custodial sentence with a cost to the public purse in excess of £60,000 per year, the estimated cost of placing a young person in a youth offenders' institute.

Public benefit and achievement (continued)

Football and sports development

The expenditure during the 2014/15 financial year for the Football and Sports Development programme was £940,000 (2014 - £825,000).

Football and sports development encompasses a wide range of activities ranging from Toddler Soccer, Charlton Challenge, multi-sports programmes, targeted sports and activities programmes, Saturday morning clubs, breakfast and after-school clubs, coaching during school time to cover planning, preparation and assessment (PPA) time in schools, to Post 16 football and educational Academies, Advanced Centres and Coach Education.

CACT's popular football and multi-sports holiday courses were enjoyed by over 6,700 boys and girls across 30 locations during the course of the year.

Since July 2012, with funding from the L & Q Housing Association, CACT delivered sports and creative arts holiday programmes for their residents aged 5–21 living in the Royal Borough of Greenwich. Following high engagement levels and positive feedback, CACT were successful with a funding application to L & Q to co-ordinate the programme with eight London football clubs. A pilot project that provided structured, fun activities during Whitsun half term engaged 1,088 young people. The programme will run throughout the summer holidays and give low income households opportunities to access a range of activities including drama, arts, dance, sports and cookery sessions.

CACT's football development programme is delivered from two centres with a total of 170 boys. The programme provides exit routes for talented players into the Advanced Centres. These are for boys aged 6–15, recommended by CACT coaches from football courses and sports development initiatives. The centres offer a potential stepping-stone to the Charlton Athletic Youth Academy and have proved to be a source of talent for Charlton Athletic Football Club. In total, the Advanced Centres have produced 20 professional players; 15% of players currently at the Football Club's Youth Academy progressed through Advanced Centres. During the 2014/15 season former Academy player, Karlan Ahearne-Grant joined the first team and is an excellent role model for young people. In addition two Advanced Centre players, who were both first spotted on holiday football courses in Greenwich, were selected for the CAFC Academy, signing contracts for the under -9 and under -12 teams.

CACT opened two new Post-16 Academies during the year, bringing the total to thirteen. The Academies offer two year full-time education and football development programmes for talented players aged 16 to 18 and are based in London and Kent. A fourteenth academy is due to open at Brentwood High School in Essex in September 2015.

A variety of coach education programmes including Football Association Level 1 and Level 2 qualifications were also delivered to young people aged 16 plus. The courses equip students with qualifications and essential skills including safeguarding and first-aid, that enhance their employability skills; 398 young people attended 25 courses.

Public benefit and achievement (continued)

Football and sports development (continued)

The 2014/15 season saw the girls development programme and women's first team continue to be managed under a Memorandum of Understanding between CACT and PHSC Plc. The first team had a successful year finishing third in the Women's Premier Southern Division league, achieved the highest number of goals scored in the league and only lost out on penalties at the FA Cup in the quarter finals. They were well deserved winners of the Ryman Cup, the FA Women's Premier League Cup and completed the hat-trick by lifting the Capital Winner's Cup.

The women's and girls' teams train on the Barclays Spaces for Sports community astroturf pitch located at the training ground in Sparrows Lane. The full-sized 3G pitch used by over 1000 people per week, including participants on CACT's programmes as well as schools, colleges and local community based groups and teams.

Education

Expenditure for Education during the financial year was £1,142,000 (2014: £968,000).

CACT's Education Department faced some challenges during the year including the difficult decision to deregister the Youth Achievement Foundation (YAF), a full-time education provision as an Independent School. This was due to a number of issues, predominately the unsuitability of accommodation and problems relating to the recruitment of qualified staff with skills and experience required to work with some of the most challenging young people. CACT's priority was to support the students on roll and, following discussion with local authorities and schools, CACT agreed to continue to operate a part-time provision. These changes necessitated a review of YAF's staffing structure and unfortunately resulted in two redundancies at management level. In future, CACT will continue to work with local authorities and schools to provide a part-time alternative provision for a maximum of 20 students.

CACT continued to deliver alternative curriculum provision at the Birchwood Academy and, following excellent feedback from a Pre-Ofsted visit, commissioning for a minimum of 26 students was reconfirmed for the 2015/16 academic year.

CACT continued to work with a wide range of further education colleges throughout South East London and Kent including Bexley, Mid-Kent, East Kent and Hadlow colleges. CACT delivers Btec Awards in Sport on behalf of the colleges aimed at young people who are not in education, employment or training, to help them into employment.

Public benefit and achievement (continued)

Education (continued)

The case study below highlights a positive outcome and effective internal communication between departments:

Case Study 3

In 2013 HB, a 17 year old from Thamesmead who was not in education, employment or training, arrived over two hours late to an FA Level 1 coaching course. Without reasonable excuse for his late arrival, HB was not allowed to take part. However he was given information about activities at the local youth centre and HB later joined the West Thamesmead Youth Centre.

Over the next few months staff got to know HB and asked about his future plans. HB admitted he had not given them much thought. Staff directed him to CACT's Education Department, who are experienced in working with young people who are disengaged from education, work or training.

HB finally decided to start a Btec course in Sport and although he found some things hard, his attendance and punctuality were commended in his first report. He received support from his tutors by day, endorsed by the youth centre staff in the evenings and successfully completed the course.

With renewed confidence HB decided to take look into apprenticeships as his next course of action and secured an apprenticeship as a concierge in a prestigious office block in Central London. He is still in full-time employment and still calls into the youth centre from time to time. He recently resumed training with a local boxing club, something he had excelled in when younger but could not be bothered to pursue at the time. HB has expressed his thanks to both the youth service and Education Department staff for their support, patience and encouragement over the years.

Health

The expenditure for health during the financial year was £674,000 (2014:£650,000).

Health is at the core of most of CACT's programmes; for example workshops delivered as part of school and social inclusion programmes cover areas such as drugs and alcohol, smoking cessation and teenage pregnancy.

CACT, commissioned by the Royal Greenwich Public Health and Wellbeing Department continued to deliver "Greenwich Get Active", "Kick the Habit" and health improvement roadshows to promote physical activity and help people stop smoking.

Ten nine-week roadshows took place during the year and CACT's own mobile health units, designed to be friendly and welcoming were deployed into the heart of the community. CACT's trained Health Improvement Officers and Smoking Cessation Advisers engage with diverse audiences and deliver holistic, adult health programmes that include cancer awareness roadshows, matchday health checks and health promotion.

Public benefit and achievement (continued)

Health (continued)

All outreach work is underpinned by a call centre based at The Link in Thamesmead. From here staff offer friendly telephone support and advice to people, to inform them about services available. Services range from helping people to quit smoking, encouraging them to become more physically active and sustaining positive behavioural changes to improve their health.

The smoking cessation programme, "Kick the Habit" contributed to a fall in smoking prevalence in the Royal Borough of Greenwich from 29% to 18%. Drop-in Clinics where help, advice and medical intervention are available had an average quit rate of 60%. Due to the success of the programme in Greenwich, CACT worked in partnership with Millwall Football Club replicating the programme in the London Borough of Lewisham during the summer. The Team also worked with the Kent "Stop Smoking Service".

CACT's work was highlighted by the Mayor of London, Boris Johnson, in his response to the The London Health Commission Independent Inquiry "London's professional football clubs and their community programmes have a huge influence over the city's people" (Lord Darzi, 2013). In response, The Mayor of London mentioned CACT's award winning work highlighting Kick the Habit, stating that "The project makes the most of CACT's strong presence in the local community and delivers a multi-faceted campaign".

The health benefit of walking has recently been well documented and CACT's Healthy Walks initiative "Greenwich Get Walking!" has proved most successful. CACT's Healthy Walks programme was officially recognised by Walking for Health and awarded national accreditation for its local walking scheme. The accreditation endorses the quality of experience and support that walkers can expect when taking part in one of the CACT's eight weekly walks organised across the Royal Borough of Greenwich.

During National Walking Month over 450 adults, children and a few well behaved dogs participated in number of coordinated walks. Several participants then went on to attend Walk Leader Training delivered by the Healthy Walks Coordinator. In addition, four Greenwich primary schools formed giant walking buses during the national Walk to School Week, with buses ranging from 52 to 87 people made up of pupils, parents, staff and governors.

CACT's programmes cover all ages and the popular "Extra Time" project is now in its seventh year. This project aimed at people aged 55 plus has over 40 members who attend social, health and well-being activities from a base at Valley Central. Members volunteer across CACT programmes working alongside staff in the Health Improvement Team, Education and at the head office.

Jim, one of the first members of the Extra Time project and a long-time volunteer has maintained the Barclays Spaces for Sports astro-turf pitch at the training ground for over six years. Nominated by CACT, Jim was proud to receive the "Barclays Spaces for Sports Volunteer" award in recognition of his hard work and commitment. In recognition, Jim and a guest won an all-expenses day out at London's O2 Arena to watch the Barclays ATP World Tour Finals and was presented with a trophy.

Public benefit and achievement (continued)

Health (continued)

Jim commented, *"I really enjoyed the tennis and am proud of my award. I'm also proud to be part of CACT by helping out at the training ground and supporting all the great work they do. I feel part of the training ground family"*.

Disability and mental health

Expenditure for Disability and Mental Health programmes was £348,000 (2014 £469,000).

CACT's Disability programme delivers sessions for children and adults with a range of disabilities. These include programmes designed to meet the needs of particular groups such as deaf, or hearing impaired people and the Down's syndrome football project, known as the Charlton Upbeats. CACT also delivers the Greenwich Disabled Youth Service as part of the youth service provision.

The Charlton Upbeats, a project created in 2008 to give young people aged 5 to 25 the opportunity to reach their full potential, is attended by 40 to 45 young people each week. Training sessions and matches take place every Saturday on the Barclays Spaces for Sports astro-turf pitch at the training ground.

A successful fundraising event, "The Upbeats Day" took place in March with an eight mile sponsored walk from the training ground to The Valley. Over 180 walkers including football legends, supporters and staff took part including chief executives Katrien Meire from the football club and Jason Morgan from CACT. Sky Sports covered the event that took place on World Down's syndrome day, and preceded the Charlton Athletic home fixture against Reading at The Valley.

On arrival at The Valley, the walking groups watched The Charlton Upbeats play in a 3-team curtain raiser tournament against the Fulham Badgers and QPR Tigers, their clubs respected Down's syndrome teams. The Upbeats won both their matches. James from the Upbeats said, *"It was absolutely brilliant, the best day ever! It's so good to play on the pitch at The Valley and even better to win there!"* The event raised over £15,000 which will secure the programme for another year.

CACT's "Ability Counts" Football programme, held at the Crook Log Leisure Centre in Bexley, was attended by around 30 young people with a range of disabilities each week. CACT's Ability Counts Football Club is attended by 60 to 70 disabled children and adults and takes place weekly at the training ground.

Mental Health programmes remain a key element of work undertaken by the Disability and Mental Health department, with a strong focus on partnership working. The number of people experiencing mental health issues has increased from one in six, to one in four over the last ten years so there is a real need for these programmes.

In partnership with Kent and Medway NHS Trust, CACT delivered early intervention projects that include sporting, leisure, art and cultural based activities. These projects encourage young people diagnosed with psychosis to become more active, and socialise, raising confidence and self-esteem; 211 young people participated on a regular basis during the year.

Public benefit and achievement (continued)

Disability and mental health (continued)

Following a successful programme in 2013/14, CACT was commissioned for a second year by the Oxleas NHS Trust to deliver sporting, leisure, art and cultural activities in the London Boroughs of Bexley, Greenwich and Bromley. These were attended by 152 people, aged 17 to 45 diagnosed with psychosis.

CACT joined Arsenal and Tottenham Hotspurs' Football Community Trusts to work together on a mental health project known as "Route One". This is a project aimed at young people who have become disengaged with learning. Young people received support from trained staff to help them back into the learning environment and help improve their confidence and speed up recovery. Participants also undertook a short City and Guilds course followed by a four day residential in Cornwall. A total of 45 young people successfully completed the course providing them with a positive and enjoyable learning experience to help them achieve a route back into education or further training.

Equality and diversity

Expenditure for Equality and Diversity programmes was £173,000 (2014 £51,000). There is an increase in expenditure this year as 2013/14 covered only a four month period from when the department was set up under CACT.

In partnership with several organisations, the Equality and Diversity department deliver a variety of sports and art projects. During the reporting period 6,297 participants from a wide cross section of communities from took part.

Five-A-Side football programmes, targeting disadvantaged communities in partnership with the Royal Borough of Greenwich and Greenwich Islamic Centre, were also delivered. A crucial element is the delivery of community focused seminars to young men before the start of the sessions.

CACT, funded by the Department for Communities and Local Government and Sport England, delivered a successful multi-sports community engagement programme, "Woolwich United". The programme engaged with 4,046 local people from a wide range of backgrounds and ages who took part in activities including cricket, basketball, football and sailing.

The final case study illustrates how CACT works in partnership with national and local organisations and individuals to use the power of football to deliver important key messages in the community.

Public benefit and achievement (continued)

Equality and diversity (continued)

Case Study 4

Saturday 29 November 2014 marked the 21st Charlton Red, White and Black (RWB) Day at The Valley. Charlton Athletic was one of the first football clubs to dedicate a home game to promoting equality and CACT and Charlton Athletic Football Club remain at the forefront of anti-discrimination work in football.

RWB Day embraces both the Football Against Racism in Europe (FARE), and the Kick it Out campaign's aims to raise awareness of equality issues, as well as promote positive relationships between groups from different backgrounds. As well as building awareness and promoting equality and diversity, the day involved honours and presentations including 12 young people from the disability, women's, faith and integration programmes, who formed a guard of honour to welcome both teams onto the pitch.

The awards were presented by Benjamin Odeje whom CACT honoured on the day as the first black footballer to play for England at any level. Securing his place in footballing history, former Charlton player Odeje played for the CAFC Youth Team and first represented England schoolboys in March 1971.

"Racism in those days was rife", expressed Odeje. "Players and supporters could openly racially abuse you and there's nothing you could do. There's still a lot more to be done and I'm proud to support the football charity that's pioneered this work for over 21 years".

From a historical perspective, and in the context of the current football and race debate, this is of great importance, particularly given Ben's place in footballing history. The recent launch of a report from the Sports People's Think Tank (SPTT), in association with FARE and Loughborough University, highlighted the continuing under-representation of Managers and Senior Coaches from minority ethnic backgrounds

Charlton Athletic is one of the few professional football clubs with a coach from a minority ethnic background in a senior position (Jason Euell, Charlton Athletic U21's coach).

Jason Euell said, "You want to be part of a club that works to make change, not just in the footballing sense, but in the community. I think every player at the club has an involvement with the community here at Charlton".

Financial report for the period

Incoming resources increased by approximately £697,000, from £4.9 million in the previous financial year to £5.6 million in the year to 31 March 2015. The increase primarily reflects higher income from youth and social inclusion activities, in particular the National Citizen Service programmes. In addition, there was some growth in income from football and sports development, education, and equality and diversity programmes. The higher income generated from programmes was, however, partly offset by a fall in donations compared with the year before.

Public benefit and achievement (continued)

Financial report for the period (continued)

Expenditure increased by approximately £320,000, from £5.4 million in the 2013/14 financial year to £5.8 million this year. This is mainly attributable to higher direct costs due to the increased level of activities, together with some one-off expenditure on education programmes to support regulatory compliance and ensure the quality of provision.

The overall result is net outgoing resources of £112,000 compared with net outgoing resources of £488,000 in the previous financial year. The net outgoing resources primarily reflect timing differences on restricted funds, where some income was received in the previous year to pay for service delivery in the current year. As at 31 March 2015 total restricted funds stood at £893,000 and unrestricted funds at £648,000 (excluding a provision for pension liabilities of £161,000).

Reserves

Trustees constantly monitor free reserves and review CACT's reserves policy every year. The existing policy is to maintain reserves so as to meet a certain number of month's expenditure based on annual expenditure of around £5m, the trustees have determined that free reserves in the range of between one and three month's expenditure should be maintained. As at 31 March 2015 free reserves stood at £581,000 (excluding the pension provision). This is equivalent to 1.2 months' of expenditure which is at the lower end of the agreed range. In an increasingly uncertain funding environment the trustees would like to increase reserves towards the middle of the range.

Free reserves are stated before deduction of a £161,000 pension reserve to cover CACT's share of the Royal Borough of Greenwich Pension Fund, in respect of employees who were transferred to CACT in 2012 under a TUPE arrangement. The liability, which is based on an actuarial valuation of the fund's assets and liabilities, increased from £111,000 at the end of the previous financial year. Although CACT's share of the fund's assets was increased in the year to 31 March 2015, to offset the pension liability that arose before the TUPE transfer, this gain was more than offset by actuarial losses in the year. The Trustees are looking at ways of managing the pension exposure, but are confident that CACT can afford the contributions to this pension fund.

Risk management

The trustees are responsible for overseeing identification, control and management of risks. Risks are identified, assessed and mitigation actions put in place throughout the year. All significant risks are recorded in a register and the likelihood and impact of each is quantified. The risk register is formally reviewed by trustees on an annual basis, the last review taking place in December 2014. The most significant risks (ranked according to the adjusted risk score after taking into account mitigating actions), are:

- ◆ Loss of contracts and associated funding; and
- ◆ Potential inability to cover central core costs from available unrestricted funds

The trustees are satisfied that all necessary steps are being taken to mitigate exposure to these risks and manage them appropriately.

Events since the year end

We are pleased to report that since the end of the financial year CACT has been reappointed by the Royal Borough of Greenwich to deliver youth services and health improvement programmes in the Borough, albeit at a slightly reduced level of funding compared with the previous contracts: In July 2015 CACT was recommissioned to deliver the youth services and disability youth service for a further three and a half years from October 2015, with funding of £1.15 million per year, and in August 2015, following successful tenders, CACT was awarded the contracts to deliver the health improvement and community outreach roadshows and to run the telephone and support contact centre for a further five years from October 2015, with income of £1.6 million and £1 million respectively over the period of the contracts.

CACT future plans

CACT will deliver year three of the three year business plan (2013-2016) with regular monitoring taking place at bi-weekly Executive meetings and monthly Senior Management Team meetings. Progress will be reviewed through the Action Monitoring Plan which will be presented at trustees' meetings on a quarterly basis.

A new three year business plan will be operational from 1 April 2016 - 31 March 2019.

CACT will publish Vision and Values Statements for the organisation.

CACT will continue to work with Charlton Athletic Football Club on the development of an education, health and sporting hub at the training ground. CACT will review and update the Service Level Agreement and agree a lease relating to occupancy at the new training ground development.

CACT will endeavour to secure private funding through sponsorships and donations.

CACT will work to raise funds via organised events throughout the year to include the third charity concert at the Indigo at The 02 and the second Upbeats charity walk.

CACT will continue to invest in stringent monitoring and evaluation processes in order to measure more accurately the impact of projects and provide quality services with positive outcomes.

CACT will invest in a new website as it is imperative that CACT's work is advertised to raise both awareness and profile. CACT will increase the use of social media platforms and social media campaigns, to engage and disseminate information to a wider audience.

CACT will monitor the Marketing and Communication Strategy via the Marketing Committee which will include working more closely with the football club on joint initiatives to maximise opportunities for both parties.

CACT will continue to review the composition of the board of trustees to ensure it has the appropriate skills required for future development. Trustees will seek to ensure there is effective and fair youth representation on the board.

CACT will review the appointment process and terms of office for ambassadorial roles.

Statement of trustees' responsibilities

The trustees (who are also directors of South of England Foundation for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

Statement of trustees' responsibilities (continued)

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 charity will continue in operation.

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

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Trustees' report Year to 31 March 2015

Thanks

The trustees would like to place on record their thanks to all CACT's ambassadors, patrons, partners, funders, employees and volunteers without whom none of its marvellous work could be done.

Approved by the trustees and signed on their behalf by:



Roger Godsiff MP
Trustee

Approved by the trustees on: 9 September 2015

Independent auditor's report to the members and trustees of South of England Foundation

We have audited the financial statements of the South of England Foundation for the year ended 31 March 2015 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members and 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, the charity's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the statement of trustees' responsibilities in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and Section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the groups' and the parent charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

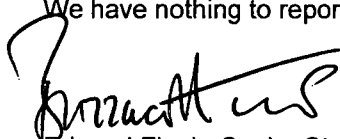
In our opinion the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

The Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made;
- ◆ 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 respect of these matters.



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP,
Statutory Auditor
130 Wood Street
London
EC2V 6DL

18/9/15

Consolidated statement of financial activities Year to 31 March 2015

	Notes	Unrestricted funds		Restricted funds		Total funds 2015 £'000	Total funds 2014 £'000
		General funds £'000	Designated funds £'000	Revenue projects £'000	Capital development £'000		
Incoming resources							
Incoming resources from generated funds							
. Voluntary income	1	2,253	—	1,445	—	3,698	2,917
. Activities for generating funds		13	—	—	—	13	40
Incoming resources from charitable activities	2	1,931	—	—	—	1,931	1,987
Investment income and interest receivable		1	—	—	—	1	2
Total incoming resources		4,198	—	1,445	—	5,643	4,946
Resources expended							
Cost of generating funds	3	89	—	—	—	89	119
Charitable activities	4						
. Youth and social inclusion		1,928	4	428	—	2,360	2,274
. Football and sports development		816	4	97	23	940	825
. Education		1,050	2	84	6	1,142	968
. Health		—	—	649	25	674	650
. Disability and mental health		218	7	123	—	348	469
. Equality and diversity		18	—	155	—	173	51
		4,030	17	1,536	54	5,637	5,237
Governance costs	5	29	—	—	—	29	79
Total resources expended		4,148	17	1,536	54	5,755	5,435
Net (outgoing)/incoming resources before transfers	6	50	(17)	(91)	(54)	(112)	(488)
Transfers between funds	13	25	7	(32)	—	—	—
Net (outgoing) incoming resources for the year before other recognised losses		75	(10)	(123)	(54)	(112)	(488)
Statement of total recognised gains and losses							
Actuarial losses on pension scheme	15	(50)	—	—	—	(50)	(6)
Net movement in funds		25	(10)	(123)	(54)	(162)	(494)
Balances brought forward at 1 April 2014		395	77	601	469	1,542	2,036
Balances carried forward at 31 March 2015		420	67	478	415	1,380	1,542

All of the group's activities in the above two financial periods were derived from continuing operations.

There were no recognised gains and losses other than those set out in the consolidated statement of financial activities above.

Charity statement of financial activities Year to 31 March 2015

	Unrestricted funds			2015 Total funds £'000	2014 Total funds £'000
	General funds £'000	Designated funds £'000	Restricted funds £'000		
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2,253	—	1,445	3,698	2,917
Activities for generating funds	13	—	—	13	40
Gift aid from subsidiary	—	—	—	—	5
Incoming resources from charitable activities	1,912	—	—	1,912	1,973
Investment income and interest receivable	1	—	—	1	2
Total incoming resources	4,179	—	1,445	5,624	4,937
Resources expended					
Cost of generating funds	89	—	—	89	119
Charitable activities	4,017	13	1,567	5,597	5,207
Governance	25	—	—	25	75
Total resources expended	4,131	13	1,567	5,711	5,401
Net (outgoing) incoming resources before transfers	48	(13)	(122)	(87)	(464)
Transfers between funds	25	7	(32)	—	—
Net (outgoing) incoming resources for the year before other recognised losses	73	(6)	(154)	(87)	(464)
Statement of total recognised gains and losses					
Actuarial losses on pension scheme	(50)	—	—	(50)	(6)
Net movement in funds	23	(6)	(154)	(137)	(470)
Balances brought forward at 1 April 2014	394	32	662	1,088	1,558
Balances carried forward at 31 March 2015	417	26	508	951	1,088

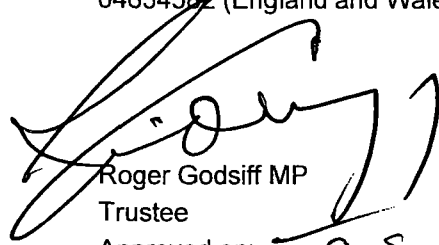
All of the charity's activities in the above two financial periods were derived from continuing operations.

There were no recognised gains and losses other than those set out in the statement of financial activities above.

Group and charity balance sheets 31 March 2015

	Notes	Group 31 March 2015 £'000	Group 31 March 2014 £'000	Charity 31 March 2015 £'000	Charity 31 March 2014 £'000
Fixed assets					
Tangible fixed assets	9	482	546	55	92
Investments	10				
Current assets					
Debtors due within one year	11	952	851	946	843
Short term deposits		400	550	400	550
Cash at bank and in hand		524	492	510	485
		1,876	1,893	1,856	1,878
Creditors: amounts falling due within one year	12	(817)	(786)	(799)	(771)
Net current assets		1,059	1,107	1,057	1,107
Total net assets excluding pension liability		1,541	1,653	1,112	1,199
Net pension liability		(161)	(111)	(161)	(111)
Total net assets		1,380	1,542	951	1,088
Represented by:					
Funds and reserves					
Restricted funds					
Relating to fixed assets	13	415	469	29	61
Other		478	601	479	601
		893	1,070	508	662
Designated funds					
Fixed asset fund	14	67	77	26	32
Unrestricted funds					
General fund		581	506	578	505
Pension reserve	15	(161)	(111)	(161)	(111)
		420	395	417	394
		1,380	1,542	951	1,088

Approved by the trustees of South of England Foundation, Company Registration Number 04654582 (England and Wales) and signed on their behalf by:



Roger Godsiff MP
Trustee

Approved on:

9 September 2015

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the statement of recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in preparing these financial statements.

Basis of consolidation

The consolidated statement of financial activities and group balance sheet consolidate the financial statements of the charity with those of its subsidiaries, South of England Foundation (Community Facilities) Limited and Community Scheme Solutions Limited. Where necessary the amounts consolidated in respect of the subsidiary companies are restated to ensure consistency of group accounting policies.

Although publication of the statement of financial activities for the charity alone may be dispensed with under exemptions in the Charity SORP and Companies Act rules, a separate statement of financial activities for the charity is presented as the trustees considered it adds useful information to the financial statements, although supporting notes to the charity's own statement of financial activities are not considered necessary.

Cash flow

The financial statements do not include a cash flow statement because the group, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Incoming resources

Incoming resources are recognised in the period in which the group is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income received to deliver the charity's core activities are included under voluntary income and include grants and donations. Income generated from activities is disclosed under incoming resources from charitable activities, and includes contracts to deliver services, football course fees and income from the school based activities.

Gifts in kind donated to the charitable company for its own use are included in incoming resources and resources expended at their market value as at the time of the gift.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred.

Cost of generating funds is that portion of salary costs representing time expended in building partnerships and developing future projects, together with direct costs associated with that activity.

Resources expended and the basis of apportioning costs (continued)

Costs of charitable activities represent expenditure incurred directly, payments to partner organisations for the delivery of the charity's programmes of activity and support costs in operating the charity.

Support costs represent indirect charitable expenditure which is necessary in order to carry out the primary purposes of the charity, and comprises personnel development, financial procedures, provision of office services and equipment and a suitable working environment. The costs are allocated to each charitable activity heading on the most appropriate basis as shown in note 4.

Governance costs are those which are directly attributable to the management of the charity's assets, and the necessary legal procedures for compliance with statutory requirements.

Tangible fixed assets

Tangible fixed assets costing over £5,000 are capitalised and are stated at cost and depreciated over their expected useful life. Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

- | | |
|----------------------------------|---|
| ◆ Artificial training pitch | Over the life of its lease, which is 25 years |
| ◆ Other sports facilities | 4% on cost |
| ◆ Machinery and office equipment | 25% on cost |
| ◆ Motor vehicles | 25% on cost |

Short term deposits

Short term deposits comprise monies held in deposits with maturity periods of more than 24 hours.

Fund accounting

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or contributions subject to donor imposed conditions. Designated funds are those funds earmarked by the trustees for a specific purpose. They are unrestricted, and the trustees may ultimately use such funds for other purposes. The funds represented by tangible fixed assets are treated as designated funds.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Funds retained in the trading subsidiaries which have been generated through undertaking activity that falls within the charity's objects, and which is intended for application within the objects, are treated in the group balance sheet as charitable funds, either restricted or unrestricted.

Fund accounting (continued)

Capital contributions received towards the cost of construction or acquisition of tangible fixed assets which are subject to on-going restrictive obligations are treated as restricted funds and reduced by charges of depreciation through the statement of financial activities over the estimated useful life of the asset.

Pension costs

Employees who were transferred to the charity under TUPE arrangements to deliver the Council's youth service provision are members of a defined benefit pension scheme administered by the Royal Borough of Greenwich. The charity became a participating employer during the year ended 31 March 2013 and as a result the charity's share of the underlying assets and liabilities of the scheme are included in the financial statements. The charity's share of the Scheme's assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period. Other movements are credited or debited to the statement of financial activities.

1 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total funds 2015 £'000	Total funds 2014 £'000
Donations	137	22	159	312
Income from Patrons	74	3	77	99
Grants	50	607	657	575
Service delivery and other income	1,992	813	2,805	1,931
	<u>2,253</u>	<u>1,445</u>	<u>3,698</u>	<u>2,917</u>
2014	<u>1,581</u>	<u>1,336</u>	<u>2,917</u>	

The charity has received various professional services during the year as a gift in kind. However, due to the nature of services provided it is not possible to place a value on those services and therefore they have not been included in these financial statements.

2 Incoming resources from charitable activities

	Unrestricted funds £'000	Total funds 2015 £'000	Total funds 2014 £'000
Greenwich Youth Service	1,312	1,312	1,312
Grants and fees from the delivery of projects	619	619	675
	<u>1,931</u>	<u>1,931</u>	<u>1,987</u>
2014	<u>1,987</u>	<u>1,987</u>	

3 Cost of generating funds

	Unrestricted funds £'000	Total funds 2015 £'000	Total funds 2014 £'000
Staff costs (note 7)	82	82	81
Activities associated with fundraising events	—	—	31
Other costs	7	7	7
	<u>89</u>	<u>89</u>	<u>119</u>
2014	<u>119</u>	<u>119</u>	

4 Charitable activities

	Direct costs £'000	Support costs £'000	Total funds 2015 £'000	Total funds 2014 £'000
Youth and social inclusion	2,141	219	2,360	2,274
Football and sports development	870	70	940	825
Education	1,057	85	1,142	968
Health	602	72	674	650
Disability and mental health	319	29	348	469
Equality and diversity	157	16	173	51
	5,146	491	5,637	5,237
2014	4,722	515	5,237	

The above costs can be reanalysed as follows:

	Total funds 2015 £'000	Total funds 2014 £'000
Staff costs (note 7)	3,406	3,220
Other costs	2,231	2,017
	5,637	5,237

5 Governance costs

	Total funds 2015 £'000	Total funds 2014 £'000
Staff costs (note 7)	13	12
Legal and professional fees	2	1
Consultant's fees	—	52
Auditor's remuneration	12	12
Other costs	2	2
	29	79

6 Net (outgoing) incoming resources for the year

This is stated after charging:

	Unrestricted funds £'000	Restricted funds £'000	Total funds 2015 £'000	Total funds 2014 £'000
Staff costs (note 7)	2,565	936	3,501	3,313
Operating lease rentals	25	—	25	25
Auditor's remuneration				
· Statutory audit services – charity	8	—	8	8
· Statutory audit services – subsidiary	3	—	3	3
· Other services	1	—	1	1
Depreciation	45	26	71	73

7 Employees and staff costs

Staff costs during the period were as follows:

	2015 £'000	2014 £'000
Wages and salaries	3,170	3,011
Social security costs	259	250
Pension costs	50	32
Other staff related costs	22	20
	3,501	3,313

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2015	2014
£60,001 - £70,000	1	—
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1
£110,001 - £120,000	1	1
	4	3

Payments to defined contribution pension arrangements in the year amounted to £5,039 (2014 - £3,600) in respect of four employees (2014 – two) included above.

Staff costs have been charged as follows:

	2015 £'000	2014 £'000
Cost of generating funds	82	81
Charitable activities	3,406	3,220
Governance	13	12
	3,501	3,313

The average number of employees during the period was as follows:

	Full- time	Part- time	Total 2015	Total 2014
Cost of generating funds	1	—	1	1
Charitable activities	60	167	227	219
	61	167	228	220
2014	48	172	220	

The charity has purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees and officers and to indemnify the directors or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the period totalled £1,060 (2014 - £1,060) and provides cover of up to a maximum of £1m (2014 - £1m).

7 Employees and staff costs (continued)

As explained in the trustees' report, during the year Marilyn Toft was paid £6,000 (2014 - £2,160) plus VAT for services rendered as a consultant. These fees were paid in accordance with the Articles of Association and approved by the trustees, and have been accounted for as expenditure on charitable educational activities.

No other trustee received any remuneration or any reimbursed expenses from the charity during the period (2014 – none).

8 Taxation

South of England Foundation is a registered charity and therefore is not liable to corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The subsidiaries make a Gift Aid payment to the charity if they produce a taxable profit in any financial period.

9 Fixed assets

Group	Artificial training pitch £'000	Other sports facilities £'000	Machinery and office equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2014	569	60	59	171	859
Additions	—	—	7	—	7
At 31 March 2015	569	60	66	171	866
Depreciation					
At 1 April 2014	161	17	43	92	313
Charge for year	23	2	9	37	71
At 31 March 2015	184	19	52	129	384
Net book value					
At 31 March 2015	385	41	14	42	482
At 31 March 2014	408	43	16	79	546

The artificial training pitch was funded by a grant received in 2007 from the Barclays Spaces for Sport initiative. The grant was £607,500, of which £568,778 was spent on the artificial training pitch, with the remainder being spent on other sports facilities.

Charity	Office equipment £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 April 2014	53	171	224
Additions	7	—	7
At 31 March 2015	60	171	231
Depreciation			
At 1 April 2014	40	92	132
Charge for year	7	37	44
At 31 March 2015	47	129	176
Net book value			
At 31 March 2015	13	42	55
At 31 March 2014	13	79	92

10 Investments

The charity owns the entire issued share capital of Community Scheme Solutions Limited, formerly known as South of England Foundation (Trading) Limited, a company registered in England. The company remained dormant throughout the period.

The charity owns the entire issued share capital of South of England Foundation (Community Facilities) Limited, a company registered in England.

The following is a summary of the financial statements of South of England Foundation (Community Facilities) Limited for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £'000	2014 £'000
Turnover	54	36
Cost of sales	(72)	(51)
Gross loss	(18)	(15)
Amount released from deferred capital grants	25	25
Administrative expenses	(7)	(5)
Profit for the year before gift aid	—	5
Gift aid	—	(5)
Profit for the financial year	—	—
Retained profit at 1 April 2013	2	2
Retained profit at 31 March 2014	2	2
Called up share capital		
Net assets at 31 March 2014	2	2

11 Debtors

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Amounts due from subsidiaries	—	—	1	2
Prepayments	82	102	79	100
Trade debtors	741	660	737	653
Other debtors	4	8	4	7
Accrued income	125	81	125	81
	952	851	946	843

12 Creditors: amounts falling due within one year

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Expense creditors	223	146	207	140
Social security and other taxes	91	76	94	75
Accruals	94	110	90	106
Deferred income	269	277	268	273
Wages and salaries	140	174	140	174
Obligations under finance leases (note 16)	—	3	—	3
	817	786	799	771

13 Restricted funds

The income funds of the charity included restricted funds comprising the following to be applied for specific purposes:

Group	At 1 April 2014 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	At 31 March 2015 £'000
Youth and social inclusion funds					
Greenwich Commissioning	8	51	(54)	—	5
Premier League Kickz	18	50	(50)	—	18
Kent Police S.I.	1	6	(7)	—	—
Street Violence Ruins Lives	19	58	(55)	—	22
Kent project – Medway	6	4	(10)	—	—
Kent project – Shepway	3	—	(3)	—	—
Orbit Housing	4	55	(52)	—	7
Bexley Commissioning	16	86	(82)	—	20
Sportivate Kent	—	9	(7)	—	2
Multi Use Games Area	—	80	(85)	5	—
Flexible Support Fund	—	24	(24)	—	—
	75	423	(429)	5	74
Football and sports development funds					
Advance Centre	1	13	(13)	—	1
Bursary Fund	5	5	(6)	—	4
Bursary Junior Reds	30	1	(31)	—	—
One Goal	1	5	(6)	—	—
Women's and Girls	1	11	(12)	—	—
Bexley Family Fitness	—	31	(20)	—	11
Football Ferrero	—	8	(4)	—	4
Premier League Schools	—	15	(5)	—	10
	38	89	(97)	—	30
Education funds					
ACP Marsh Arch	40	—	(40)	—	—
Employment & Skills Bexley Volunteering	(2)	48	(44)	—	2
	38	48	(84)	—	2
Health funds					
Kick the Habit – London United	2	—	(2)	—	—
Greenwich Get Active	62	51	(48)	(5)	60
Kick the Habit - Walker	44	—	(32)	5	17
Kick the Habit – Call Centre	26	113	(177)	53	15
Kick the Habit - Roadshow	15	206	(177)	(7)	37
Kick the Habit	223	(7)	5	(79)	142
Kick the Habit – Drop in Centre	15	—	(15)	—	—
Kick the Habit – 2014-15	—	205	(196)	6	15
Kick the Habit - General	—	26	(7)	(3)	16
	387	594	(649)	(30)	302

13 Restricted Funds (continued)

Group	At 1 April 2014 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers between funds £'000	At 31 March 2015 £'000
Disability and mental health funds					
Bickley Minibus	5	—	(5)	—	—
Kent Mental Health	1	43	(37)	—	7
Status Employment	—	1	(1)	—	—
Inclusive United	1	7	(4)	—	4
Oxleas Mental Health	12	23	(24)	—	11
Reaching Community	—	54	(52)	—	2
Awards for All	—	10	—	—	10
	<u>19</u>	<u>138</u>	<u>(123)</u>	<u>—</u>	<u>34</u>
Equality and diversity funds					
Care	—	64	(65)	—	(1)
Engagement Through Sport	6	14	(13)	(7)	—
Woolwich United	38	73	(76)	—	35
Sportivate Care	—	2	—	—	2
	<u>44</u>	<u>153</u>	<u>(154)</u>	<u>(7)</u>	<u>36</u>
Revenue projects total funds					
	<u>601</u>	<u>1,445</u>	<u>(1,536)</u>	<u>(32)</u>	<u>478</u>
Relating to fixed assets					
Spaces for Sports Scheme	409	—	(23)	—	386
Other fixed assets	60	—	(31)	—	29
	<u>469</u>	<u>—</u>	<u>(54)</u>	<u>—</u>	<u>415</u>
Total restricted funds	<u>1,070</u>	<u>1,445</u>	<u>(1,590)</u>	<u>(32)</u>	<u>893</u>

Transfers between restricted and unrestricted funds arise for the following reasons:

- ◆ a transfer from unrestricted to restricted funds where costs exceed the income received towards a specific project;
- ◆ a transfer from restricted to unrestricted funds when a restriction has been removed.

14 Designated fund

The designated fund is a fixed asset fund and represents the net book value of unrestricted tangible fixed assets and hence is not available for working capital.

Group	At 1 April 2014 £'000	Movement for the year £'000	At 31 March 2015 £'000
Fixed asset fund	77	(10)	67

Charity	At 1 April 2014 £'000	Movement for the year £'000	At 31 March 2015 £'000
Fixed asset fund	32	(6)	26

15 Pension commitments

The Royal Borough of Greenwich pension fund is a defined benefit scheme. Contributions payable to the Scheme by Charlton Athletic Community Trust are determined on the basis of triennial valuations carried out by a qualified actuary using the projected unit method.

The financial assumptions used to calculate Scheme liabilities under FRS 17 are as follows:

	At 31 March 2015 % pa
RPI increases	3.4%
CPI increases	2.6%
Salary increases	4.1%
Pension increases	2.6%
Discount rate	3.5%

The mortality assumptions used were as follows:

	2015 years
Longevity at age 65 for current pensioners	
. Men	23.7
. Women	24.8
Longevity at age 65 for future pensioners	
. Men	26.0
. Women	27.2

15 Pension commitments (continued)

The assets in the Scheme and the expected rate of return.

	Long-term rate of return, expected at 31 March 2015 %	Value at 31 March 2015 £'000
UK equities	6.6	10
Overseas equities	6.6	39
Other bonds	4.2	40
Property	4.6	22
Cash	0.5	3
Alternative assets	n/a	n/a
Unitised insurance policies	6.6	51
UK & overseas unit trusts	6.6	51
Total market value of assets	5.9	216
Present value of Scheme liabilities		(377)
Deficit in the Scheme		(161)

Total expenditure recognised in the Statement of Financial Activities.

	2015 £'000
Current service cost	51
Interest cost	11
Expected return on Scheme assets	(13)
(Gains) on curtailments and settlements	(48)
Total expenditure recognised in the SOFA	1

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities in a loss of £84,000.

Reconciliation of opening and closing balances of the present value of the charity's share of the Scheme liabilities:

	2015 £'000
Scheme liabilities at 1 April 2014	211
Current service cost	51
Interest cost	11
Contributions by Scheme participants	14
Actuarial losses	90
Scheme liabilities at 31 March 2015	377

The next actuarial valuation of the Scheme will be undertaken as at 31 March 2016 and will set contributions for the period from 1 April 2017 to 31 March 2020.

The best estimate of contributions to be paid by the employer to the Scheme for the year ending 31 March 2016 is £38,000.

15 Pension commitments (continued)

Reconciliation of opening and closing balances of the fair value of the charity's share of the Scheme assets:

	2015 £'000
Scheme assets at 1 April 2014	100
Expected return on scheme assets	13
Actuarial gains	12
Contributions by employer	29
Contributions by scheme participants	14
Settlement prices received	48
Fair value of Scheme assets at 31 March 2015	216

The return on the Scheme for the year to 31 March 2015 is estimated to be 6%.

Movement in deficit during the year.

	2015 £'000
Scheme deficit at 1 April 2014	(111)
Current service cost	(51)
Employer contributions	29
Net finance income	2
Settlements and curtailments	48
Actuarial losses	(78)
Scheme deficit at 31 March 2015	(161)

16 Lease commitments

a. Finance lease commitments

The future finance lease obligations to which the group and charity are committed are as follows:

Group and charity	2015 £'000	2014 £'000
Within one year	—	3

b. Operating lease commitments

At 31 March 2015 the charity had annual commitments under non-cancellable operating leases in respect of:

	Land and buildings		Office equipment	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Operating leases which expire:				
Within one year	20	20	—	—
Between 2 and 5 years	—	—	6	5

