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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 2023

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 (to 23.5.23) & Treasurer (from 23.5.23)

M K Barkat, Treasurer (to 23.5.23)

P K Smith

C Green

D Mort

M L Lindars, Deputy Chair (from 23.5.23)

T K McDonald, Chair (from 23.5.23)

C L Thomason, (resigned 26th July 2022)

K Cheetham, (resigned 4th October 2022)

J Baylis, (resigned 1st March 2023)

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

STRATEGIC REPORT YEAR ENDED 31 MARCH 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023, in compliance with s414C of the Companies Act 2006.

Achievements and performance

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) as well as progressing into the second year of 'Home First' project that supports people with mental health conditions and who are leaving hospital to move back to a safe, clean and comfortable home environment.

- During the year we were in contact with 13,079 service users and provided 10,646 direct support interventions to 6759 individuals or families.

We remodelled our Home from Hospital Service to ensure more people had access to short term support beyond being discharged from Hospital. The Home from Hospital service provided direct services to 1091 individuals.

- The Casework team supported 1025 with Casework support and supported 273 Clients to access benefit entitlements to the value of £1,600,0208.41, putting an average of £5,861 extra income into the pockets of vulnerable people.

- The handyperson service supported 6029 people with small repairs and minor adaptations and continued to make covid related deliveries of supplies.

The Home First Team worked with 96 clients providing major and minor works, deep cleans, carpets, curtains, furniture and furnishings as well as supporting people moving into new tenancies. We were very proud to see the Home First Team win the Achievement of the Year award at the National Healthy Housing Awards held at the National Football Museum in Manchester in December.

To work with our colleagues in the VCSE across Greater Manchester to help to develop a consistent approach to the provision and commissioning of Hospital Discharge Services. Manchester Care and Repair 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. We worked collaboratively with the Royal Voluntary Society, Age UK Manchester and Age UK Bury to ensure all over 60's leaving Manchester hospitals had the same offer of follow-on support after being discharged.

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.

The organisation relaunched its website in August to make it more accessible and easier to navigate and invested in our social media presence as well as beginning the process of updating our printed material. We revamped our customer feedback questionnaire and during the year began collecting this information routinely again (after a few years of paper minimization through covid). We received 546 client satisfaction forms and achieved a 95% overall satisfaction score from these clients. 98% said they felt well supported and 96% reported improved health and wellbeing as a result of our interventions.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2023

Operations: 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 414 people to access grants and loans to complete essential home repair and fixtures, they provided contractor advice to a further 862 individuals and supervised major works (heating replacements, roof works, window and door replacements etc.) for 173 vulnerable homeowners. The team delivered home improvements to the value of £903,093 across the year, and in the process transformed people's lives as well as homes.

To develop collaborations with organisations who work with other vulnerable groups with a view to extending access to our handyperson /housing improvement services. As well as continuing with our Home First Project for mental health patients, the organisation worked collaboratively with Age UK Bury to ensure Bury residents leaving North Manchester General Hospital received a support service after hospital discharge. We were proud to receive funding from Nationwide for a 2-year programme of DIY skills training that is being delivered collaboratively with colleagues in a range of organisations supporting survivors of domestic violence, young carers and care leavers helping to ensure that they are equipped to do their own household DIY jobs in future.

To extend the number and range of grants that we are able to administer to support our clients. The organisation made 43 grants from our welfare funds (Trustees and Home comforts, which is funded by donations) and 38 grants from the NHS welfare fund. We have added five new funds to provide additional support to clients. Two new funds were added over the winter to help alleviate the cost-of-living crisis by replacing faulty electric goods and replacing inefficient appliances.

To explore potential projects and partnerships that would help us to play a part in Manchester's retrofit for carbon reduction objectives. We partnered with the Carbon Co-op and Manchester City Council in the Levenshulme area-based retrofit project, supporting the carbon co-op's technical and engagement team to deliver retrofit on one street by helping to provide the finance options for residents.

Operations: Strategic Priority 3: To understand how best we can support our clients to access and engage with digital technology.

The organisation continues to engage in discussion with clients, commissioners and policy makers about how we might play a role in installing digital capacity in older people's homes.

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.

Manchester Care and Repair 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.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2023

Resources: 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 are able to distribute to vulnerable clients.

The organisation achieved investments from Nationwide (for Skills and Tools), Independent Age (for energy efficiency work to combat the cost-of-living crisis) and the Electrical Safety Fund (For appliance exchanges). We also achieved additional income from Manchester City Council to deliver energy saving interventions to existing clients and to extend out Home from Hospital Support over the winter. We also participated in The Big Give, running a winter appeal that raised £2325 which contributed towards our Home Comforts Fund.

Relationships: Strategic Priority 6: To invest in our people and our partnerships.

With the cost-of-living crisis biting for everyone, good staff engagement and timely intervention from the board meant that we were able to support our staff through the crisis by responding to wage inflation pressure. The organisation continued to prioritise staff support and wellbeing and were rewarded by achieving full membership of the Greater Manchester Good Employment Charter.

Elsewhere Manchester Care and Repair continued to participate in a number of voluntary sector coordination groups in Manchester, *continued to be an active player* in the Voluntary Sector Discharge Alliance, and embarked on an operational partnership with the Carbon Co-op. The Skills and Tools Project helped us to partner with a range of organisations across the city, and thus bring our skills and knowledge to a wider audience.

Infrastructure: Strategic Priority 7: To make an investment from our reserves in order to allow an upgrade of our data management systems, communications tools and working practices, taking full advantage of the digital systems available.

The Tech development of 2021 -2022 was fully rolled out during the year and we now run a near paperless operation. The project has been extremely well received by staff and has vastly improved our efficiency, effectiveness, and data collection. As a result of this investment, we have developed a range of new processes and procedures to better capture clients' support needs and improve internal and external referrals.

Carbon Reduction

During the year the organisation began serious discussions about our social responsibilities in respect of climate change. As a result, we have established a new policy framework around our environmental responsibilities and have committed to;

- Halving our emissions before 2030 and achieving 80% carbon zero before 2038 in line with the Greater Manchester and NHS Targets.
- Publishing our emissions annually, including voluntary reporting of Scope 3 emissions where feasible, and including greenhouse gas emissions reductions in our standard reporting
- Transforming our activities to adapt to climate change and make our activities compatible with a low-climate future.
- During 2022-2023 we made a number of adaptations to our office environment to reflect these commitments and began thinking about how to address our transport emissions.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2023

New Strategy 2023-2026

In January the Board met to develop a new strategy for the period 2023-2026. The final strategy was signed off in March. Its main Objectives are:

Operations and Effectiveness Priority 1: To provide high quality services that enable people to continue to live safely, independently, and affordably in a healthy home.

Operations and Effectiveness Priority 2: To model and provide high quality services that address the home repair, improvement and energy saving needs of vulnerable owner occupiers.

Operations and Effectiveness Priority 3: To continue to play a part in reducing hospital admissions and enabling people to be safely discharged from hospital in a timely way.

Operations and Effectiveness Priority 4: To promote our work to funders and partners and to work with them to explore innovative options that will allow services to be maintained in a challenging funding environment.

Governance and Leadership Priority 5: To amend our governance structure and further develop the Trustee body so that our governance is effective, informed, and efficient, and the leadership of the organisation is skilled, motivated and representative of the communities we serve.

Governance and Leadership Priority 6: To explore ways for the leaders of the organisation to engage with client groups more regularly and in a more structured way, so that their views and needs are reflected in the services we provide.

Finance Priority 7: To approach contract and funding negotiations with a clear message about our social value credentials, our efficiency, and the clear benefits of our holistic working practices.

Finance Priority 8: To increase our long-term resilience by exploring options for generating significant additional income outside the framework of public sector contracting.

Environmental and Social Value Priority 9: To invest in technologies and processes that significantly reduce our carbon emissions and to integrate energy reduction objectives across all our services and activities, ensuring our programming meets our carbon emissions reduction targets.

Environmental and Social Value Priority 10: To invest in our people and our partnerships.

MANCHESTER CARE AND REPAIR

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2023

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 recognise that the balance sheet shows reserves of £1,140,160 as of 31st March 2023.

The board reviews its reserves policy and strategy annually. The last review was July 2022 when the statement below was agreed. The next review will be July 2023.

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.*

MANCHESTER CARE AND REPAIR

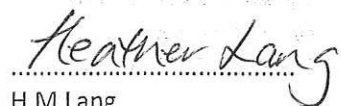
STRATEGIC REPORT

YEAR ENDED 31 MARCH 2023

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 and signed on its behalf by:



H M Lang
Trustee

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 2023.

Objectives and activities

Objects and aims

Manchester Care and Repair provides practical support focused 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, safe 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 on4/12/23..... and signed on its behalf by:

.....

A Mottram
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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

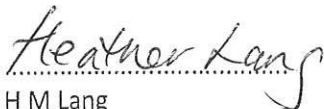
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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.

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

Approved by the trustees of the charity on 4/10/23 and signed on its behalf by:



H M Lang
Trustee

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 2023, 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 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 matter 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;
-

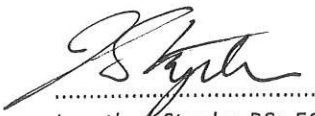
MANCHESTER CARE AND REPAIR

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.

Use of our report

This report is made solely to the charitable company trustees 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: 4/10/23

MANCHESTER CARE AND REPAIR

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

(INCLUDING INCOME AND EXPENDITURE ACCOUNT
AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	31,621	31,621	20,071
Investment income	4	10,441	10,441	1,541
Charitable activities	5	<u>2,016,684</u>	<u>2,016,684</u>	<u>1,700,586</u>
Total income		<u>2,058,746</u>	<u>2,058,746</u>	<u>1,722,198</u>
Expenditure on:				
Charitable activities	8	<u>(2,120,208)</u>	<u>(2,120,208)</u>	<u>(1,681,301)</u>
Total expenditure		<u>(2,120,208)</u>	<u>(2,120,208)</u>	<u>(1,681,301)</u>
Net (expenditure)/income		<u>(61,462)</u>	<u>(61,462)</u>	<u>40,897</u>
Net movement in funds		(61,462)	(61,462)	40,897
Reconciliation of funds				
Total funds brought forward		<u>1,201,622</u>	<u>1,201,622</u>	<u>1,160,725</u>
Total funds carried forward	22	<u>1,140,160</u>	<u>1,140,160</u>	<u>1,201,622</u>

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

The funds breakdown for 2022 is shown in note 22.

MANCHESTER CARE AND REPAIR**BALANCE SHEET****AS AT 31 MARCH 2023****(REGISTRATION NUMBER: 08008229)**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	804	488
Current assets			
Stocks	16	8,727	6,843
Debtors	17	230,662	321,716
Cash at bank and in hand		1,047,857	1,270,790
Cash held for loans to residents		821,497	818,837
		<u>2,108,743</u>	<u>2,418,186</u>
Creditors: Amounts falling due within one year	19	<u>(969,387)</u>	<u>(1,217,052)</u>
Net current assets		<u>1,139,356</u>	<u>1,201,134</u>
Net assets		<u>1,140,160</u>	<u>1,201,622</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,140,160</u>	<u>1,201,622</u>
Total funds	22	<u>1,140,160</u>	<u>1,201,622</u>

The financial statements on pages 17 to 38 were approved by the trustees, and authorised for issue on 4/10/23 and signed on their behalf by:



H M Lang
Trustee

MANCHESTER CARE AND REPAIR

STATEMENT OF CASH FLOWS YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(61,462)	40,897
Adjustments to cash flows from non-cash items			
Depreciation		542	428
Investment income	4	(10,441)	(1,541)
		(71,361)	39,784
Working capital adjustments			
Increase in stocks	16	(1,884)	(1,085)
Decrease/(increase) in debtors	17	91,054	(89,245)
(Decrease)/increase in creditors	19	(22,835)	60,620
(Decrease)/increase in deferred income		(224,830)	309,732
Net cash flows from operating activities		(229,856)	319,806
Cash flows from investing activities			
Interest receivable and similar income	4	10,441	1,541
Purchase of tangible fixed assets	15	(858)	-
Sale of tangible fixed assets		-	300
Net cash flows from investing activities		9,583	1,841
Net (decrease)/increase in cash and cash equivalents		(220,273)	321,647
Cash and cash equivalents at 1 April		2,089,627	1,767,980
Cash and cash equivalents at 31 March		1,869,354	2,089,627

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 2023

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 2023

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 2023

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 2023

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 0.66% at 31 March 2020, 2.35% at 31 March 2021 and 5.52% at 31 March 2023.

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 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.

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Sundry income, gifts and donations	31,621	31,621	20,071
	<u>31,621</u>	<u>31,621</u>	<u>20,071</u>

Included in donations is a value of £6,678, which is a donation in kind from Manchester Metropolitan University under the Eco-I Northwest Programme. This provided a professional development training programme for the Chief Executive Officer.

4 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income; Bank interest receivable	10,441	10,441	1,541
	<u>10,441</u>	<u>10,441</u>	<u>1,541</u>

5 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Contractual income	997,369	997,369	951,571
Grants	1,019,315	1,019,315	749,015
	<u>2,016,684</u>	<u>2,016,684</u>	<u>1,700,586</u>

6 Income from charitable activities - Contractual income

	Deferred Income B/fwd £	Accrued Income B/fwd £	Income Received In Year £	Deferred Income C/fwd £	Accrued Income C/fwd £	New Income For Year £
Contractual income	15,357	-	997,012	(15,000)	-	997,369
Total	<u>15,357</u>	<u>-</u>	<u>997,012</u>	<u>(15,000)</u>	<u>-</u>	<u>997,369</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7 Income from charitable activities - Grants

Statutory Grants - Unrestricted:	Deferred Income B/fwd £	Accrued 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	-	-	586,462	-	129,408	715,870
Foundations Independent Living Trust - Gas Safe Programme	-	(625)	17,500	-	1,615	18,490
Big Lottery Fund - Awards for All	5,401	-	-	-	-	5,401
Manchester City Council - Crisis Clean Hospital Discharge	2,000	-	-	(498)	-	1,502
Manchester City Council - Sensory Equipment	1,984	-	-	(868)	-	1,116
NHS Trafford CCG - Home First Project	172,426	-	-	(26,312)	-	146,114
Greater Manchester MH NHS FT - Personalisation fund	8,984	-	(8,040)	-	-	944
Nationwide Skill Project	38,985	-	-	(25,525)	-	13,460
GMCVO - GM Home First Scheme	67,000	-	-	-	-	67,000
Independent Age - cost of living grant	-	-	20,000	(13,395)	-	6,605
10GM - Home from Hospital	-	-	19,000	-	-	19,000
Manchester City Council - Energy Packs	-	-	12,821	-	-	12,821
Manchester City Council - MEAP - Adult social care	-	-	11,700	(4,388)	-	7,312
Electrical Safety First	-	-	5,000	(1,320)	-	3,680
Total	296,780	(625)	664,443	(72,306)	131,023	1,019,315

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

8 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 2023 £	Total 2022 £
Activities undertaken directly				
Contract labour		855,282	855,282	704,793
Materials		50,682	50,682	28,721
Service costs		13,524	13,524	10,377
Travel and subsistence		39,516	39,516	31,301
Support costs				
Staff costs		971,895	971,895	751,306
Professional fees		20,201	20,201	32,389
Rent and rates		37,512	37,512	37,325
Insurance		14,232	14,232	12,385
Repairs and renewals		19,013	19,013	2,768
Telephone		14,874	14,874	13,458
Computer support, postage and stationery		39,501	39,501	37,132
Other		22,718	22,718	11,715
Recruitment		14,712	14,712	1,711
Publicity		90	90	102
Finance charges		1,085	1,085	975
Computer and office equipment depreciation		495	495	227
Fixtures & Fittings Depreciation		47	47	-
Motor vehicles depreciation		-	-	201
Governance costs	9	4,829	4,829	4,415
		<u>2,120,208</u>	<u>2,120,208</u>	<u>1,681,301</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9 Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Audit of the financial statements	4,125	4,125	3,750
Other governance costs	704	704	665
	<u>4,829</u>	<u>4,829</u>	<u>4,415</u>

10 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>4,125</u>	<u>3,750</u>
Other fees to auditors		
All other non-audit services	<u>2,475</u>	<u>3,464</u>

11 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2023 £	2022 £
Staff pension contributions	58,339	38,645
Depreciation	542	428
Audit fees	4,125	3,750
Operating lease payments:		
- land and buildings	35,556	33,188
- vehicles	3,883	4,297
- equipment	<u>816</u>	<u>816</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

12 Staff costs and emoluments

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	833,304	653,213
Social security costs	75,045	52,594
Other pension costs	54,737	38,645
Other post retirement benefit costs	5,207	4,055
Life assurance premiums	3,602	2,799
	<u>971,895</u>	<u>751,306</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:

	2023 No	2022 No
Number of staff	<u>30</u>	<u>30</u>
Average number of staff (head count)	<u>39</u>	<u>36</u>
Average number of full time staff (30 hrs per week or more)	25	23
Average number of part time staff (less than 30 hrs per week)	<u>14</u>	<u>13</u>
	<u>39</u>	<u>36</u>

The number of employees whose emoluments fell within the following bands was:

	2023 No
£60,001 - £70,000	<u>1</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13 Key management personnel

The key management personnel comprise the Trustees, the Chief Executive Officer and the 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 £146,506 (2022 - £104,215).

14 Taxation

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

15 Tangible fixed assets

	Computer and office equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	22,326	3,288	25,614
Additions	626	232	858
At 31 March 2023	22,952	3,520	26,472
Depreciation			
At 1 April 2022	21,838	3,288	25,126
Charge for the year	495	47	542
At 31 March 2023	22,333	3,335	25,668
Net book value			
At 31 March 2023	619	185	804
At 31 March 2022	488	-	488

16 Stock

	2023 £	2022 £
Stocks	8,727	6,843

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17 Debtors

	2023	2022
	£	£
Trade debtors	74,920	251,991
Prepayments	22,544	11,101
Accrued income	133,198	54,778
Other debtors	-	3,846
	<u>230,662</u>	<u>321,716</u>

18 Cash and cash equivalents

	2023	2022
	£	£
Cash on hand	1,885	1,335
Cash at bank	1,045,972	1,269,455
Cash held for loans to residents	821,497	818,837
	<u>1,869,354</u>	<u>2,089,627</u>

19 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	54,921	31,804
Other taxation and social security	(8,737)	(5,072)
Other creditors	1,686	48,812
Loans on behalf of Manchester City Council	821,497	818,837
Accruals	12,713	10,534
Deferred income	87,307	312,137
	<u>969,387</u>	<u>1,217,052</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 £579,231 (2022: £552,750), PERL, Property Essential Renovation Loan totalling £192,743 (2022: £211,254), PERL 2 (as is PERL) totalling £3,565 (2022: £3,085) and EHCF, Empty Homes Cluster Fund totalling £45,958 (2022: £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	918,405	579,231	339,174
PERL loan	267,363	192,743	74,620
PERL2 loan	3,671	3,565	106
EHCF loan	45,958	45,958	-
Total	1,235,397	821,497	413,900

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

20 Pensions

The total pension contributions paid in the year amounted to £54,737 (2022: £38,645) and at the balance sheet date pension contributions of £nil (2022: £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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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.

	2023	2022
	£	£
Present value of creditor	<u>108</u>	<u>170</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Reconciliation of opening and closing creditor

	2023	2022
	£	£
Creditor at start of period	170	689
Unwinding of the discount factor (interest expense)	3	4
Deficit contribution paid	(62)	(174)
Remeasurements – impact of any change in assumptions	(3)	(4)
Remeasurements – amendments to the contribution schedule	-	(345)
Creditor at end of period	<u>108</u>	<u>170</u>

Income and expenditure impact

	2023	2022
	£	£
Interest expense	3	4
Remeasurement – impact of any change in assumptions	(3)	(4)
Remeasurement – amendments to the contribution schedule	-	(345)
Contributions paid in respect of future service	<u>62</u>	<u>864</u>
Costs recognised in income and expenditure account	<u>62</u>	<u>519</u>

Assumptions

	2023	2022	2021
	% per annum	% per annum	% per annum
Rate of discount	5.52	2.35	0.66

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 2023

Deficit contributions schedule

Year ending	2023	2022	2021
	£	£	£
Year 1	62	62	174
Year 2	52	62	180
Year 3	-	52	185
Year 4	-	-	159
Year 5	-	-	-

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 2022. As of this date the estimated employer debt for Manchester Care and Repair was £18,107 (30 September 2021: £28,552).

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

21 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2023 £	2022 £
Land and buildings		
Within one year	35,556	63,927
Between one and five years	<u>49,316</u>	<u>52,365</u>
	<u>84,872</u>	<u>116,292</u>
Other		
Within one year	2,863	714
Between one and five years	<u>1,821</u>	<u>2,550</u>
	<u>4,684</u>	<u>3,264</u>

MANCHESTER CARE AND REPAIR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

22 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General	179,841	2,058,746	(2,120,208)	(2,101)	116,278
Designated	<u>1,021,781</u>	<u>-</u>	<u>-</u>	<u>2,101</u>	<u>1,023,882</u>
Total funds	<u>1,201,622</u>	<u>2,058,746</u>	<u>(2,120,208)</u>	<u>-</u>	<u>1,140,160</u>
	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	<u>882,090</u>	<u>-</u>	<u>-</u>	<u>139,691</u>	<u>1,021,781</u>
Total funds	<u>1,160,725</u>	<u>1,722,198</u>	<u>(1,681,301)</u>	<u>-</u>	<u>1,201,622</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 £ 1,023,882 at the end of March 2023 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 2023

23 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2023 £
Tangible fixed assets	804	804
Current assets	2,108,743	2,108,743
Current liabilities	(969,387)	(969,387)
Total net assets	<u>1,140,160</u>	<u>1,140,160</u>
	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>

24 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	2,089,627	(220,273)	1,869,354
Loans	(818,837)	(2,660)	(821,497)
	<u>1,270,790</u>	<u>(222,933)</u>	<u>1,047,857</u>
Net debt	<u>1,270,790</u>	<u>(222,933)</u>	<u>1,047,857</u>
	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>