

Company registration number: 08008229

Charity registration number: 1147174

MANCHESTER CARE AND REPAIR
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022

Horsfield & Smith
Statutory Auditor
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

MANCHESTER CARE AND REPAIR

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MANCHESTER CARE AND REPAIR

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration Number 1147174

Company Registration Number 08008229

Registered Office Unit 14
Empress Business Centre
380 Chester Road
Manchester
Greater Manchester
M16 9EA

Trustees

The Trustees who served during the year were as follows:

H M Lang, Chair & Deputy Treasurer

M K Barkat, Treasurer

P K Smith

C Green

C L Thomason, (resigned 26th July 2022)

D Mort

J Baylis

K Cheetham

M L Lindars

T K McDonald

S W Jackson, (resigned 6th October 2021)

Chief Executive Officer A Mason

Secretary A Mottram

Auditor Horsfield & Smith
Statutory Auditor
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

MANCHESTER CARE AND REPAIR

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Co-operative Bank plc

1 Angel Square

Manchester

M60 0AG

Scottish Widows Bank

67 Morrison Street

Edinburgh

EH3 8YJ

CCLA Investment Management Ltd

Senator House

85 Queen Victoria Street

London

EC4V 4ET

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

CAF Bank

25 Kings Hill Avenue

Kings Hill

West Malling

Kent

ME19 4JQ

Close Brothers Treasury

10 Crown Place

London

EC2A 4FT

Charity Bank

Fosse House

182 High Street

Tonbridge

Kent

TN9 1BE

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2022, in compliance with s414C of the Companies Act 2006.

Achievements and performance

In March 2021 The organisation set seven strategic priorities for the period April 2021 – March 2023. The Priorities are divided into four sections: Operations, Resources, Relationships and Infrastructure. This report covers progress against these priorities in the financial year 2021-2022

Operations

Strategic Priority 1: to continue to provide high quality services to enable people to be safely discharged from hospital and continue to live independently in a healthy home. The organisation continued to operate all its core commissioned services (Handyperson, Home Repairs Support, Casework and Home from Hospital) throughout the year though with some continuing adaptations to Covid restrictions.

During the year 2021-2022 we were in contact with 16,083 service users and provided direct support services to 8,348 individuals or families. The home from hospital service advised 7,735 hospital leavers of the support options and provided direct services to 1,601 individuals, the case work team supported 990 with case work support and supported 257 Clients to access benefit entitlements to the value of £1,488,551, putting an average of £5,792 extra income into the pockets of vulnerable people. The handyperson service supported 3,858 people with small repairs and minor adaptations and showed their versatility and willingness to help by making 546 deliveries of medication or medical supplies to people who were shielding due to covid.

To work with our colleagues in the VCSE across Greater Manchester to help to develop consistent approach to the provision and commissioning of Hospital Discharge Services. MC&R continued to play a key role in the Voluntary Sector Discharge Alliance, a group of voluntary sector providers and policy makers who are pursuing the goal of a 'Universal Offer' for Hospital discharge support services across Greater Manchester. The work started to gain momentum in the Autumn and in the Winter a small amount of funds was made available to support organisations to develop projects working towards this goal.

To increase our activity in stakeholder engagement particularly with our clients, our referrers, our commissioners, and our partners in the VCSE with a view to expanding/reconfiguring our service offer to respond to changing needs. During the year we reinvented our Client Advisory Group, bringing some clients in to discuss our work and plans and to find out their views and experiences on key issues including technology and retrofit. The group met twice during the year despite continued logistical difficulties caused by covid restrictions.

To re-orientate our approach to service delivery to better reflect the shift to place-based working at locality and neighbourhood level. We are now recording all activity against neighbourhood and during 2022-2023 will identify patterns of referrals at neighbourhood level.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2022

Strategic Priority 2: To continue to model and provide high quality services that address the home repair, improvement and retrofit needs of vulnerable owner occupiers.

The home repairs support team helped 468 people to access grants and loans to complete essential home repair and fixtures, provided contractor advice to a further 885 individuals and supervised major works (heating replacements, roof works, window, and door replacements etc) for 124 vulnerable homeowners. Delivering home improvements to the value of £791,965 across the year and in the process transforming people's lives as well as homes.

To engage with the GM Housing Action Group, Care and Repair England, Foundations and our colleagues in the HIA sector in England and Wales to share learning, develop ideas and pilot initiatives in respect of reimagining the role of HIA's. We continued to participate in National Care and Repair coordination groups on a variety of issues and worked closely with Care and Repair England supporting their policy development work by speaking at several events and working with their researchers to develop proposals for future research projects and on delivering an Integration in Action briefing paper about Manchester. In December we were honoured to win Home Improvement Agency of the Year at the National Housing Awards held at the football museum in Manchester.

To develop collaborations with organisations who work with other vulnerable groups with a view to extending access to our handy person /housing improvement services. In the Summer of 2021, we secured funding and support from Manchester's two mental health trusts and the GM Partnership Board and are now implementing 'Home First' an innovative service, using our case work, handyperson, and home repairs expertise to address housing needs, housing disrepair and housing related support for people being discharged from Greater Manchester's mental health hospitals. Through this project we have supported 22 people since the project began in October 2021. We've supported people with everything from deep cleans to furnishing a new home to replacing carpets, supplying whitegoods and furnishings right through to major repairs.

To extend the number and range of grants that we can administer to support our clients. We have added five new funds to provide additional support to clients. Two new funds were inaugurated at the bequest of the trustees, two from the Home First mental health project and one for hospital discharge works. Grants to the value of £80,113 were made from these funds during 2021-2022.

To explore potential projects and partnerships that would help us to play a part in Manchester's retrofit for carbon reduction objectives. We had several exploratory conversations with our housing commissioners and colleagues in the HIA and retrofit sectors and set up a couple of pilot schemes for small scale interventions (loft insulation, small measures) towards the end of the year we started discussing a more comprehensive pilot project with a Manchester based CIC, People Powered Retrofit. We hope the project will come to fruition in 2022-2023.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2022

Strategic Priority 3: *To understand how best we can support our clients to access and engage with digital technology. To better understand our client's relationship with technology. To explore if and what role we could play in supporting the uptake and installation of technology (broadband access, assistive technology gadgets) for our clients.*

During the year we have actively engaged with our own customer engagement panel and with a number of other older people's networks locally and nationally to try to discover more about our clients habits and needs in relation to digital technology and to explore what role we could play in supporting digital roll out – we are in active discussion with commissioners about how we might play a role in installing digital capacity in older people's homes and are looking to develop work with older people on trying tech and troubleshooting tech problems.

Resources

Strategic Priority 4: *To deliver the term of our current city-wide contract and secure an extended additional contract term, working closely with commissioners to renegotiate or reshape as necessary.*

MC&R was awarded a contract extension on the main core contract in January 2022. This decision extends the current city-wide contract for two further years until the end of March 2024. As part of this process Care and Repair have agreed with commissioners on some re-modelling of the Home from Hospital service to allow for better use of resources and an improved client offer for older people being discharged from North Manchester General Hospital and we welcome a proposed full review of the contract specification, expected in the coming year.

Strategic Priority 5: *To further diversify our income streams. To secure investment from philanthropic funders to support the achievement of our strategic priorities. To shift our approach to supporter engagement to a social capital model. To increase the volume of public, trust, and corporate donations we receive. To instigate an appeal to augment the amount and range of welfare funds that we can distribute to vulnerable clients.*

We achieved new investments from the National Lottery Awards for All programme and from Nationwide and several additional small contracts from our present commissioners MCC and MCG, plus significant new contracts from other public sector organisations within the health and social care sector (Greater Manchester Health and Social Care Partnership, GMMH and Pennine Care). Though we decided once again not to make a winter appeal (due to many other demands on donors because of the pandemic, however we did inaugurate the Home Comforts Fund as a vehicle to collect and disperse to clients in need, donations made by individuals. The fund attracted an initial investment of £10,000 from the trustees and received donations of £20,071 within the year.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2022

Relationships

Strategic Priority 6: To invest in our people and our partnerships. To provide a positive workplace environment for our staff and to support them to develop as people and as professionals. To invest in our relationships with like-minded organisations with a view to developing collaborative working and structured partnerships where opportunities arise to do so.

We invested in a large-scale process to review our salary grading system and pay and conditions. This process involved all staff and resulted in improved terms and conditions for everyone as well as in a more transparent, relevant, and up to date pay system. We did our best to maintain a positive workplace environment throughout the later stages of the pandemic. We managed to have a great staff away day (in lovely weather!) in September, though our Christmas meal was postponed (we had it in May 2022 – which everyone agrees is a much better time for a Christmas meal). We also became an official living wage employer, an official disability confident employer and made strides towards our goal of being a member of the Greater Manchester Good Employment Charter.

Elsewhere we did our best to support groups and organisations meeting in person again by sending speakers to several events. We continued to participate in National Care and Repair coordination groups and in several voluntary sector coordination groups in Manchester. We continue to be an active player in the local voluntary sector coordination groups, continue to be active in the voluntary sector discharge alliance and are working on developing some operational partnerships for the future.

Infrastructure

Strategic Priority 7: To make an investment from our reserves to allow an upgrade of our data management systems, communications tools and working practices, taking full advantage of the digital systems available. To develop our Digital Maturity from Level 2 to Level 3 by redesigning our legacy processes and replacing our legacy technology with appropriate digital tools and to extend our data gathering and reporting mechanisms so that we capture and report more outcomes data. Tech development was a major feature of 2021 -2022 with a full replacement and transformation across all our systems. We replaced all our Office operating software with the cloud-based Office 365 and moved our entire back catalogue of files into SharePoint. This work encompassed a major data deletion/archiving exercise as well as a redesign of our data architecture. Rolled out to the whole organisation in January 2021, the change has vastly improved the user experience, provided access to the organisations system and data for offsite staff, improved connectivity and collaboration and allowed for an updated approach to flexible working.

We commissioned a bespoke CIVICRM database system to replace our creaking and non-interoperative legacy systems. A huge amount of work later (by both MC&R staff and our developers) we now have a fully functioning and operational CIVICRM system that not only fulfils all our client management and reporting needs but also allows us to communicate better with referrers and supporters, collaborate better between staff teams and provide a more seamless service to our clients. In addition, we are pleased to report that two other Care and Repair organisations have been able to secure a cost-effective bespoke database from our developers who have agreed to allow a cloned version of our bespoke tool to be made available to them.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2022

We also upgraded our physical telephone system and, for the first time, supplied work mobile phones, preloaded with relevant system access and apps such as the Safepoint lone worker system to all our lone working staff. Courtesy of a generous donation in-kind from NHS Digital, we were also able to supply Chromebooks to all staff. This coupled with our new cloud-based systems allows all home visiting staff better offsite connectivity as well as hybrid working options for all. Staff overwhelmingly report being happy with the new systems which drastically reduce duplication of tasks, improve workflow, increase collaboration and which have allowed us to become a near paperless operation.

Financial review

Policy on 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 £1,201,765 as of 31st March 2022.

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 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:

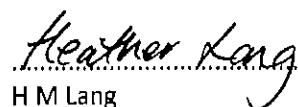
1. Activities or programmes of work that further the purposes of the organisation as described within the memorandum and articles.
2. Activities or programmes of work that improve the infrastructure, resilience and sustainability of the organisation."

MANCHESTER CARE AND REPAIR
STRATEGIC REPORT
YEAR ENDED 31 MARCH 2022

Principal risks and uncertainties

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 strategic report was approved by the trustees of the charity on 4/10/2022 and signed on its behalf by:



H M Lang
Trustee (Chair)

MANCHESTER CARE AND REPAIR

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Objectives and activities

Objects and aims

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.

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 and 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, sage and well calls and practical interventions such as fitting key safes, handrails etc.

Public benefit

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.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

The organisation is a Charity (Charity Number 1147174) and a Company Limited by Guarantee (Company Number 8008229) 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).

MANCHESTER CARE AND REPAIR

TRUSTEES' REPORT

Nature of governing document

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."

Major risks and management of those risks

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.

Financial Instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Credit risk

The charity's principal financial assets are bank balances and investments.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in interest rates.

Interest bearing assets are held at fixed rate to ensure certainty of cash flows.

MANCHESTER CARE AND REPAIR

TRUSTEES' REPORT


Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses Investments and deposits which are reviewed on a regular basis.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 4th 2022 and signed on its behalf by:


.....

A Mottram
Company Secretary

MANCHESTER CARE AND REPAIR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 4/10/22 and signed on its behalf by:



H M Lang
Trustee (Chair)

MANCHESTER CARE AND REPAIR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER CARE AND REPAIR

Opinion

We have audited the financial statements of Manchester Care and Repair (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

MANCHESTER CARE AND REPAIR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER CARE AND REPAIR

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.

Opinion 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

MANCHESTER CARE AND REPAIR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER CARE AND REPAIR

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which our procedures are capable of detecting irregularities, including fraud

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

We considered the nature of the limited company's industry and its control environment and reviewed documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the limited company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the limited company's ability to operate or to avoid a material penalty.

We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

MANCHESTER CARE AND REPAIR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER CARE AND REPAIR

-
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
 - reading the minutes of meeting of those charged with governance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/auditors-assurance/auditors-responsibilities-for-the-audit-of-the-financial-statements. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Staples BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of Horsfield & Smith, Statutory Auditor

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

Date: 24/10/21

MANCHESTER CARE AND REPAIR
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022
(INCLUDING INCOME AND EXPENDITURE ACCOUNT
AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	Unrestricted funds £	Total 2022 £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	20,071	20,071	24,406
Investment income	4	1,541	1,541	4,013
Charitable activities	5	<u>1,700,586</u>	<u>1,700,586</u>	<u>1,282,876</u>
Total income		<u>1,722,198</u>	<u>1,722,198</u>	<u>1,311,295</u>
Expenditure on:				
Charitable activities	7	<u>(1,681,301)</u>	<u>(1,681,301)</u>	<u>(1,304,523)</u>
Total expenditure		<u>(1,681,301)</u>	<u>(1,681,301)</u>	<u>(1,304,523)</u>
Net income		<u>40,897</u>	<u>40,897</u>	<u>6,772</u>
Net movement in funds		40,897	40,897	6,772
Reconciliation of funds				
Total funds brought forward		<u>1,160,725</u>	<u>1,160,725</u>	<u>1,153,953</u>
Total funds carried forward	21	<u>1,201,622</u>	<u>1,201,622</u>	<u>1,160,725</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 21.

MANCHESTER CARE AND REPAIR
BALANCE SHEET
AS AT 31 MARCH 2022
(REGISTRATION NUMBER: 08008229)

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	488	1,216
Current assets			
Stocks	15	6,843	5,758
Debtors	16	321,716	232,471
Cash at bank and in hand		1,270,790	1,059,144
Cash held for loans to residents		818,837	708,836
		<u>2,418,186</u>	<u>2,006,209</u>
Creditors: Amounts falling due within one year	18	<u>(1,217,052)</u>	<u>(846,700)</u>
Net current assets		<u>1,201,134</u>	<u>1,159,509</u>
Net assets		<u>1,201,622</u>	<u>1,160,725</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,201,622</u>	<u>1,160,725</u>
Total funds	21	<u>1,201,622</u>	<u>1,160,725</u>

The financial statements on pages 17 to 37 were approved by the trustees, and authorised for issue on 4 April 2022, and signed on their behalf by:



H M Lang
Trustee

MANCHESTER CARE AND REPAIR
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		40,897	6,772
Adjustments to cash flows from non-cash items			
Depreciation		428	393
Investment income	4	(1,541)	(4,013)
		39,784	3,152
Working capital adjustments			
(Increase)/decrease in stocks	15	(1,085)	2,166
Increase in debtors	16	(89,245)	(39,977)
Increase in creditors	18	60,620	19,599
Increase/(decrease) in deferred income		309,732	(2,600)
Net cash flows from operating activities		319,806	(17,660)
Cash flows from investing activities			
Interest receivable and similar income	4	1,541	4,013
Purchase of tangible fixed assets	14	-	(858)
Sale of tangible fixed assets		300	-
Net cash flows from investing activities		1,841	3,155
Net increase/(decrease) in cash and cash equivalents		321,647	(14,505)
Cash and cash equivalents at 1 April		1,767,980	1,782,485
Cash and cash equivalents at 31 March		2,089,627	1,767,980

All of the cash flows are derived from continuing operations during the above two periods.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Charity status

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

Greater Manchester

M16 9EA

Authorised for issue date

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Statement of compliance

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 notes.

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.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

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.

Income and endowments

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 structure

Unrestricted funds are available to spend on activities that further any of the purposes of the 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.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make 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 cost of delivering the services undertaken to further the purpose 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.

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:

Asset class	Depreciation method and rate
Computer & office equipment	33.3% straight line
Fixtures & fittings	20% straight line
Motor vehicles	25% reducing balance

Stock

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.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 a 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.

Retirement benefits

The charity operates two pension schemes with The Pension 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.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Sundry income, gifts and donations	20,071	20,071	24,406
	<u>20,071</u>	<u>20,071</u>	<u>24,406</u>

4 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income; Bank interest receivable	1,541	1,541	4,013
	<u>1,541</u>	<u>1,541</u>	<u>4,013</u>

5 Income from charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Contractual income	951,571	951,571	906,931
Grants	749,015	749,015	375,945
	<u>1,700,586</u>	<u>1,700,586</u>	<u>1,282,876</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

6 Income from charitable activities - Grants

Statutory Grants - Unrestricted:	Deferred Income B/fwd £	Income Received In Year £	Deferred Income C/fwd £	Accrued Income C/fwd £	New Income For Year £
Source and project					
Manchester City Council - Emergency Heating Grant Claim	-	612,456	-	-	612,456
Foundations Independent Living Trust - Gas Safe Programme	2,405	14,000	-	625	17,030
Big Lottery Fund - Awards for All	-	8,100	(5,401)	-	2,699
Manchester City Council - Crisis Clean Hospital Discharge	-	7,000	(2,000)	-	5,000
Manchester City Council - Sensory Equipment	-	3,100	(1,984)	-	1,116
NHS Trafford CCG - Home First Project	-	265,426	(172,426)	-	93,000
Greater Manchester MH NHS FT - Personalisation fund	-	26,698	(8,984)	-	17,714
Nationwide Skill Project	-	38,985	(38,985)	-	-
GMCVO - GM Home First Scheme	-	67,000	(67,000)	-	-
Total	2,405	1,042,765	(296,180)	625	749,015

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7 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.

	Note	Unrestricted funds General £	Total 2022 £	Total 2021 £
Activities undertaken directly				
Contract labour		704,793	704,793	427,927
Materials		28,721	28,721	16,205
Service costs		10,377	10,377	9,689
Travel and subsistence		31,301	31,301	25,313
Support costs				
Staff costs		751,306	751,306	714,598
Professional fees		32,389	32,389	6,187
Rent and rates		37,325	37,325	36,136
Insurance		12,385	12,385	11,875
Repairs and renewals		2,768	2,768	1,496
Telephone		13,458	13,458	9,070
Computer support, postage and stationery		37,132	37,132	19,863
Other		11,715	11,715	10,630
Advertising		1,813	1,813	8,381
Finance charges		975	975	971
Computer and office equipment depreciation		227	227	227
Motor vehicles depreciation		201	201	166
Governance costs	8	4,415	4,415	5,789
		<u>1,681,301</u>	<u>1,681,301</u>	<u>1,304,523</u>

MANCHESTER CARE AND REPAIR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8 Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Audit fees			
Audit of the financial statements	3,750	3,750	5,240
Other governance costs	665	665	549
	<u>4,415</u>	<u>4,415</u>	<u>5,789</u>

9 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>3,750</u>	<u>5,240</u>
Other fees to auditors		
All other non-audit services	<u>3,464</u>	<u>-</u>

10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Staff pension contributions	38,645	35,592
Depreciation	428	392
Audit fees	3,750	5,240
Operating lease payments:		
- land and buildings	33,188	33,858
- vehicles	4,297	3,909
- equipment	<u>816</u>	<u>816</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11 Staff costs and emoluments

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	653,213	626,316
Social security costs	52,594	47,082
Other pension costs	38,645	35,592
Other post retirement benefit costs	4,055	3,088
Life assurance premiums	2,799	2,520
	<u>751,306</u>	<u>714,598</u>

Particulars of employees:

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

	2022 No	2021 No
Number of staff	<u>30</u>	<u>24</u>
Average number of staff (head count)	<u>36</u>	<u>33</u>
Average number of full time staff (30 hrs per week or more)	23	14
Average number of part time staff (less than 30 hrs per week)	<u>13</u>	<u>19</u>
	<u>36</u>	<u>33</u>

No employee received emoluments of more than £60,000 during the year.

MANCHESTER CARE AND REPAIR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12 Key management personnel

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

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

The total employee benefits of the key management personnel were £104,215 (2021 - £111,689).

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

14 Tangible fixed assets

	Computer and office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2021	22,326	3,288	11,792	37,406
Disposals	-	-	(11,792)	(11,792)
At 31 March 2022	22,326	3,288	-	25,614
Depreciation				
At 1 April 2021	21,611	3,288	11,291	36,190
Charge for the year	227	-	201	428
Eliminated on disposals	-	-	(11,492)	(11,492)
At 31 March 2022	21,838	3,288	-	25,126
Net book value				
At 31 March 2022	488	-	-	488
At 31 March 2021	715	-	501	1,216

15 Stock

	2022 £	2021 £
Stocks	6,843	5,758

MANCHESTER CARE AND REPAIR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16 Debtors

	2022	2021
	£	£
Trade debtors	251,991	179,425
Prepayments	11,101	16,712
Accrued income	54,778	32,488
Other debtors	3,846	3,846
	<u>321,716</u>	<u>232,471</u>

17 Cash and cash equivalents

	2022	2021
	£	£
Cash on hand	1,335	1,220
Cash at bank	1,269,455	1,057,924
Cash held for loans to residents	818,837	708,836
	<u>2,089,627</u>	<u>1,767,980</u>

18 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	31,804	22,520
Other taxation and social security	(5,072)	(1,841)
Other creditors	48,812	198,421
Loans to Manchester Council	818,837	614,531
Accruals	10,534	10,664
Deferred income	312,137	2,405
	<u>1,217,052</u>	<u>846,700</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 £552,750 (2021: £452,071), PERL, Property Essential Renovation Loan totalling £211,254 (2021: £202,413), PERL 2 (as is PERL) totalling £3,085 (2021: £2,604) and EHCF, Empty Homes Cluster Fund totalling £51,748 (2021: £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.

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 From residents
	£	£	£
HELP loan	934,254	552,750	381,504
PERL loan	313,090	211,254	101,836
PERL2 loan	3,670	3,085	585
EHCF loan	51,748	51,748	-
Total	1,302,762	818,837	483,925

MANCHESTER CARE AND REPAIR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19 Pensions

The total pension contributions paid in the year amounted to £38,645 (2021: £35,592) and at the balance sheet date pension contributions of £nil (2021: £nil) were outstanding and are included within creditors.

Manchester Care and Repair participates in two pension schemes with The Pension 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 scheme.

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.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

A full actuarial valuation for the scheme was carried out as 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025	£3,312,000 per annum (payable monthly)
--------------------------------------	---

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 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 30 September 2025	£11,243,000 per annum (payable monthly and increasing by 3% each year on 1 st 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 in 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.

	2022	2021
	£	£
Present value of creditor	<u>170</u>	<u>689</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Reconciliation of opening and closing creditor

	2022	2021
	£	£
Creditor at start of period	689	817
Unwinding of the discount factor (Interest expense)	4	17
Deficit contribution paid	(174)	(169)
Remeasurements – impact of any change in assumptions	(4)	24
Remeasurements – amendments to the contribution schedule	(345)	-
Creditor at end of period	<u>170</u>	<u>689</u>

Income and expenditure Impact

	2022	2021
	£	£
Interest expense	4	17
Remeasurement – impact of any change in assumptions	(4)	24
Remeasurement – amendments to the contribution schedule	(345)	-
Contributions paid in respect of future service	<u>864</u>	<u>87</u>
Costs recognised in income and expenditure account	<u>519</u>	<u>128</u>

Assumptions

	2022	2021	2020
	% per annum	% per annum	% per annum
Rate of discount	2.35	0.66	2.53

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 2022

Deficit contributions schedule

Year ending	2022 £	2021 £	2020 £
Year 1	62	174	169
Year 2	62	180	174
Year 3	52	185	180
Year 4	-	159	185
Year 5	-	-	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 2021. As of this date the estimated employer debt for Manchester Care and Repair was £28,552 (30 September 2020: £45,556).

MANCHESTER CARE AND REPAIR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Other		
Within one year	64,641	33,902
Between one and five years	54,915	88,633
	<u>119,556</u>	<u>122,535</u>

21 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General	278,635	1,722,198	(1,681,301)	(139,691)	179,841
Designated	882,090	-	-	139,691	1,021,781
Total funds	<u>1,160,725</u>	<u>1,722,198</u>	<u>(1,681,301)</u>	<u>-</u>	<u>1,201,622</u>
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General	761,027	1,311,295	(1,304,523)	(489,164)	278,635
Designated	392,926	-	-	489,164	882,090
Total funds	<u>1,153,953</u>	<u>1,311,295</u>	<u>(1,304,523)</u>	<u>-</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 currently needs to hold £ 1,021,781 at the end of March 2022 in order to be confident that it can meet its potential commitments. There are proposals to invest in organisation activities that further the purposes of the organisation or improve the infrastructure, resilience and sustainability of the organisation.

MANCHESTER CARE AND REPAIR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2022 £
Tangible fixed assets	488	488
Current assets	2,418,186	2,418,186
Current liabilities	(1,217,052)	(1,217,052)
Total net assets	<u>1,201,622</u>	<u>1,201,622</u>
	Unrestricted funds General £	Total funds at 31 March 2021 £
Tangible fixed assets	1,216	1,216
Current assets	2,006,209	2,006,209
Current liabilities	(846,700)	(846,700)
Total net assets	<u>1,160,725</u>	<u>1,160,725</u>

23 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,767,980	321,647	2,089,627
Loans	(708,836)	(110,001)	(818,837)
	<u>1,059,144</u>	<u>211,646</u>	<u>1,270,790</u>
Net debt	<u>1,059,144</u>	<u>211,646</u>	<u>1,270,790</u>
	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,782,485	(14,505)	1,767,980
Loans	(628,748)	(80,088)	(708,836)
	<u>1,153,737</u>	<u>(94,593)</u>	<u>1,059,144</u>
Net debt	<u>1,153,737</u>	<u>(94,593)</u>	<u>1,059,144</u>

