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COMPANY REGISTRATION NUMBER 08008229

Manchester Care and Repair
Financial Statements
For the Year Ended
31 March 2021

Charity Number 1147174

Manchester Care and Repair
Financial Statements
For the Year Ended 31 March 2021

Contents	Pages
Trustees' Annual Report	1 to 8
Independent Auditor's Report to the Members	9 to 12
Statement of Financial Activities (Incorporating the Income and expenditure account)	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 30

Manchester Care and Repair

Trustees' Annual Report

For the Year Ended 31 March 2021

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the Charity for the year ended 31 March 2021.

Reference and Administrative Details

Registered Charity Name	Manchester Care and Repair
Charity Registration Number	1147174
Company Registration Number	08008229
Registered Office	Unit 14 Empress Business Centre 380 Chester Road Manchester M16 9EA

The Trustees

The Trustees who served the charitable company during the year were as follows:

H Lang – Chair & Deputy Treasurer
M Barkat – Treasurer
J Rourke - Resigned 3.11.2020
P Smith
S Jackson
C Green – Appointed 18.5.2021
C Thomason – Appointed 18.5.2021
D Mort – Appointed 18.5.2021
J Baylis – Appointed 18.5.2021
K Cheetham – Appointed 18.5.2021
M Lindars – Appointed 18.5.2021
T McDonald – Appointed 18.5.2021

Executive Director	J Linacre – resigned 8.10.2020
Chief Executive Officer	A Mason – start date 1.9.2020

Manchester Care and Repair

Trustees' Annual Report *(continued)*

For the Year Ended 31 March 2021

Secretary

A Mottram

Auditor

Beever and Struthers
Statutory Auditor
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Bankers

Co-operative Bank plc
6th Floor, Department 20103
1 Angel Square
Manchester M60 0AG

CAF Cash Limited
Kings Hill
West Malling
Kent ME19 4TA

Scottish Widows Bank
67 Morrison Street
Edinburgh EH3 8YJ

Close Brothers Treasury
10 Crown Place
London EC2A 4FT

CCLA Investment
Management Limited
Senator House
85 Queen Victoria Street
London EC4V 4ET

Charity Bank
Fosse House
182 High Street
Tonbridge
Kent TN9 1BE

Epworth
Investment Management
9 Bonhill Street
London EC2A 4PE

Shawbrook Bank Ltd
Lute House
Warley Hill Business Park
The Drive, Great Warley
Essex CM13 3BE

Manchester Care and Repair

Trustees Annual Report *(continued)*

For the Year Ended 31 March 2021

The Trustees present the Report for the year ended 31 March 2021. This is the ninth period as a Company Limited by Guarantee and Registered Charity having converted on 27 March 2012 from the exempt charity and Industrial and Provident Society of the same name, incorporated in 1996.

Summary

Manchester Care and Repair provides practical support focussed on helping people to maintain their independence, wellbeing, safety and security in their own home. The majority of our clients are older people. As an essential service we continued to operate near normally throughout the COVID pandemic ensuring vulnerable and older residents were still able to get home from hospital safely, speak to someone in our office and get the help they needed to stay safe in their own homes.

Our services include:

- The provision of support and advice on home repairs and adaptations including support to access grants and loans for essential repairs, heating and domestic goods.
- Handyperson services fulfilling home safety assessments, minor adaptations, falls prevention adaptations, small home repairs and other housing related odd jobs.
- Caseworker service, supporting people to improve their financial and social independence by helping them to access benefits and entitlements, reduce their bills and connect with other services, activities and community support.
- Home from hospital services providing a range of support, including transport home from hospital, safe and well calls and practical interventions such as fitting key safes, handrails etc.
- During 2020-2021 we also supported the Covid 19 pandemic response by providing a medicines delivery service, delivering chrome books to residents as part of the Local Authorities efforts to help people get online and working with the NHS to support getting health monitoring equipment to COVID patients being monitored at home.

2020-2021 turnover is £1,311,295. The majority of our income comes from local government and NHS contracts and is supplemented by donations, income from trusts and fundraising.

Objects

The Memorandum and Articles of the charitable company are available from the Registered Office and include the following objects: *"The relief of elderly and disabled persons and those affected by long-term illness or poverty or other disadvantage, in particular by:*

- *providing services, advice or assistance for persons in necessitous circumstances upon terms appropriate to their means;*
- *providing houses, hostels, home repairs, adaptations and improvements and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means;*
- *providing education, advice or information to or for any person or body.*

As a registered charity Manchester Care and Repair holds Charity Title from HM Revenue and Customs under reference XT 36625.

The Trustees have paid due regard to Charity Commission guidance on public benefit in deciding what activities the Charity should undertake. The activities are focused on meeting the needs of older and vulnerable people living within specific local authority areas. The service eligibility criteria relate to need, low income and disadvantage. The Trustees are satisfied that the Charity delivers charitable activities for public benefit.

Manchester Care and Repair

Trustees Annual Report *(continued)*

For the Year Ended 31 March 2021

Activity Report for 2020-2021

The total number of client contacts in 2020-2021 was 19,322 up from 18,370 in 2019-2020.

The total number of clients supported directly in 2020-2021 was 6,682 down from 7,639 in 2019-2020

- We handled 1,319 home repair advice enquiries in 2020-2021 (compared to 1,901 in 2019-2020) of these 859 were for contractor advice. We supported 244 clients to obtain financial support and complete essential works via home repairs and welfare grants and loans (268 in 2019-2020)
- Our handyperson service completed 2,450 jobs in 2020-2021 (compared to 6,453 in 2019-2020) 1,165 of these were traditional adaptations and repairs, 1,285 were Covid related support jobs. The Handyperson team was the most affected by Covid restrictions since it is not possible to do their work without home visiting. The team was restricted to urgent falls prevention and hospital discharge jobs for much of the year however they were able to provide logistical support for the wider Covid response and were happy to do so.
- Our casework team supported 1,116 clients during 2020-2021 (full figures for 2019-2020 not available), in the process they secured a total of £1,550,171 (£1,752,838 in 2019-20) of additional income for clients, an average annual increase in income per client of £1,220.34.
- Our Home from Hospital team made calls to 22,325 older hospital leavers (compared to 21,111 in 2019-20), offering support to the 12,774 (11,646 in 2019-20) of them that were reached. Our Assisted Hospital Discharge crew escorted 1,581 patients home from North Manchester General (compared to 2,224 in 2019-2020)

Future Plans

Greater Manchester is well advanced in the development of Local Care Organisations and Integrated Care Activities and has made progress in Joint Commissioning. Manchester Care and Repair continues to enjoy good relationships with commissioners and system leaders across the spectrum and is committed to working with MLCO and continuing to support the delivery of integrated services. During the coming year we will give further consideration as to how we can work more closely with Neighbourhood Teams across Manchester and how we can best work with partners in the voluntary sector across Greater Manchester and with our Care and Repair colleagues nationally.

Manchester Care and Repair plans to replace all its legacy technology during 2021-2022. The commissioning of a bespoke database will improve our ability to report on outcomes for clients and to take a data driven approach to developing our services further. Replacing other hardware and software will also improve our ability to evidence data protection compliance (important in our joint work with health and social care) as well as moving the organisation forward on the road to being 'paper free'.

We plan to refresh our public image and reboot client engagement activity with a new website and new opportunities for clients and supporters to get involved. After a year of lockdown we are delighted to be back visiting clients in their own homes and feel that we can offer more support in terms of encouraging people to reconnect to social and community opportunities. We plan to restart client engagement activity, giving clients the opportunity to meet with each other and work with us to help shape our services as we emerge from the restrictions of the pandemic.

We have invested more resources in seeking to use volunteers, generating donations and making bids to charitable trusts and aspire to use these types of resources to offer some of our services and capabilities to new target groups (older people at the younger end of the spectrum, younger people who are vulnerably housed, younger people with specific limiting health conditions and disabilities) as well as to extend the range of jobs and issues our Handypeople and caseworkers are able to support.

Manchester Care and Repair

Trustees Annual Report *(continued)*

For the Year Ended 31 March 2021

Future Plans (continued)

Manchester Care and Repair appreciate the need to accelerate the drive towards carbon reduction and are committed to finding ways of contributing to this agenda in the way we work and the services that we offer.

Manchester Care and Repair are committed to social value principles and will work to developing a clear statement and plan as to how social value will be embedded within the organisations operations.

Governance and Management

One Trustee, Joanne Rourke, resigned during the year (October 2020). Following a successful board recruitment process in November and December 2020, seven new Trustees were co-opted to the Board. The new Trustees are; Joanne Bayliss, Kathryn Cheetham, Christine Green, Maria Lindars, Tom McDonald, Darren Mort and Clare Thomason. They were formally appointed in May 2021 following a minor change to the Memorandum and Articles to increase the maximum number of Trustees allowed. Heather Lang remains Chair and Deputy Treasurer and Muhammad Barkat remains Treasurer.

The Trustees have met 6 times over the year, agenda items have focused on future strategy, risk, recruitment of the new ED, Covid, Board development and the changing operating environment. A new Organisational Strategy was developed by the Trustees and the Chief Executive Officer at a series of meetings between January and March 2021. The new Strategy covers the period 2021-2024.

During 2020 Manchester Care and Repair's long standing Executive Director, Janette Linacre retired (October 2020). A new Chief Executive Officer, Alice Mason, was appointed in July 2020 and took up her post in September. The Chief Executive Officer has clear delegated powers to run the organisation on behalf of the Board in a Statement of Delegated Authorities, Matters Reserved for the Board and the job description. The trustees consider the key management personnel to be the Trustees, Alice Mason (Chief Executive Officer) and Ann Mottram (Resources Director).

Compliance and Risk Management

The organisation is a Charity (Charity Number 1147174) and a Company Limited by Guarantee (Company Number XXX8008229) as such we are regulated by the Charity Commission and Companies House. The Organisation is registered with the Information Commissioners Office (Registration number Z7014040 and the Financial Conduct Authority (Registration number 716186).

The Organisation maintains a comprehensive risk register that is reviewed at every Board meeting. The Audit Committee oversees the Internal Audit process which selects topics for audit and scrutinises the audit findings thereby providing assurance to the Board.

The Trustees recognise the risks associated with the Charity's reliance on a single contract (albeit a jointly commissioned contract) however they recognise and welcome that broader shifts in public procurement practice mitigate against these risks. The organisation is committed to working with Commissioners to achieve best outcomes both for clients and for the wider system as well as to redouble efforts to widen its pool of investors and supporters.

Staff

At the end of the financial year 2020-2021 the organisation employed 33 staff. No staff members earn above £60,000.

Manchester Care and Repair

Trustees Annual Report *(continued)*

For the Year Ended 31 March 2021

Finances

Income and Expenditure

In spite of a complex year, with additional unexpected costs in relation to Covid, the organisation achieved a small surplus of £6,772. The income for 2020-2021 was £1,311,295. The expenditure for 2020-2021 was £1,304,524. 99.5% of this expenditure was on the charitable purpose of the organisation.

Contract Income

Since 2019 we have been jointly commissioned by health, social care and housing to provide hospital discharge, casework support, handyperson and housing improvement activities across the City of Manchester. Our current citywide services contract runs through until March 2022 with the possibility of 2 x 1 year extensions.

The current contract replaced a number of long-standing contracts with both Manchester City Council and Manchester Clinical Commissioning Group. Joint commissioning helps us to evidence the value of the various elements of our work to a wider range of stakeholders as well as in developing a more joined-up approach to delivery.

During 2020-2021 we also achieved some additional small-scale contracting with public sector partners to help deliver some Covid related logistics support activities.

Donations and Fundraising

Manchester Care and Repair has continued to position itself as a charity which provides services that have a significant impact on older people's welfare. In 2020/2021 the pandemic put a halt to our normal fundraising activities and, since many individuals and organisations were struggling to survive, we decided not to run our regular winter appeal. Nonetheless we continued to receive spontaneous donations. In 2020/21 local residents using our services donated £6,348 (this is included in note 2 of the accounts).

Grants and Loans

Manchester Care and Repair supports the Local Authority in the delivery of Disabled Facility Grants for Home Repairs and for Emergency Heating Grants. The work involves Manchester Care and Repair acting as the interface between the clients and the council, making grant applications to the Council on behalf of clients and, on approval, organising the completions of works. Manchester Care and Repair pays contractors directly, with MCC reimbursing for the cost of works on a monthly basis. This income/expenditure accounted for £366,345 (28%) of our turnover in 2020/2021. This income is shown in the accounts as Manchester City Council Emergency Heating Grant (Note 5).

Manchester Care and Repair directly administer smaller grant programmes for Manchester CCG (Welfare grant) and Foundations (Gas safe project). For these programmes the grant pots are held directly by Manchester Care and Repair and are accounted as income. In 2020/2021 these two grant pots amounted to £16,600 (or 1.3%) of income.

Manchester Care and Repair operates two revolving loan funds on behalf of the council. The organisation holds the funds that back these loans programmes as well as managing the loans processes. At the end of 2020/2021 the Home Energy Loan Plan (HELP) had 243 active loans with the loan fund standing at £935,431. The Property Essential Renovation Loan (PERL) had 67 active loans with the loan fund standing at £332,518. The Community Energy Saving Programme (CESP) fund was endowed by MCC housing in 2011, it is currently dormant for loans purposes. The agreement with MCC is that Manchester Care and Repair draw down from this fund to cover a proportion of the contractual payment due for services. At the end of 2020/2021 the CESP fund stood at £86,333.

Manchester Care and Repair

Trustees Annual Report *(continued)*

For the Year Ended 31 March 2021

Finances (continued)

Grants and Loans (continued)

The loan funds are held in separate bank accounts and the value of loans issued and funds held at the end of financial year 2020-2021 is £1,323,267. (Note 14)

Reserves

The Trustees recognise the importance of a prudent reserves policy which is able to support potential business development whilst maintaining the ability to cover close-down costs as a last resort.

The Trustees report that the balance sheet shows reserves of £ 1,160,725.

As of 31st March 2021 the Board needs to hold £427,216 in order to meet cost of closure liabilities. This leaves £733,509 as free reserves. (Note 17)

The Board reviews its reserves policy and strategy annually. The last review was July 2021 when the statement below was agreed. The next review will be July 2022.

"The Board has examined the organisation's requirements for reserves in the light of the main risks to the organisation, balancing the needs of current and future beneficiaries. The reserves policy is therefore assessed on a basis of risks to the organisation and planned commitments and investments.

The level of reserves required will be recalculated in accordance with a template agreed by the Board and reviewed at the end of each financial year. The amount required will be designated.

The designated reserves calculation will include:-

- 1. Redundancy costs, outstanding lease commitments, estimated dilapidations and pension liability*
- 2. 6 months operational costs*

The level of designated reserves will meet all of the above requirements and will aim not to exceed annual income. The designated reserves will be recalculated annually.

Where the organisation is holding reserves greater than the designated reserves the Trustees will pursue an active policy aimed at investing in:

- 1) Activities or programmes of work that further the purposes of the organisation as described within the memorandum and articles*
- 2) Activities or programmes of work that improve the infrastructure, resilience and sustainability of the organisation.*

Fixed Assets

Details of the movement in fixed assets are set out in Note 11.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors of Manchester Care and Repair for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Manchester Care and Repair

Trustees Annual Report *(continued)*

For the Year Ended 31 March 2021

Trustees' responsibilities in relation to the financial statements (continued)

Company law requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing the 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;
- state whether applicable UK accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

Statement as to disclosure to our auditors

Insofar as the Trustees are aware, at the time of approving our Trustees' annual report:

- there is no relevant information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware, and
- the Trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Basis of preparation

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006. As such, the company is exempt from preparing a Strategic Report.

Signed by order of the Trustees



A Mottram
Company Secretary

5/10/2021

Manchester Care and Repair

Independent Auditor's Report to the Members of Manchester Care and Repair

Year Ended 31 March 2021

We have audited the financial statements of Manchester Care and Repair Limited "the charitable company" for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 accounts 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 charity'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 section of this report.

Manchester Care and Repair

Independent Auditor's Report to the Members of Manchester Care and Repair

Year Ended 31 March 2021

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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. 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.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report which includes the directors' report 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 charitable company 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.

We have nothing to report in respect of the following matters in relation to which 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.

Manchester Care and Repair

Independent Auditor's Report to the Members of Manchester Care and Repair

Year Ended 31 March 2021

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

- Obtained an understanding of the nature and sector of the Company along with reviewing the financial performance and reviewing policies in place.
- We communicated the laws and regulations with the audit team to ensure that they were alert of any indications which would highlight any non-compliance during the audit.
- Reviewed copies of board minutes from throughout the year and any that have taken place after the year end.
- Matters were also discussed with the Executive Director during the planning process and throughout the audit fieldwork in relation to any cases of fraud or non-compliance of laws and regulations which may have taken place during the year.
- Discussed and obtained an understanding in relation to the process for journals being posted into the finance system.
- Reviewed a sample of journals posted throughout the year to ensure that management override hadn't taken place.
- Discussed the accounting estimates and calculations behind these such as depreciation, bad debt provision, accruals, allocation of support cost and expenses, income recognition and pension scheme valuation.

Manchester Care and Repair

Independent Auditor's Report to the Members of Manchester Care and Repair (continued)

Year Ended 31 March 2021

Auditor's responsibilities for the audit of the financial statements (continued)

Because of the inherent limitations of an audit, there is risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at <http://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 Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

**Richard Graham ACA
Senior Statutory Auditor**

**For and on behalf of Beever and Struthers, Statutory Auditor
St George's House
215-219 Chester Road
Manchester
M15 4JE**

Date: 5/10/2021

Manchester Care and Repair

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

For the Year Ended 31 March 2021

		Unrestricted Funds £	Restricted Funds £	Total Funds Year Ended 31 Mar 21 £	Total Funds Year Ended 31 Mar 20 £
	Note				
Income and endowments from:					
Donations and legacies	2	24,406	-	24,406	32,400
Investments	3	4,013	-	4,013	6,391
Charitable activities	4	1,282,876	-	1,282,876	1,539,465
Total incoming resources		<u>1,311,295</u>	<u>-</u>	<u>1,311,295</u>	<u>1,578,256</u>
Expenditure on:					
Charitable activities	6/7	(1,304,523)	-	(1,304,523)	(1,559,955)
Total resources expended		<u>(1,304,523)</u>	<u>-</u>	<u>(1,304,523)</u>	<u>(1,559,955)</u>
Net income and net movement in funds		6,772	-	6,772	18,301
Reconciliation of funds					
Total funds brought forward		1,153,953	-	1,153,953	1,135,652
Total funds carried forward		<u>1,160,725</u>	<u>-</u>	<u>1,160,725</u>	<u>1,153,953</u>

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

All income and expenditure derive from continuing activities.

The notes on page 16 to 30 form part of these financial statements.

Manchester Care and Repair

Balance Sheet

31 March 2021

	Note	31 Mar 21 £	£	31 Mar 20 £	£
Fixed assets					
Tangible assets	11		1,216		751
Current assets					
Stocks	12	5,758		7,924	
Debtors	13	232,471		192,494	
Cash at bank and in hand		1,059,144		1,153,738	
Cash held for loans to residents		<u>708,836</u>		<u>628,748</u>	
		2,006,209		1,982,903	
Creditors: Amounts Falling due Within One Year	14	<u>(846,700)</u>		<u>(829,701)</u>	
Net current assets			1,159,509		1,153,202
Total net assets			<u>1,160,725</u>		<u>1,153,953</u>
Funds of the charity					
Unrestricted income funds	17		<u>1,160,725</u>		<u>1,153,953</u>
Total funds			<u>1,160,725</u>		<u>1,153,953</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the Trustees and authorised for issue on the and are signed on their behalf by:

Heather Lang 5/10/21

H Lang (Chair)
Director

Company Registration Number: 08008229

The notes on page 16 to 30 form part of these financial statements.

Manchester Care and Repair

Statement of Cash Flows

For the Year Ended 31 March 2021

	Note	31 Mar 21 £	31 Mar 20 £
Cash (used in) / provided by operating activities	19	(18,518)	(23,252)
Cash flows from investing activities			
Interest income		4,013	6,391
Proceeds from sale of fixed assets		-	-
Purchase of tangible fixed assets		-	-
Cash provided by investing activities		<u>4,013</u>	<u>6,391</u>
(Decrease)/increase in cash and cash equivalents in the year		(14,505)	(16,861)
Cash and cash equivalents at the beginning of the year		<u>1,782,485</u>	<u>1,799,346</u>
Total cash and cash equivalents at the end of the year		<u><u>1,767,980</u></u>	<u><u>1,782,485</u></u>

The notes on page 16 to 30 form part of these financial statements.

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information

Manchester Care and Repair is a company limited by guarantee, has no share capital and is incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is Unit 14, Empress Business Centre, 380 Chester Road, Manchester, M16 9EA.

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Manchester Care and Repair meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. The Charity undertakes an annual review of its Business Plan. No significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis. The current citywide support service contract is effective from 1st October 2019 until 31st March 2022 (with the potential for 2 x 12 months extensions). In response to Covid 19 and with the agreement of commissioners we have maintained hospital discharge services, remodelled some services and/or redeployed staff (e.g. from non-essential handyperson works to medication deliveries). We have not furloughed any staff and believe that as long as we are flexible and responsive to the changing priorities identified by commissioners our contract is not at risk. Of course this cannot be guaranteed but contractual notice periods and our level of reserves provide reassurance.

Judgements and key sources of estimation of uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

1. Accounting Policies (continued)

Judgements and key sources of estimation of uncertainty (continued)

Due to the nature of the charity's activities e.g. a very limited number of both purchase and sales ledger transactions and with almost all income from statutory bodies (NHS and local authority) there is little requirement for estimation. Revenues and expenses are primarily based on actual sums.

Grant Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Contract and other income

Contract and other income is recognised when it is receivable and to the extent of the completion of services.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering the services undertaken to further the purposes of the charity and their associated support costs.

Expenditure has been charged on the accruals basis and such charges include value added tax where appropriate.

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

1. Accounting Policies (continued)

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the activity to provide support to older people and/or those of any age living with disability to live independently in their own home.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer & Office Equipment	- 33.3% straight line
Fixtures & Fittings	- 20% straight line
Motor Vehicles	- 25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Loans

The Charity holds and manages four funds that are loaned to Manchester residents to facilitate home repairs and improvements. Loans due from residents and loans due to Manchester City Council are offset and the net amount presented in the balance sheet within other creditors. The loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

1. Accounting Policies (continued)

Retirement benefits

The Charity operates two pension schemes with The Pensions Trust and a few insurance companies. The premiums of the policies are invested and managed independently of the finances of the Charity. One scheme is the Ethical Plan which is funded and not contracted out of the state scheme and is a money purchase pension scheme. The other scheme is the Growth Plan. The Growth Plan is funded and not contracted out of the state scheme and is a multi-employer pension plan.

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

The disclosures in the accounts follow the requirements of Section 28 of FRS 102 in relation to multi-employer funded schemes in which the Charity has a participating interest.

Contributions payable to fund past deficits are recognised as a liability in the Charity's financial statements calculated by the repayments known, discounted to the net present value at the year-end using a market rate discount factor of 1.71% at 31 March 2018, 1.39% at 31 March 2019 and 2.53% at 31 March 2020.

The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities in the period incurred.

Volunteers

The Charity has volunteers supporting Handyperson in the Manchester service. Overall this highly valued support is a small part of the charitable activities and the Charity has not made an estimate of its value for these accounts.

Taxation

The Charity's surplus is exempt from taxation as authorised by HM Revenue and Customs in so far as it relates to charitable activities.

The Charity is registered for VAT but a large proportion of its income is exempt for VAT purposes therefore giving rise to a partial exemption calculation. Expenditure is stated inclusive of VAT to the extent that it is suffered by the Charity and not recoverable from HM Revenue and Customs.

2. Income from Donations and Legacies

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds 2020
	£	£	£
Sundry income, gifts and donations	<u>24,406</u>	<u>24,406</u>	<u>32,400</u>

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

3. Income from Investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds 2020 £
Bank interest receivable	<u>4,013</u>	<u>4,013</u>	<u>6,391</u>

4. Income from Charitable Activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds 2020 £
Contractual income	906,931	906,931	645,997
Fees and charges	-	-	-
Grants (note 5)	<u>375,945</u>	<u>375,945</u>	<u>893,468</u>
	<u>1,282,876</u>	<u>1,282,876</u>	<u>1,539,465</u>

5. Income from Charitable Activities - Grants

Source	Project	Deferred Income B/Fwd £	Income Received in Year £	Deferred Income C/Fwd £	New Income For Year £
Statutory Grants - Unrestricted:					
Manchester City Council	Emergency Heating Grant Claim (DFG)	-	366,345	-	366,345
Foundations Independent Living Trust	Gas Safe Programme	5,005	7,000	(2,405)	9,600
Total Statutory Grants: Unrestricted		<u>5,005</u>	<u>373,345</u>	<u>(2,405)</u>	<u>375,945</u>

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

6. Charitable Activities

All the charitable activities related to one activity i.e. to provide support to older people and/or those of any age living with a disability to live independently in their own home.

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Unrestricted Funds 2020
	£	£	£	£
Activities undertaken directly				
Contract labour	427,927	-	427,927	567,521
Materials	16,205	-	16,205	29,973
Service costs	9,689	-	9,689	6,944
Travel and subsistence	25,313	-	25,313	41,268
		-		
Support costs				
Staff costs	714,598	-	714,598	813,990
Insurance	11,875	-	11,875	11,661
Professional fees	6,187	-	6,187	6,119
Rent and rates	36,136	-	36,136	37,470
Repairs and renewals	1,498	-	1,498	603
Computer support, postage and stationery	19,863	-	19,863	19,034
Telephone	9,070	-	9,070	10,695
Advertising	8,381	-	8,381	3,221
Finance charges	971	-	971	873
Depreciation	391	-	391	1,442
Loss on disposal of fixed assets	0	-	0	0
Other	10,630	-	10,630	3,834
Governance costs (see note 7)	5,789	-	5,789	5,307
	<u>1,304,523</u>	<u>-</u>	<u>1,304,523</u>	<u>1,559,955</u>

7. Governance Costs

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds 2020
	£	£	£
External/Internal audit	5,240	5,240	4,550
General Expenses	-	-	-
Recruitment	-	-	-
Travel and subsistence	549	549	757
	<u>5,789</u>	<u>5,789</u>	<u>5,307</u>

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

8. Net Outgoing Resources for the Year

This is stated after charging:

	Year ended 31 Mar 21	Year ended 31 Mar 20
	£	£
Staff pension contributions	35,592	46,149
Depreciation	392	1,442
Loss on disposal of fixed assets	-	-
Auditors' remuneration:		
- external audit of the financial statements	5,240	4,550
- internal audit	-	-
Operating lease payments:		
- land and buildings	33,858	32,395
- vehicles	3,909	4,467
- equipment	816	816

9. Staff Costs and Emoluments

Total staff costs were as follows:

	Year ended 31 Mar 21	Year ended 31 Mar 20
	£	£
Wages and salaries	626,316	710,233
Social security costs	47,082	51,966
Other pension costs	35,592	46,149
Other post-retirement benefit costs	3,088	3,426
Life assurance premiums	2,520	2,216
	<u>714,598</u>	<u>813,990</u>

Particulars of employees:

The average number of employees during the period, calculated on the basis of full-time equivalents (37 hours per week), was as follows:

	Year ended 31 Mar 21	Year ended 31 Mar 20
Number of staff	<u>24</u>	<u>28</u>
Average number of staff (head count)	<u>33</u>	<u>30</u>
Average number of full-time staff (30 hrs per week or more)	14	15
Average number of part-time staff (less than 30 hours per week)	<u>19</u>	<u>15</u>
	<u>33</u>	<u>30</u>

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

9. Staff Costs and Emoluments (continued)

No employee received remuneration of more than £60,000 during the year (2019/20: Nil).

10. Key Management Personnel

The key management personnel comprise the Trustees, the Executive Director and the Corporate Resources Manager.

The Trustees did not receive any emoluments during the year.

No payments were made in 2020/21 to trustees for expenses incurred on behalf of the Charity.

The total employee benefits of the key management personnel were £111,689 (2020- £116,684).

11. Tangible Fixed Assets

	Computer and office Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 01 April 2020	21,468	3,288	11,792	36,548
Additions	858	-	-	858
Disposals	-	-	-	-
At 31 March 2021	22,326	3,288	11,792	37,406
Depreciation				
At 01 April 2020	21,385	3,288	11,125	35,797
Charge for the year	227	-	166	393
On disposal	-	-	-	-
At 31 March 2021	21,611	3,288	11,291	36,190
Net book value				
At 31 March 2021	715	-	501	1,216
At 31 March 2020	84	-	667	751

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

12. Stocks

	31 Mar 21	31 Mar 20
	£	£
Stock	<u>5,758</u>	<u>7,924</u>

13. Debtors

	31 Mar 21	31 Mar 20
	£	£
Trade debtors	179,425	173,526
Prepayments, deposits and accrued income	53,046	18,968
	<u>232,471</u>	<u>192,494</u>

14. Creditors: Amounts falling due within one year

	31 Mar 21	31 Mar 20
	£	£
Trade creditors	22,520	30,287
Taxation and social security	(1,841)	817
Other creditors	198,421	158,167
Loans to Manchester residents	614,531	628,747
Accruals and deferred income	13,069	11,684
	<u>846,700</u>	<u>829,701</u>

Manchester Care and Repair holds and manages four funds that are loaned to Manchester residents to facilitate home repairs and improvements. These are known as HELP, the Home Energy Loan Fund totalling £452,701 (2020: £380,024), PERL, Property Essential Renovation Loan totalling £202,413 (2020: £192,752), PERL 2 (as is PERL) totalling £2,604 (2020: £4,223) and EHCF, Empty Homes Cluster Fund totalling £51,748 (2020: £51,748). These loans are included within other creditors.

The Funds, the interest earned on them and the loans as they are repaid may only be used in accordance with a specific agreement made with Manchester City Council. These Loan Funds are kept and administered separately from the other funds of Manchester Care and Repair.

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

14. Creditors: Amounts falling due within one year (continued)

Total funds, cash remaining to be loaned to residents and loans outstanding are summarised in the following table.

	Total Balance	Cash held for loans to residents	Loans outstanding
	£	£	£
HELP loan	935,431	452,071	483,359
PERL loan	332,518	202,413	130,105
PERL2 loan	3,670	2,604	1,066
EHCF loan	<u>51,748</u>	<u>51,748</u>	<u>-</u>
Total	<u>1,323,367</u>	<u>708,836</u>	<u>614,531</u>

15. Pensions

The total pension contributions paid in the year amounted to £35,592 (2020: £48,365) and at the balance sheet date pension contributions of £0 (2020: £0) were outstanding and are included within creditors.

Manchester Care and Repair participates in two pension schemes with The Pensions Trust. One scheme is the Ethical Plan which is funded and is not contracted out of the state scheme. The Ethical Plan is a money purchase pension scheme. At the balance sheet date there were 6 active members employed by Manchester Care and Repair. The other scheme is the Growth Plan (the Plan). The Plan is funded and is not contracted out of the State scheme. The Growth Plan is a multi-employer pension plan.

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

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Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

15. Pensions (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 Mar 2021	31 Mar 2020
	£	£
Present value of creditor	<u>689</u>	<u>817</u>

Manchester Care and Repair
Notes to the Financial Statements
For the Year Ended 31 March 2021

15. Pensions (continued)

Reconciliation of opening and closing creditor

	Period Ending 31 March 2021 £	Period Ending 31 March 2020 £
Creditor at start of period	817	991
Unwinding of the discount factor (interest expense)	17	12
Deficit contribution paid	(169)	(164)
Remeasurements - impact of any change in assumptions	24	(22)
Remeasurements - amendments to the contribution schedule	0	0
Creditor at end of period	689	817

Income and expenditure impact

	Period Ending 31 March 2021 £	Period Ending 31 March 2020 £
Interest expense	17	12
Remeasurements - impact of any change in assumptions	24	(22)
Remeasurements - amendments to the contribution schedule	-	0
Contributions paid in respect of future service	<u>87</u>	<u>184</u>
Costs recognised in income and expenditure account	128	174

Assumptions

	31 March 2021	31 March 2020	31 March 2019
	% per annum	% per annum	% per annum
Rate of discount	0.66	2.53	1.391

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Manchester Care and Repair
Notes to the Financial Statements
For the Year Ended 31 March 2021

15. Pensions *(continued)*

Deficit Contributions Schedule

Year ending	31 March 2021	31 March 2020	31 March 2019
	£	£	£
Year 1	174	169	164
Year 2	180	174	169
Year 3	185	180	174
Year 4	159	185	180
Year 5	-	159	185
Year 6	-	-	159

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Manchester Care and Repair has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2020. As of this date the estimated employer debt for Manchester Care and Repair was £45,556 (30 September 2020: £52,086).

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

16. Commitments under Operating Leases

At 31 March 2021 the company had total commitments under non-cancellable operating leases as set out below.

	Assets other than Land and buildings	
	31 Mar 21 £	31 Mar 20 £
Operating leases which expire:		
Within 1 year	33,902	35,662
Within 2 to 5 years	88,633	15,519
	<u>122,535</u>	<u>51,181</u>

17. Unrestricted Income Funds

	Designated Funds – operational costs £	General Funds £	Total £
Balance at 1 April 2020	392,926	761,027	1,153,953
Incoming resources	-	1,311,295	1,311,295
Outgoing resources	-	(1,304,523)	(1,304,523)
Transfers	489,164	(489,164)	-
Balance at 31 March 2021	<u>882,090</u>	<u>278,635</u>	<u>1,160,725</u>

The designated reserves are held to cover liabilities of leases and payroll etc. in the event that the organisation ceases to operate.

The Board has an on-going strategy to re-align the organisation to a very different climate through the prudent use of reserves. The Board currently needs to hold £882,090 at the end of March 2021 in order to be confident that it can meet its potential commitments.

18. Analysis of Net Assets Between Funds

	Tangible fixed assets £	Net current assets/ £	Total £
Unrestricted Income Funds	<u>1,216</u>	<u>1,159,509</u>	<u>1,160,725</u>
Total Funds	<u>1,216</u>	<u>1,159,509</u>	<u>1,160,725</u>

Manchester Care and Repair

Notes to the Financial Statements

For the Year Ended 31 March 2021

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds	6,772	18,301
Add back depreciation charge	393	1,441
Add back loss on disposal	-	-
Deduct interest income shown in investing activities	(4,013)	(6,391)
(Increase)/decrease in stock	2,166	(1,884)
(Increase)/decrease in debtors	(39,977)	(41,505)
Increase/(decrease) in creditors	16,999	6,786
Purchase of fixed assets	(858)	-
Net cash used in operating activities	(18,518)	(23,252)

20. Analysis of changes in net debt

	At 1 April 2020	Cashflow	At 31 March 2021
Cash at bank	1,782,485	(14,505)	1,767,980
Loans	(628,748)	(80,088)	(708,836)
	1,153,737	(95,593)	1,059,144

21. Related party transactions

There were no related party transactions with trustees during the year (2020: none).