

Charity Registration No. 1179847

Company Registration No. 11145243 (England and Wales)

ALEX FERRY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
(A COMPANY LIMITED BY GUARANTEE)

ALEX FERRY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Emerson (Chair of the Board) T Griffiths (Lay Member) D M Holland (CSEU Member) A J McDiarmid (CSEU Member) D S McPhee (Lay Member) C Stevenson (Lay Member) M Roberts (CSEU Member) M Khan (Lay Member) D Bradbury (Lay Member)	(Appointed 7 February 2024) (Appointed 1 January 2023) (Appointed 1 January 2023) (Appointed 1 January 2023)
Executive Director	K Goddard	
External Relations Director	I Waddell	
Finance and Administration Manager	N Ojike	
Charity number	1179847	
Company number	11145243	
Registered office	10 Salamanca Place Vauxhall London SE1 7HB	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER	
Bankers	Unity Trust Bank Plc Four Brindleyplace Birmingham B1 2JB	
Legal advisors	Bates Wells 10 Queen Street Place London EC4R 1BE	
Investment advisors	Rathbones Investment Management Ltd 8 Finsbury Circus Finsbury London EC2M 7AZ	

ALEX FERRY FOUNDATION

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ALEX FERRY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and financial statements for the year ended 31 December 2023.

Statement from the Chair

The Alex Ferry Foundation was established on 24 December 2018 following the granting of a Court Order releasing funds from the CSEU 35 Hour Week Campaign Fund. It is a registered charity, regulated by the Charity Commission.

The Foundation and its Trustees operate a Community Grants scheme supporting communities identified by Confederation of Ship Building and Engineering Unions (CSEU) districts and regions as causes they wish to support which meet the due diligence requirements of the Foundation. In a similar vein, the Foundation also makes Research Grants to a range of organisations.

The Funds of the Foundation were held in two parts, the first being the amount transferred on the day of registration (11 January 2018) and the second part being the remainder of the Fund (including a Unity Trust Bank plc shareholding) which was retained in the "Retention Fund" for a limited period to deal with any outstanding liabilities that might arise over a fixed period. In due course, this was passed to the Foundation by way of a final transfer as required by the Court Order. This process occurred in December 2023, at which point the "Retention Fund" was absorbed wholly into the Foundation, creating one single fund that can be used to further the charitable aims of the organisation.

Public Benefit

In making our decisions about public benefit and all activities of the Foundation we have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019)".

Incorporation and governing document

Alex Ferry Limited was incorporated on 11 January 2018 as a private company limited by guarantee with no share capital under the company registration number 11145243. The company was registered with the Charity Commission on 7 September 2018 under the charity registration number 1179847. On 14 May 2019 the company changed its name to Alex Ferry Foundation. The Foundation is governed by its Articles of Association.

Administrative details

Details of the legal and administrative information in relation to the Foundation are set out at the front of the financial statements. These details include the Trustees of the Foundation as well as the organisations providing banking services, investment advice, legal advice, and audit services..

Objectives and activities

The Alex Ferry Foundation has the following aims and objectives as laid out in our registration document with the Charity Commission. The Foundation's objects are specifically directed to the following activities for their beneficiaries:

- The relief of financial hardship/poverty.
- The relief of sickness and the preservation of health.
- The promotion of education and/or training.
- The carrying out and publishing of research into ways in which the quality of life of workers in the UK shipbuilding and engineering industries and in related manufacturing industries, might be improved, including their work/life balance.

The Trustees have set out how these objectives will be achieved in their Strategic Plan 2024 – 2027. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Foundation should undertake.

ALEX FERRY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Foundation continues to operate with a small executive team dedicated to ensuring that the organisation delivers on its vital mission to serve workers and former workers within their communities as well as supporting and promoting access to good, secure work, both now and into the future.

Our mission can be seen as running through everything that the Foundation has done over the past year, whether it is in developing research around shorter working time (an issue that, due to the origins of the Foundation, will always be at the heart of everything we do), workers' voice, trade unionism, the just transition, or in our responsive, locally focused funding of communities throughout the UK. But our mission does not begin and end with the grants that we make. We have also been working hard to raise awareness of work-related issues, supporting research profiling the benefits of shorter working time and supporting the Breathe Safe Campaign, for instance, both across and beyond civil society. To this end, we have been active in discussions with researchers, grant-makers and think tanks throughout the course of the year, with the aim of sharing our unique mission as widely as possible and leveraging more interest, finance, and support to the cause of 'good work'.

Throughout the period covered by this report, the Foundation has worked hard to be adaptable, attentive, and pragmatic in how we meet our charitable aims.

Strategy

The Board has continued to follow the approved Strategic Plan throughout 2023; developing, extending, and implementing our local community grant-making programme, driven by ideas from local trade union groups in the relevant unions. In addition, we have developed a wide-ranging and well-respected suite of research grants, looking to influence the debate about the future of work in ways that are relevant to the interests of our beneficiary groups, their wider community, and the trade union movement.

During this period, the Foundation has gone from strength to strength; distributing substantial funds through our community grants programme to vital local organisations, supporting a range of high-quality work-related research, and beginning to build strong connections between trade unions, research institutions and civil society more broadly.

As we reached the end of the period covered by the strategic plan, the Foundation also began the process of assessing its work and developing a refined and enhanced strategic plan covering the 2024-27 period. This process was undertaken with outside expert facilitation and will provide a robust framework for operational and financial decision making in the forthcoming years.

Achievements and performance

As a grant-making organisation, the Alex Ferry Foundation undertakes no fundraising activity in order to fulfil its charitable aims and objectives, rather they are discharged via our two primary programmes as outlined below in the 'grants' section of this document. This grant-making is funded via income derived from our investment portfolio, in-line with the investment policy also detailed herein.

While there remained some underspend relative to our stated ambition within the community grants programme, the executive and board are taking measures to ensure that this underspend will be distributed in-line with our strategic objectives over the coming months and that mechanisms are in place to ensure we use our income to deliver our charitable mission effectively and efficiently. The research grant programme experienced fewer operational disruptions and was distributed in full and on time. On an individual level, the Foundation requires each grantee to report progress six months after receiving a grant and then again upon the completion. This reporting requires grantees to identify the outcomes and outputs of the grant against stated aims and also state any factors that have hindered impact or delivery.

Grant policy

The Trustees will pay due regard to guidance issued by the Charity Commission in deciding what activities to undertake. As a new Foundation with limited staff resources, the Trustees have decided that they will not offer grants to individuals.

They will instead concentrate on offering grants to charitable projects that fulfil the aims and objectives of the Foundation. The details of the grant making strategy are contained in the Trustees' report and Strategic Plan.

The Foundation will also work with other organisations including other charities, benevolent funds, foundations, and research bodies to identify and deliver national campaigns and projects related to its aims and objectives.

ALEX FERRY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Community Grants

2023 saw the continuation of our Community Grants programme on a national scale, spanning ten UK geographical areas:

East Midlands	Eastern
North West	Northern Ireland
Scotland	Southern
South West	Wales
West Midlands	Yorkshire, Humberside, and North East

In general, our Community Grants programme focused on funding organisations that make a positive contribution to the local community, improving places, spaces and addressing genuine need on the ground.

Community grants range from £500 to £10,000 and are targeted at registered charities with an income of less than £2million per annum and some track record of delivery. In order to make community grants the Foundation has worked closely with CSEU District Committees. District Committees identify charitable projects that reflect both their local priorities and those of the Foundation, making recommendations which are then considered against criteria and administered by the executive. In the period covered by this report, £296,000 of community grants were awarded, with underspend rolled into 2024 budgets for the districts where it is applicable.

Research Grants

True to its origin in the struggle for shorter working time, the Foundation is dedicated to funding research and policy that makes strategic and long-term interventions in the debate around how to ensure that the future of work is both just and has the desires, needs, and demands of working people at its heart. To this end we have distributed £212,000 in research grants over the past twelve months, to a range of organisations and projects, a number of which will continue to deliver outputs into 2024.

Financial review

The review of the Foundation's financial position takes place at the last meeting within the reporting period at its November Board meeting. The review is conducted alongside receiving reports from the Foundation's Investment managers and independent financial advisers. It is conducted against the background of the 10-year funding plan which allows a reasonable risk across the portfolio.

The Foundation contained the full amount of the Retention Fund (RF), mentioned earlier in the report, in a restricted fund throughout the reporting period. This continued until December 2023. At this stage, it became fully available to the Foundation as part of its investment portfolio and was transferred to unrestricted funds as required by the Court Order.

The value of the Fund's assets available to the Foundation at the end of reporting were £21.9m, following the transfer of restricted funds to unrestricted funds.

At the end of this reporting year there were no uncertainties about the Foundation continuing as a going concern.

There were no significant events that have affected the financial performance of the Foundation during the year ending 31 December 2023.

With inflation easing, interest rates have largely stabilised, and although the broader economy has remained volatile, outright recession has been avoided. However, the operating environment has remained challenging, the cost of living crisis means need has continued to grow, while market and economic performance has been brittle and erratic.

ALEX FERRY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

High interest rates, soaring bond yields and a strong dollar all helped rattle market nerves at the beginning of the period. The fixed income market witnessed a significant downturn, marked by long-term US government bond yields reaching levels not witnessed in 15 years or more. The surge in bond yields triggered market turbulence, impacting everything from real estate to equities. Markets bounced back strongly in November, driven by belief the Fed has stopped raising interest rates. The Fed and the UK central bank both kept interest rates on hold again in their December meetings, providing broad hints we have now reached the peak of the current cycle of rate increases. While the outlook for 2024 is arguably more stable, the Foundation is having to continually review its market expectations in the light of ongoing headwinds and volatility, remaining cognisant of our investment strategy and also our primary requirement to fulfil our charitable mission.

Reserves policy

The Foundation's reserve policy is in two parts. A short-term reserve provides immediate liquidity for one year and is deposited in "safe" assets, such as bank accounts. Its target value is one year's expenditure less the anticipated income. A long-term reserve provides exposure to long term economic growth. Its target value will be £9.6 million (at 1 April 2022 subject to inflationary increases), increased annually by CPI inflation from then and is invested to achieve high, long term sustainable growth.

The value of the Fund's assets available to the Foundation at the end of reporting were £21.9 million.

Investment policy and performance

The Board continued monitoring its investment strategy in line with its investment policy statement. This will include the aim of maintaining the capital value of the Foundation's investments at no less than its real value on 1 June 2020.

It will also maintain the Board's investment policy of total-return investment. The key elements of the policy are to:

1. Generate an income (from the investments, capital growth and reserves) to meet the planned annual expenditure.
2. Use the reserve over the period to stabilise income shortfalls.

A full review was undertaken in 2021 with the newly appointed independent financial advisers which looked into all aspects of the Foundation's investment strategy and advised accordingly.

The Board reviewed and approved its investment policy in July 2021 which includes the key points set out below:

The Alex Ferry Foundation appoints professional investment management to manage the assets on a discretionary basis, in line with this investment policy. The Foundation will maintain a nominated list of authorised signatories, two of which are required to sign instructions to the investment manager. Those nominated Trustees have responsibility for advising the Board on variations in strategy and in monitoring the investment assets against target. Performance will be reviewed by the full Board on a six-monthly basis, and the investment manager(s) will be required to present at least once a year to the Board.

The Trustees have responsibility for varying strategy and monitoring the investment assets against target.

At least every six months the Trustees will review financial performance, ESG activity; and provide the following information on a quarterly basis:

- The market value of investments, compared with the up-to-date Target Value;
- The market value, since inception, compared to CPI + 4%;
- A market-based benchmark return (70% in global equities, 30% in global bonds);
- A peer group benchmark such as the ARC Steady Growth Index.

The base currency of the investment portfolio is Sterling.

The AFF's assets can be invested widely and in line with Charity Commission guidance and best practice according to the appointed manager's discretion. Investments into derivatives or derivative based investments are permitted only for efficient portfolio purposes and not for speculation. The long-term fund investment objective is to produce a sustainable flow of cash (after fees and inflation) over 4% over the long term.

The Trustees continue to assess the major risks to which the Foundation portfolio is exposed and recognise the primacy of the investment management risk. The Trustees have ongoing arrangements with independent professional advice.

Fundraising activities

The Foundation has not carried out any fundraising activities.

ALEX FERRY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for Future Periods

Over the next twelve months the Foundation will move into a new strategic phase, 2024-2027, which will be implemented in accordance with a published plan developed in accordance with trustees and outside facilitators. While our charitable aims remain unchanged, we nonetheless are in the fortunate position of being able to reflect on the Foundation's first real strategic cycle and look to refine our focus and commitments, as well as look to maximise the way we leverage our endowment in the service of our mission. We will continue to drive forward the community grants programme, ensuring that expenditure happens across all districts at a level that delivers much needed direct support on an ongoing and focused basis. We will also look to capitalise on the opportunities of the present moment as it relates to our research agenda; ensuring that we produce work that is usable and relevant on the shopfloor and in the many ongoing campaigns to secure better working conditions for employees in the face of the many economic and political headwinds that continue to hinder the progress of the broader historical labour movement. We will do all of this within the broader context of a change in government, which may present additional opportunities to drive forward our charitable mission within a legislative framework. We also have high hopes for the ongoing development of our Breathe Safe Campaign, which is already beginning to make progress and gather support within the UK Parliament and amongst the affected workforce and their families.

Throughout all of this, we will continue to work collaboratively with both the trade union movement and civil society, making a case for visions of the future that include good work, supportive communities, and a commitment to working together in solidarity.

Structure, governance and management

The Foundation is a company limited by guarantee.

The Trustees meet at least five times in any calendar year and discuss progress, strategy, and future plans. All key decisions affecting the Foundation are agreed at these meetings. The day-to-day management of the Foundation is delegated by the Trustees to Keiran Goddard as Executive Director who regularly meets with the Chair and Independent Director, David Emerson.

The Foundation continues to work closely with the Confederation of Shipbuilding & Engineering Unions and shares premises and resources with that body.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J F Rowse (Chair of the Board)	(Resigned 7 February 2024)
D Emerson (Chair of the Board)	(Appointed 7 February 2024)
T Griffiths (Lay Member)	
D M Holland (CSEU Member)	
A J McDiarmid (CSEU Member)	
D S McPhee (Lay Member)	
H Scullion (Subscriber)	(Resigned 7 February 2024)
C Stevenson (Lay Member)	
M Roberts (CSEU Member)	(Appointed 1 January 2023)
M Khan (Lay Member)	(Appointed 1 January 2023)
D Bradbury (Lay Member)	(Appointed 1 January 2023)

ALEX FERRY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The newly elected Trustees replace S G Hibbert (resigned 31 December 2022), R A Holmes (resigned 31 December 2022) and R Murdoch (resigned 04 March 2022) respectively and assumed office on 1 January 2023.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

The executive staff of the Foundation consists of one full time member of staff and two part time members of staff, currently consisting of an executive director, a director of external relations and a finance manager. Day to day operations are undertaken by this executive team, while all grant expenditure out with the community grant process and above a nominal level is ratified by the trustee board during scheduled meetings. Pay levels are set by the board, subject to an annual review process and benchmarked against comparable roles within the sector.

Recruitment

The Trustees are elected in accordance with the Articles of Association which provides for five lay member Trustees and three trade union officers appointed by the CSEU.

The three trade union officers elected by the CSEU Executive Committee and serve for a four-year period.

The Five lay members are elected at a specially convened meeting once every four years comprising solely of lay representatives of the CSEU District Committees. These elections took place in January 2023.

The Independent Director is elected by Board members and also holds office for four years and was re-elected at the November Board meeting. Any Board member resigning within that period, including the Independent Director, is replaced by the above methods to serve out the remaining period of office.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

David Emerson.....

D Emerson CBE

Chair of the Board

Dated: 14 Aug 2024
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ALEX FERRY FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also the directors of Alex Ferry Foundation for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

ALEX FERRY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALEX FERRY FOUNDATION

Opinion

We have audited the financial statements of Alex Ferry Foundation (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

ALEX FERRY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ALEX FERRY FOUNDATION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the Foundation has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The Foundation did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the Foundation. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the Foundation, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the Foundation, together with the discussions held with the Foundation at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Reviewing and challenging the assumption and judgements made by management in their significant accounting estimates.
- Obtaining third-party confirmation of material bank balances and investments.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the Foundation board minutes for discussions of irregularities including fraud.

ALEX FERRY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ALEX FERRY FOUNDATION

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors of the company.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Carol Rudge
Carol Rudge (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom
14 Aug 2024.....

ALEX FERRY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £'000s	Restricted funds 2023 £'000s	Total 2023 £'000s	Unrestricted funds 2022 £'000s	Restricted funds 2022 £'000s	Total 2022 £'000s
Income from:							
Investments	3	253	206	459	254	172	426
Expenditure on:							
Raising funds	4	53	57	110	55	30	85
Charitable activities	5	827	-	827	667	24	691
Total resources expended		880	57	937	722	54	776
Net gains/(losses) on investments	10	366	171	537	(1,004)	(413)	(1,417)
Net incoming/(outgoing) resources before transfers		(261)	320	59	(1,472)	(295)	(1,767)
Gross transfers between funds	15	11,933	(11,933)	-	-	-	-
Net movement in funds		11,672	(11,613)	59	(1,472)	(295)	(1,767)
Fund balances at 1 January 2023		10,176	11,613	21,789	11,648	11,908	23,556
Fund balances at 31 December 2023		21,848	-	21,848	10,176	11,613	21,789

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ALEX FERRY FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£'000s	£'000s	£'000s	£'000s
Fixed assets					
Investments	11		21,713		21,207
Current assets					
Debtors	13	3		5	
Cash at bank and in hand		286		751	
		<u>289</u>		<u>756</u>	
Creditors: amounts falling due within one year	14	<u>(154)</u>		<u>(174)</u>	
Net current assets			135		582
Total assets less current liabilities			<u>21,848</u>		<u>21,789</u>
Income funds					
Restricted funds	16		-		11,613
Unrestricted funds			21,848		10,176
			<u>21,848</u>		<u>21,789</u>

The financial statements were approved by the Trustees on 14 Aug 2024

David Emerson
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D Emerson CBE
Chair of the Board

Company Registration No. 11145243

ALEX FERRY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022	
	Notes	£'000s	£'000s	£'000s	£'000s
Cash flows from operating activities					
Cash absorbed by operations	19		(845)		(648)
Investing activities					
Cash withdrawn from portfolio		362		347	
Investment income received		18		81	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			380		428
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net decrease in cash and cash equivalents			(465)		(220)
Cash and cash equivalents at beginning of year			751		971
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>286</u>		<u>751</u>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Alex Ferry Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Salamanca Place, Vauxhall, London, SE1 7HB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Article of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Foundation is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, after considering future financial projections, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for at least 12 months from the approval of these accounts and for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Investment income is accounted for on an accruals basis.

1.5 Expenditure

Resources expended are recognised in the period to which they relate.

Governance includes the costs of compliance with constitutional and statutory requirements.

Grants payable are charged to the statement of financial activities in the period in which the grant commitment is made and a liability is recognised for the full amount of the grant award, unless there are conditions attaching to its payment which limit the recognition.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date using quoted prices in an active market. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred. For unlisted investments, when their fair value at each reporting date cannot be reasonably estimated these are measured at their latest purchase offer.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and other short-term liquid investments with original maturities of three months or less.

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.8 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

As at 31 December 2023 the carrying amount of the following asset was subject to judgement:

-The fair value of unlisted equity investments are based on the latest purchase offer.

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £'000s	2023 £'000s	2023 £'000s	2022 £'000s	2022 £'000s	2022 £'000s
Investment income	248	194	442	243	168	411
Interest receivable	5	12	17	11	4	15
	<u>253</u>	<u>206</u>	<u>459</u>	<u>254</u>	<u>172</u>	<u>426</u>

4 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £'000s	2023 £'000s	2023 £'000s	2022 £'000s	2022 £'000s	2022 £'000s
Investment management fees	53	57	110	55	30	85
	<u>53</u>	<u>57</u>	<u>110</u>	<u>55</u>	<u>30</u>	<u>85</u>

5 Charitable activities

	2023 £'000s	2022 £'000s
Grant funding of activities (see note 6)	508	353
Support costs (see note 7)	288	301
Governance costs (see note 7)	31	37
	<u>827</u>	<u>691</u>
Analysis by fund		
Unrestricted funds	827	667
Restricted funds	-	24
	<u>827</u>	<u>691</u>

The charity awards community and research grants for education and training purposes.

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Grants payable	2023 £'000s	2022 £'000s
Grants to institutions:		
<u>Community grants</u>		
Advantage! Barrow Raiders Community Foundation	10	-
A S D Rainbows	5	-
Acacia Family Support	3	-
Asbestos Community Trust	3	-
Bilton Hall Cimmunity Trust	2	-
Birmingham Peoples Centre	5	-
Calon Hearts	5	-
Campaign Bootcamp	5	-
Church on the Street Ministries	5	-
Cleckheaton Foodbank	7	-
Doorway	3	-
Good Shepherd Services	3	-
If U Care Share	9	5
In This Together	-	10
Kids in Action	-	10
Ledbury Food Bank	3	-
Mind in Furness	-	9
People's Kitchen Belfast	-	10
Men's Shed Goven	5	-
Salford Unemployed and Community Resource Centre	10	-
Southampton Advice Representation Centre (SARC)	10	10
Staffordshire Network for Mental Health	3	-
Smethwick Church Action Network	3	-
Emmanuel House Support Centre	10	-
Colne Open Door Centre	10	-
Derbyshire Unemployed Worker's Centre	20	-
East Belfast Mission	10	-
The Ben Parker Trust Fund	7	-
West View Advice & Resource Centre	10	-
Argyle Community Trust	-	9
Blood Bikes Wales	-	10
Chums	10	-
Daventry Contact	10	-
Derby Toc-H Children's Camp	10	-
Dracena Centre	-	10
Devon Community Foundation (DCF)	-	10
Fairefield Community Sports Hub	-	10
Lee Gardens Pool Committee	10	-
Glasgow Barons	10	-
Liverpool Six Community Association	10	-
Lochee Community Larder & Cafe	10	-
The Peoples Orchestra	5	-
The Really Amazing Charity TRAC	5	-
Scottish Hazards	10	-
The Pyramid at Anderston	10	-

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6	Grants payable	(Continued)	
	People's Kitchen Belfast	-	10
	Playlist for life	-	-
	Power2	20	-
	Valley Kids	10	-
	West Midlands Regions	-	-
	Working Class Movement Library	-	10
		<hr/>	<hr/>
		296	123
	<u>Research grants</u>		
	4 Day Week	25	-
	Institute for Public Policy Research	15	15
	European Work Time Network	7	-
	Institute of Employment Rights	-	20
	Unions21	16	15
	Breathe Safe Campaign	13	-
	Common Wealth	20	-
	FairShare T/A ShareAction	-	-
	Autonomy	33	32
	Cleaners Unite	-	13
	The Equality Trust	-	16
	Fabian Society	-	15
	Institute for the Future of Work	-	15
	Jimmy Reid Foundation	-	14
	The Centre of Progressive Change	16	-
	Pensions & Investment Research Consultants	34	30
	Progressive Economy Forum	-	10
	Other	33	35
		<hr/>	<hr/>
		212	230
		<hr/>	<hr/>
		508	353
		<hr/> <hr/>	<hr/> <hr/>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Support costs	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Personnel costs	229	-	229	221	-	221
Travel and subsistence	1	-	1	1	-	1
Occupancy costs	12	-	12	19	-	19
Legal and professional	10	-	10	30	-	30
Premises costs	26	-	26	19	-	19
HR costs	7	-	7	8	-	8
Meeting costs	3	-	3	3	-	3
Audit fees	-	25	25	-	29	29
Non - audit fees	-	6	6	-	8	8
	<u>288</u>	<u>31</u>	<u>319</u>	<u>301</u>	<u>37</u>	<u>338</u>
Analysed between						
Charitable activities	<u>288</u>	<u>31</u>	<u>319</u>	<u>301</u>	<u>37</u>	<u>338</u>

Governance costs includes payments to the auditors of £25,000 (2022: £29,000) for audit fees and £6,300 (2022: £8,000) in respect of non-audit fees.

8 Trustees

During the year expenses incurred by ten (2022: ten) of the Trustees and reimbursed to them amounted to £1,305 in relation to travel expenses (2022: £1,538).

9 Personnel

The average monthly number of individuals paid during the year was:

	2023 Number	2022 Number
	3	3
	<u>3</u>	<u>3</u>
Personnel costs	2023	2022
	£'000s	£'000s
Wages and salaries	210	191
Freelance costs	2	11
Social security costs	15	14
Other pension costs	19	17
Recharges	(17)	(12)
	<u>229</u>	<u>221</u>
	<u>229</u>	<u>221</u>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Personnel

(Continued)

Wages and salaries include amounts recharged of £50,952 (2022: £47,899) from other entities for individuals who carry on our charitable activities. These individuals are not employed by Alex Ferry Foundation.

Recharges of £17,313 (2022: £11,542) arise from staff time costs spent with the Confederation of Shipbuilding and Engineering Unions.

The key management personnel of the charity comprises the Trustees, Executive Directors and Finance and Administration Manager. The Trustees do not receive any remuneration, except as stated in note 8. The total employee benefits of the other key management personnel of the charity were £229,313 (2022: £220,368).

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
	Number	Number
£80,001 - £90,000	1	1

10 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Revaluation of investments	427	207	634	(759)	(305)	(1,064)
(Loss)/gain on sale of investments	(61)	(36)	(97)	(245)	(108)	(353)
	<u>366</u>	<u>171</u>	<u>537</u>	<u>(1,004)</u>	<u>(413)</u>	<u>(1,417)</u>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Fixed asset investments

	Listed investments £'000s	Unlisted investments £'000s	Cash in portfolio £'000s	Total £'000s
Cost or valuation				
At 1 January 2023	13,336	7,286	585	21,207
Additions	1,605	-	(1,605)	-
Valuation changes	634	-	-	634
Investment management fees	-	-	(110)	(110)
Cash withdrawn	-	-	(363)	(363)
Dividends received	-	-	442	442
Disposals	(1,688)	-	1,591	(97)
	<u>13,887</u>	<u>7,286</u>	<u>540</u>	<u>21,713</u>
Carrying amount				
At 31 December 2023	<u>13,887</u>	<u>7,286</u>	<u>540</u>	<u>21,713</u>
At 31 December 2022	<u>13,336</u>	<u>7,286</u>	<u>585</u>	<u>21,207</u>

12 Financial instruments

	2023 £'000s	2022 £'000s
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	21,713	21,207

13 Debtors

	2023 £'000s	2022 £'000s
Amounts falling due within one year:		
Other debtors	2	-
Prepayments and accrued income	1	5
	<u>3</u>	<u>5</u>

14 Creditors: amounts falling due within one year

	2023 £'000s	2022 £'000s
Other creditors	130	136
Accruals and deferred income	24	38
	<u>154</u>	<u>174</u>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Retirement benefit schemes

Defined contribution schemes

The Foundation operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £19,143 (2022: £16,819).

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Restricted funds

The income funds of the charity include restricted funds comprising the following amounts held on trust for specific purposes:

	Movement in funds				Movement in funds					Balance at 31 December 2023
	Balance at 1 January 2022	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
The Retention Fund	11,908	172	(54)	(413)	11,613	206	(57)	(11,933)	171	-

This restricted income fund is the "Retention Fund" held by separate trustees for the benefit of the Foundation. The Retention Fund was created by the Court Order that released funds from the CSEU 35 Hour Week Campaign Fund and led to the formation of the Foundation. The trustees of the Retention Fund can make transfers to the unrestricted funds of the Foundation in certain circumstances.

The transfer made during the year relates to one lump sum received from the Retention Fund by way of a final transfer as required by the Court Order. This is classified as a movement between restricted and unrestricted funds, following the Retention Fund becoming unrestricted during December 2023.

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Analysis of net assets between funds

	Unrestricted funds 2023 £'000s	Restricted funds 2023 £'000s	Total 2023 £'000s	Unrestricted funds 2022 £'000s	Restricted funds 2022 £'000s	Total 2022 £'000s
Fund balances at 31 December 2023 are represented by:						
Investments	21,713	-	21,713	9,894	11,313	21,207
Current assets/(liabilities)	135	-	135	282	300	582
	<u>21,848</u>	<u>-</u>	<u>21,848</u>	<u>10,176</u>	<u>11,613</u>	<u>21,789</u>

18 Related party transactions

The Foundation paid a net amount of £33,638 (2022: £36,158) for recharge to the Confederation of Shipbuilding and Engineering Unions of £17,313 (2022: £11,542) for the Foundation staff that worked for the Confederation of Shipbuilding and Engineering Unions and recharge from the Confederation of Shipbuilding and Engineering Unions of £50,952 (2022: £47,899) for its staff that worked for the Foundation.

The Foundation received £16,977 (2022: £15,583) from the Confederation of Shipbuilding and Engineering Unions in respect of recharged occupancy costs as the Foundation provides accommodation resources to the Confederation.

I Waddell, the External Relations Director of the Foundation, is General Secretary of the Confederation. D M Holland, A J McDiarmid and M Roberts, who are CSEU Member trustees of the Foundation, are members of the Executive Council of the Confederation.

19 Cash generated from operations

	2023 £'000s	2022 £'000s
Surplus/(deficit) for the year	59	(1,767)
Adjustments for:		
Investment income recognised in statement of financial activities	(459)	(426)
Loss on disposal of investments	97	353
Fair value gains and losses on investments	(634)	1,064
Investment management fees	110	85
Movements in working capital:		
Decrease in debtors	2	6
(Decrease)/increase in creditors	(20)	37
Cash absorbed by operations	<u>(845)</u>	<u>(648)</u>

20 Analysis of changes in net funds

The charity had no debt during the year.