



COMPANY NUMBER 31105
CHARITY NUMBER 210558

BLACKFRIARS SETTLEMENT
(LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

**BLACKFRIARS SETTLEMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

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BLACKFRIARS SETTLEMENT REPORT FROM THE CHAIR FOR THE YEAR ENDED 31 JULY 2022

REPORT FROM THE CHAIR

This year we continued to recover from the effects of the Covid-19 pandemic, both in support for our members and students, and as an organisation.

With the relaxation of pandemic restrictions, many of our activities cautiously returned to normal, with the majority of group activities back to their usual numbers. It has been a joy to see the building once again full of members, students and local people, and buzzing with activity. The simplest of things had been missed so much and are appreciated even more now they have resumed: singing groups for Positive Ageing members, Mental Health & Wellbeing members using their art space, members meetings, students being able to mix, and the free-use computers and internet being back in the Atrium space.

Once again we have had another year with fantastic support from our wonderful volunteers and from local companies. Our regular volunteers continue to give their time and energy to make a huge difference to the amount and type of activities we can deliver. They cook, wash up, teach, support and befriend. Volunteers are key to both the Positive Ageing and Mental Health & Wellbeing services and are hugely valued by both staff and members. Corporate volunteers have returned as a regular feature, particularly in the Positive Ageing service where 'kitchen takeovers' by a corporate group are loved by members.

Supporting digital inclusion has remained high on our agenda this year. Staff in all services have invested time in providing IT support for members. This has increased the number who are online and able to access support and stay in touch with friends and family in ways many of us take for granted. This work continues and we have strengthened our ties with London Borough of Southwark as a Digital Hub.

Within the organisation we have worked hard to increase our financial security and sustainability, with an ongoing focus on fundraising. We ran our first Crowdfunder, raising over £8,000 for the delivery of activities. We have also begun work on a new website. This is being built by our in-house graphic design service, Create Space (formerly Art2Print), with support from our friends at The Plant (theplant.co.uk), and was launched in autumn 2022.

We would like to extend our thanks to our funders, many of whom we have worked with over a number of years, and without whom, little of what we do would be possible. In particular, we would like to thank those funders who have supported our core work, making so much else possible.

We are also indebted to our volunteers, referrers, partner organisations of all shapes and sizes, our members and local people who make the Blackfriars Settlement community what it is.

In order to find out more about the work of Blackfriars Settlement and the services we provide, please visit us at Rushworth Street or visit our website: www.blackfriars-settlement.org.uk



Christine Cryne

Chair of Trustees

BLACKFRIARS SETTLEMENT REFERENCE AND ADMINISTRATIVE DETAILS

REFERENCE DETAILS

Charity Registration Number:	210558
Company Registration Number:	31105
Registered Office:	1 Rushworth Street London SE1 0RB

KEY MANAGEMENT PERSONNEL

Key management personnel are defined as members of the Settlement's Senior Management Team and were represented by the following in 2021-22:

Suzanna Jackson	Chief Executive
Juliet Woodford	Head of Finance and Resources
Elizabeth Ranger	Director of Blackfriars Settlement

BOARD OF TRUSTEES

A full list of trustees is given on page 9 of these Financial Statements.

Ms. Beverley Campbell acted as Clerk to the Board of Trustees throughout the year under review.

PROFESSIONAL ADVISORS

FINANCIAL STATEMENTS AUDITOR	Buzzacott LLP 130 Wood Street London, EC2V 6DL
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INTERNAL AUDITOR	Haines Watts 30 Camp Road Farnborough Hants GU14 6EW
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BANKERS	The Co-operative Bank plc 3 rd floor, St Paul's House 10 Warwick Lane London EC4M 7BP
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DEPOSIT FUNDS	CAF Bank Ltd 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ COIF Charity Funds 85 Queen Victoria Street, London EC4V 4ET
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STAKEHOLDER PENSION PLAN PROVIDERS:	Aviva PO Box 1550, Milford, Salisbury, SP1 2TW
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BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees (“the Board”) is pleased to present its Annual Report together with the Financial Statements of Blackfriars Settlement (“the Settlement”) for the year ended 31st July 2022. This report is also prepared to meet the requirements of a Directors' Report and Financial Statements for Companies Act purposes.

NATURE, OBJECTIVES AND STRATEGIES

LEGAL STATUS

Blackfriars Settlement was launched as an Association in 1887, incorporated as the Women's University Settlement on 22nd March 1890 and changed its name to Blackfriars Settlement by special resolution on 16th June 1961. It is a company limited by guarantee (number 31105) and a registered charity (number 210558) and is governed by its Memorandum of Association dated 16th June 1961 (as amended).

The Settlement is a wholly owned subsidiary of Mary Ward Settlement (Company number 46188, Charity number 223066).

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

THE PURPOSE OF THE SETTLEMENT

The principal purpose of the Settlement is to deliver services that support individuals, families and communities in need in London and, in particular, in our neighbourhood of north Southwark. The Settlement seeks to support individuals to overcome the barriers that prevent them from achieving their aspirations and to foster community activity.

The Settlement relies on income from grants, contracts, investments, donations and fundraising events to deliver its services.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)', when reviewing the Settlement's aims and objectives and in planning future activities.

The Settlement's portfolio of service activities include:

- Adult Education
- Positive Ageing
- Mental Health and Wellbeing
- The Orb Space community pop-up café
- A pro bono legal advisory clinic

The majority of the Settlement's services are provided free of charge or for a nominal contribution from users. The majority of those who attend on a regular basis pay a voluntary annual membership fee to become members of the Positive Ageing or Mental Health and Wellbeing groups. More detail on the Settlement's activities is provided in the section below.

CORE VALUES AND OBJECTIVES

The Settlement is guided by the Core Values and Strategic Objectives jointly agreed across the Mary Ward Settlement group.

Core Values

- Putting the needs and aspirations of current and potential students, service users and clients at the centre of all that we do;
- Valuing our users as individuals and promoting inclusion through our friendly and accessible approach to service delivery;

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

CORE VALUES AND OBJECTIVES (continued)

Core Values (continued)

- Promoting access to education including the value of learning for personal development and quality of life and using learning as a tool to combat disadvantage;
- Promoting access to justice and providing legal advice for the poorest and most disadvantaged;
- Fostering engagement in community activity to support individuals in achieving their aspirations;
- Valuing our staff as our key asset and supporting them in delivering high professional standards across our services;
- Advancing equality, eliminating discrimination, and fostering good relations among all our users;
- To maintain good financial health in order to ensure the sustainable delivery of its Mission and Objectives;
- Maintaining an open, honest, accountable and fair approach in all our communications with all our service users, staff and other stakeholders.

ACHIEVEMENTS AND PERFORMANCE

KEY ACHIEVEMENTS

Positive Ageing

The Ageing Well Southwark contract serving older people across the borough, has continued this year. The delivery aims are to ensure that the 'front door' to services are coordinated and, that by whatever means a resident contacts older people's services, they will be afforded the same access. We have continued to work closely with the other members of the COPSINS Consortium to ensure the services have continued to develop and evolve.

There has been a steady flow of new referrals over the year. We have worked very hard to meet the needs of isolated and anxious existing members as well as new contacts in the community.

Needs have become more complex, with the team dealing with safeguarding issues, many referrals which do not meet the existing threshold for social care intervention, and an increasing number of members and referrals with early dementia.

Befriending continues to be a highly valued part of the Positive Ageing service, matching very isolated members of the local community with trained volunteers. The continued long waiting times highlights our need to increase capacity in this area in order to meet need and this is something we will continue to prioritise.

There is significant interest amongst members in getting online or improving their IT skills. We are committed to meeting both of these needs over the coming year.

Adult Education

We are pleased to provide learning and development classes on behalf of Southwark Adult Education as well as via Mary Ward Centre. This year we have seen students returning to the building in greater numbers. We have offered a wider range of courses and have also established some online courses and hybrid courses as ongoing delivery methods. Adult Education continues to work with Positive Ageing and Mental Health & Wellbeing, enabling us to deliver some courses specifically for these particular groups. This has worked well, and is something we will continue to deliver.

Mental Health and Wellbeing

The service continues to see a steady stream of referrals from a wide variety of agencies and services. During the year, the service has implemented induction courses for newly referred people, enabling them to get to know the service and feel at home, and for the team to make sure they are accessing the sessions most useful for them.

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

KEY ACHIEVEMENTS (continued)

Mental Health and Wellbeing (continued)

This year the Lottery funded Thinking Ahead Project has gathered momentum. It focuses on building skills and confidence amongst members, enabling access to educational opportunities, promoting and enabling volunteering and enabling members to contribute to their community.

The service delivers a broad range of high quality services:

- In partnership with professional design studio, the Plant, our Social Enterprise Design Studio Art2Print, has rebranded as Create Space, and has continued to provide high quality design to internal services and external clients
- The service is hosting Art Therapy students on placement with us from the University of Roehampton, which has boosted our capacity by working directly with members.
- We have successfully run 3 courses for our education funders: Spring Back from Covid, Music Appreciation and Mindful Movements.
- The 'Switched On' digital inclusion project secured new funding from the Childwick Trust and has provided sessions to build and develop tech skills in smart phone, online, tablets, peer support, sharing skills and building confidence.
- Day trips and events including visits to Horniman museum and Hampton Court, Mental health awareness week music event and Black history month creative project and Art exhibition
- A healthy eating on a budget programme funded by Southwark Council. the 4 x6 week programme helps people plan, shop, cook and eat together and gain skills and knowledge of resources and food pantry's/co-ops to help with cost-of-living crisis and food insecurity as well as reducing isolation and maintaining mental health

The Orb Space

This year we have offered workshops and courses, and have particularly focussed on building up a community of new parents. We have offered Baby Massage and Baby Dance courses, and used the space in our Atrium to allow participants to spend time together and build friendships and mutual support. This is something we will be continuing and developing further.

Legal Clinic

At the beginning of the year the legal clinic ran using telephone appointments but then switched back to face to face in the building. We continue to work closely with City University of London Law School and our partner lawyers to deliver free housing and employment legal advice. There is a high demand for this service.

PERFORMANCE INDICATORS

The actual performance of services is set out in the table below. Year on year comparison where data is available, demonstrates the impact of covid on our different services this period. Comparative data is not provided where measurement was introduced for the first time during 2021-22.

Key Performance Indicator	2021-22	2020-21	2019-20	2018-19
MHWB				
No of members supported	93	108	140	72
No of referrals	41	46		
No of new members	20	13	23	

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

PERFORMANCE INDICATORS (continued)

Key Performance Indicator	2021-22	2020-21	2019-20	2018-19
PA				
No of members supported	584	529	413	407
No of new members	86 Clubs 98 Befriending Total: 184	39 Clubs 64 Befriending Total 103		
No of people attending sessions	289	219	272	262
No of attendances	8,805	5,460	6,551	7,295
No befriended members	124	180	142	145
No befriending referrals	98	64	61	61
Adult Education				
No of students	703	189	617	716
No of enrolments	1,360	451	1,040	
Orb				
No of attendances	63	54	356	75
Legal Clinic				
Client appointments	78	124	186	288
Volunteering Hours				
MHWB	1,023	872	2,179	
PA	6,931	4,894	8,475	
Orb	0	0	10	
Total	7,954	5,766	10,646	

FINANCIAL REVIEW

The period ended 31st July 2022 continued to be challenging for the Settlement as the Senior Management Team focused on rebuilding key activities impacted by the longer term effects of Covid-19. Building and maintaining relationships with existing funders continued to be a priority, along with seeking new and/or renewed sources of funding as the Settlement seeks to build a more secure future for its clients and other partners.

The Settlement has sought to maintain activities with older people and with people suffering from mental health issues. Reduced levels of income in recent years had impacted the Settlement's ability to maintain good quality administrative and back office support. Following the merger in May 2018, a significant part of the responsibility for administrative, back office and senior management support was taken on by Mary Ward Settlement. This has continued to develop over the year under review, with the now established, dedicated Settlement Director and the Senior Management Team bringing much needed stability, strategic direction and support during a challenging time.

While Covid-19 continued to have a significant impact on both income and service, 2021-22 saw a significant shift back towards the type of face to face activities our members and other vulnerable people in the community rely on and enjoy. While the Covid-19 funding streams largely ceased, the return to a fuller range of activity meant that membership funding increased, which, alongside generous funding and donations from corporate sponsors and trust funders, helped to facilitate the delivery of our essential services.

The financial environment continues to be challenging, with a reported deficit of £9,174 for the period ended 31st July 2022 (2021: deficit £29,624). This is an improvement from the previous year, and reflects

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

FINANCIAL REVIEW (continued)

both the strong level of support from regular funders noted above, and continued tight control over the cost base. The Settlement is continuing its plans to re-build the income stream and to control costs whilst continuing to deliver the activities of the Settlement.

Income

Income for the Settlement's charitable purposes was £673,702 for the period (2021: £624,865), reflecting the continued support from existing funders at similar levels including the London Borough of Southwark through the COPSINS Partnership and their Common Purpose Fund, the Big Lottery's funding for the MHWB service and a strong contribution from Learning and Development Funding, which has continued to grow.

Income in kind

The value of the services for the purposes of our accounts for the period was £nil (2020-21: £ nil). Local traders have contributed with generous discounts. Teams have appeared from corporate partners offering their time for tasks ranging from serving dinners to befriending isolated older people. Although not valued in the financial statements we are very grateful to those who have donated their time and service.

Expenditure

Our cost base has increased modestly, in response to the increase in activity during 2021-22 compared with the previous year which was significantly affected by Covid-19. For the period under review, expenditure on charitable activities was £682,584 an increase of approximately 3% on the previous period (2021: £658,771).

TREASURY MANAGEMENT

The Board maintained a policy of holding the majority of funds on cash deposit. Together with the portfolio of shares and unit trusts, this policy resulted in bank and investment income of £2,302 in the period under review (2021: £3,552).

RESERVES POLICY AND GOING CONCERN

The Settlement aims to hold reserves equivalent to between 1 and 3 months' expenditure so that it can continue to provide a service in the event of unexpected financial crisis. At 31st July 2022 reserves totalled £2,830,434 (2020-21: £2,857,941). The principal reserve represents the value of the leasehold premises in Rushworth Street and is therefore not currently available as a source of funds for use in our charitable activities. At the period end, it amounted to £2,813,683 (2021: £2,881,185) and is held as a reserve for future depreciation of the Settlement's property at 1 Rushworth Street, London SE1.

The Settlement also held two further unrestricted, but designated, funds as part of the reserves during the period under review: a reserve for future depreciation of fixed assets of £32,388 (2021: £41,875) and a designated bursary fund to support ESOL students of £1,457 (2020-21: £1,457). It also held a general unrestricted fund which, at 31st July 2022, had a surplus of £1,239 (2021: deficit £66,576).

Good progress had been made, since the merger with the Mary Ward Settlement group, on 1st May 2018, with the Settlement's strategy to reduce costs and increase sources of income, which had the impact of reducing the annual operating deficit until the Covid-19 pandemic took hold. As a result of the Covid-19 pandemic, the Settlement's ability to grow income has been slower than hoped. However, the operating deficit for 2021-22 was ultimately lower than expected, reflecting a steady movement towards financial stability, including a controlled growth in essential services following a return to more normal activity after the pandemic lockdowns. Although the Settlement's reserves continue to remain in deficit, it is encouraging to see this has been steadily reducing over recent years and it is expected these will turn positive within the next financial year or two.

The Settlement has developed detailed financial projections, which include modelling its plans for growth and the impact of key risks and uncertainties. This work has supported the Board's ability to consider the financial impact of the challenges and uncertainties created by the Covid-19 pandemic and of other key risks. As such, it considers that the Settlement has adequate resources to continue in operational existence for the foreseeable future and until at least 12 months from the date these financial statements are signed. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

STRATEGIC PLAN

The Settlement's strategic plan forms part of the Mary Ward Settlement group's Strategic Plan 2018-24, of which the most important element is the Property Strategy which will have seen the purchase and redevelopment of a new, purpose built, Centre for the Mary Ward Settlement group's activities once it opens. The Property Strategy was originally scheduled for completion by the end of 2021-22. However, delays arising from planning and funding decisions primarily caused by the Covid-19 pandemic have set back the schedule for completion until April 2023. Consequently, taking into account the importance of the Property Strategy to the Mary Ward Settlement group's future plans, the trustees took the decision to roll forward the 2018-22 Strategic Plan until the end of the 2023-24 financial year.

Looking forward, the Settlement expects to be able to achieve the following, as part of the current Strategic Plan:

- To maintain and develop the range of activities currently offered to the local community by the Settlement - primarily for older people and for people experiencing mental health issues
- To partner Mary Ward Adult Education Centre in hosting adult education classes at the Rushworth Street premises
- To partner Mary Ward Legal Centre in hosting Legal Advice clinics and drop-in services at the Rushworth Street premises

The Strategic Plan of Mary Ward Settlement includes the relocation of Mary Ward Settlement to a new site in Stratford in the London Borough of Newham, which is likely to happen in April 2023. It is envisaged that the Settlement will continue to operate from its property at Rushworth Street but will be able to extend the range of its community services to the new site, operating a variety of activities in both the Boroughs of Newham and Southwark, alongside the wider offering of Mary Ward Settlement.

FUNDRAISING

The Settlement aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells or shares data and ensures that communication preferences can be changed at any time. The Settlement manages its own fundraising activities and, during the period under review, have employed the services of a professional fundraising organisation who has made one of their employees available to provide hands-on expertise and operational input. The Settlement undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service.

During 2021-22, the Settlement received no complaints about its fundraising activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The following statement is provided to enable readers of the Annual Report and Financial Statements of the Settlement to obtain a better understanding of its governance and legal structure. The statement covers the period from 1st August 2021 to 31st July 2022 and up to the date of the approval of the Annual Report and Financial Statements.

The Settlement is a registered charity. The Board confirms that it has had due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these Financial Statements.

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

THE BOARD

The directors of the Settlement, a charitable company are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Mark Bassett	(resigned 11 th November 2021)
Rachel Brain	
Nadine Cartner	
Graham Collins	
James Collins	
Christine Cryne	Chair
Kim Duong	Treasurer
Filipe Martins	
Beatriz Montoya	
Andrew Peck	(resigned 9 th June 2022)
Simone Selzer	
Sally Todd	

Company Secretary: Suzanna Jackson

Ms B Campbell acts as clerk to the Board.

APPOINTMENTS TO THE BOARD

The Settlement operates selection criteria for recruitment of trustees to the Board so as to ensure that their skills and experience reflect the governance and operational needs of the Settlement. Prospective trustees are interviewed by the Mary Ward Settlement Governance and Nominations Committee, which includes at least one trustee from the Settlement. On selection, references will be taken up as to their suitability to be a trustee prior to a vote by the Settlement's trustees.

TRUSTEE INDUCTION AND TRAINING

Each new trustee will have an induction programme designed to meet their needs as a trustee. The content of the programme will vary depending on their level of experience as a charity trustee and their knowledge and understanding of the Settlement.

The programme will include spending time with each of the key management personnel. They are also encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

ORGANISATION

The Settlement has its own Board of up to 14 members who are nominated by Mary Ward Settlement. For the period under review Ms R Brain and Mr F Martins are trustees of the Settlement's Board only. All other members are also trustees of the Mary Ward Settlement Board, which provides overall leadership and strategic direction. Sub-committees of the Mary Ward Settlement Board meet as necessary to manage key staffing, finance, fundraising and equal opportunities matters within a clear framework.

Day-to-day operational management of the Settlement is delegated to the Chief Executive who is supported by a small Senior Management Team primarily consisting of the Director of the Settlement, and the Director of Finance and Resources. The Chief Executive and her Senior Management Team oversee the smooth running of the Settlement's staff who are divided into teams in accordance with Settlement activities and projects.

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

RELATED PARTIES AND CO-OPERATION WITH OTHER ORGANISATIONS

None of the trustees receive remuneration or other benefit from their work with the Settlement, unless they are separately employed by the Settlement as a member of staff. For the year under review, no trustee received remuneration in the year for their role as a trustee. There were no expenses and no related party transactions for the year ended 31st July 2022 (2020-21: none).

Any connection between a trustee or senior manager of the Settlement and any organisation associated with the Settlement must be disclosed to the Board in the same way as any contractual relationship with a related party. In the current year no such related party transactions were reported.

The Settlement has built up strong relationships over many years with a range of agencies in the public, private and charity sectors. The Settlement continues its delivery of activities to the local community, primarily aimed at the elderly and people experiencing mental health issues, helping people to improve their lives through a range of activities, educational classes and projects and by hosting legal advice clinics. As such, the Settlement enjoys good co-operative working relations with an ever-growing number of partners and stakeholders in relation to a range of borough-based projects and activities that meet core charitable objectives.

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The trustees and the Senior Management Team comprise the key management personnel of the Settlement in charge of directing and controlling, running and operating the Settlement on a day to day basis.

The pay of the Senior Management Team is reviewed annually by the Remuneration Committee, which then makes recommendations to the full Board. The employment costs of the Senior Management Team for their work in relation to the Settlement are allocated to the Settlement.

RISK MANAGEMENT

The Board has a risk management strategy which comprises the following:

- Regular reviews by the Audit and Risk Committee of Mary Ward Settlement of the principal risks and uncertainties facing the Settlement;
- Regular reviews of the policies, systems and procedures in place to mitigate those risks and uncertainties;
- An annual request that trustees identify their own view of what the key risks are;
- An annual report on risk by the Audit and Risk Committee, for the Board; and
- The implementation of systems and procedures designed to mitigate any potential impact should the risk actually arise.

The major risks facing the Settlement are:

- Sustainability following recent reduction in funding levels, and the continued reliance on short term contracts. In mitigation the Settlement is continuing to make applications for new funding with Senior Management Team support. The Settlement has reduced expenditure by integrating administrative functions, sharing resources across the Mary Ward Settlement group, where feasible, and will continued to monitor costs closely;
- Increasing demands being placed on staff and a consequent failure to deliver quality services to users. In mitigation, the successful recruitment of a Director of Services for the Settlement, now well established in post, has boosted capacity within the Settlement and provides dedicated leadership and direction for Settlement staff.

Other operational risks are considered to be at a low level and are monitored by management.

**BLACKFRIARS SETTLEMENT
STATEMENT OF RESPONSIBILITIES OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also directors of the Settlement for the purposes of company law) are responsible for preparing the trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors of a company to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Settlement and of the income and expenditure of the Settlement for that period.

In preparing these Financial Statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102);
- 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 assume that the Settlement will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Settlement 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 Settlement 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 Settlement's web-site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO THE DISCLOSURE TO OUR AUDITORS

In so far as the trustees are aware at the time of approving our trustees' Annual Report:

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

By order of the Board



Chair

Christine Cryne

05/04/2023

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT

Independent auditor's report to the Members of Blackfriars Settlement

Opinion

We have audited the financial statements of Blackfriars Settlement (the 'charitable company') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the financial statements, including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these. 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and financial statements, 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.

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.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT

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 trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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;
- ♦ the financial statements are not in agreement with the accounting records or returns;
- ♦ certain disclosures of trustees' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ the engagement partner 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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011), those that relate to data protection (General Data Protection Regulation), safeguarding, employment and health and safety; and

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT

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

- ◆ identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions;
- ◆ tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and
- ◆ Performed substantive testing on grant income to ensure the income recognised complied with the funding agreements.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

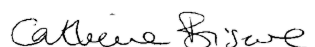
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of this report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 6 April 2023

BLACKFRIARS SETTLEMENT
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds Year ended 31 July 2022 £	Restricted Funds Year ended 31 July 2022 £	Total Funds Year ended 31 July 2022 £	Total Funds Year ended 31 July 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies		91,840	25,000	116,840	83,016
Charitable activities					
Grants, contracts, donations, fees for:					
Community Buildings		257,537		257,537	225,992
Community Care		6,667	215,051	221,718	222,887
Learning and Development			28,416	28,416	24,307
Other trading activities					
Fundraising Activities		46,889		46,889	14,811
Investments		2,302		2,302	3,552
Other - CJRS income				-	50,300
TOTAL INCOME	4	405,235	268,467	673,702	624,865
EXPENDITURE ON:					
Raising funds		13,396		13,396	13,046
Charitable activities					
Community Buildings		76,988	188,164	265,152	266,510
Community Care		54	367,858	367,912	365,848
Learning and Development			36,124	36,124	13,367
TOTAL EXPENDITURE	2	90,438	592,146	682,584	658,771
Gains (losses) on investments		(292)		(292)	4,282
NET INCOME (EXPENDITURE)		314,505	(323,679)	(9,174)	(29,624)
Transfers between funds		(323,679)	323,679	-	-
NET MOVEMENT IN FUNDS		(9,174)	-	(9,174)	(29,624)
RECONCILIATION OF FUNDS:					
Total funds brought forward		2,857,941		2,857,941	2,887,565
Total funds carried forward		2,848,767		2,848,767	2,857,941

All income and expenditure derive from continuing activities.

The charitable company has no recognised gains or losses other than those shown above.

A full comparative statement of financial activities is included in note 24.

The notes on pages 19 to 33 form part of these accounts.

BLACKFRIARS SETTLEMENT
BALANCE SHEET (COMPANY NUMBER 31105)
AS AT 31 JULY 2022

	Notes	31 July 2022		31 July 2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		2,846,070		2,923,060
Investments - listed investments	9		31,078		31,370
			<u>2,877,148</u>		<u>2,954,430</u>
CURRENT ASSETS					
Debtors	10	174,058		114,898	
Cash on deposit		7,047		4,746	
Cash at bank and in hand		130,970		109,743	
		<u>312,075</u>		<u>229,387</u>	
CREDITORS: amounts falling due within one year	11	(270,898)		(229,558)	
NET CURRENT ASSETS / (LIABILITIES)			<u>41,177</u>		<u>(171)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,918,325</u>		<u>2,954,259</u>
CREDITORS: amounts falling due after one year	12		(69,558)		(96,318)
NET ASSETS			<u>2,848,767</u>		<u>2,857,941</u>
FUNDS OF THE SETTLEMENT					
Unrestricted funds					
- Designated Reserves	15	2,847,527		2,924,517	
- General reserves		1,240		(66,576)	
		<u>2,848,767</u>		<u>2,857,941</u>	
Restricted funds	14		-		-
MEMBERS' FUNDS	16		<u>2,848,767</u>		<u>2,857,941</u>

These Financial Statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The Financial Statements were approved by the trustees and authorised for issue on 5th April 2023 and signed on their behalf, by:



Christine Cryne



Suzanna Jackson

Approved by the trustees on 05/04/2023

05/04/2023

Company registration no. 31105

BLACKFRIARS SETTLEMENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Cash Flows for operating activities:			
Net cash provided by operating activities	18	53,288	52,042
Cash flow from investing activities:			
Dividends, interest and rent from investments		2,302	3,552
Net cash provided by investing activities		2,302	3,552
Cash flows from financing activities:			
Interest paid		(5,304)	(3,554)
Repayment of borrowings		(26,758)	(23,771)
Net cash used in financing activities		(32,062)	(27,325)
Change in cash and cash equivalents in the year		23,528	28,269
Cash and cash equivalents at the beginning of the period	19, 20	114,489	86,220
Cash and cash equivalents at the end of the period	19, 20	138,017	114,489

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are laid out below.

(a) Basis of preparation

The Financial Statements have been prepared for the year to 31st July 2022. They have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the accounting policies below or the Notes to these Financial Statements. They 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 to the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Blackfriars Settlement meets the definition of a public benefit entity under FRS102.

The Financial Statements are presented in sterling and are rounded to the nearest pound.

(b) Preparation of the accounts on a going concern basis

Having considered future plans and cash flows, the trustees confirm that they are not aware of any material uncertainties with regard to the Settlement's ability to continue as a going concern for the foreseeable future and therefore have prepared the accounts on a going concern basis. The Settlement's strategy, since its merger with the Mary Ward Settlement group, to improve its financial position by reducing costs and increasing new sources of income, focusing on its key activities was effective until the impact of the Covid-19 pandemic took hold. The Mary Ward Settlement group continues to support the Settlement in its long term strategy, with a long term goal of addressing the negative free reserves. It is expected that, post-Covid-19 the Settlement's operational position will continue to improve slowly.

(c) Estimation uncertainty

Preparation of the financial statements requires the trustees to make significant judgements and estimates.

The item in the financial statements where these judgements and estimates have been made consist of:

- Determining the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge; and
- Estimating the value of donated goods and services.

(d) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture and fittings -	Over 10 years on a straight line basis
Computer equipment -	Over 4 years on a straight line basis
Leasehold building at 1 Rushworth Street -	Over 50 years on a straight line basis;

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

(e) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(f) Financial instruments

The Settlement only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(i) Creditors and provisions

Creditors and provisions are recognised where the Settlement has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Income

Income is included in the Statement of Financial Activities once the Settlement has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Donations & Grants, where related to performance and specific deliverables, are accounted for as the Settlement earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors. Where entitlement occurs before income being received, the income is accrued.

Income from Public Authorities is credited to the Statement of Financial Activities during the period to which it relates except where the income is conditional upon meeting identified targets. Such income is only credited once the targets are expected to be achieved.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the Settlement. For interest income, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

(k) Donated services

Donated professional services are recognised as income when the Settlement has control over them, any conditions associated with the donated service having been met, the receipt of economic benefit from the use by the Settlement of the item is probable and that the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102), the time of general volunteers is not recognised.

On receipt, donated professional services are recognised on the basis of the value of the gift to the Settlement which is the amount that the Settlement would have been willing to pay to obtain those services on the open market; a corresponding amount is then recognised in expenditure in the same period as the receipt.

In the period to July 2022, the following donated goods or services were included in the accounts:

Cash donations	£125,174	(2021: £53,567)
Gifts in kind	£ nil	(2021: £ nil)
Total	£125,174	(2021: £53,567)

(l) Operating Lease Commitments

Annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

(m) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Settlement to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, where it cannot be recovered.

(n) Allocation of Expenditure

Charitable expenditure, including governance expenditure, is generally apportioned between the funds on the basis of direct costs plus a percentage of indirect costs proportional to each fund's expenditure. Support costs are identified as the costs of strategic and financial management, accounting and project monitoring, IT procurement and maintenance, publicity and general administration.

(o) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the company and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Board for particular purposes. The aim and use of each designated fund is set out in the notes to the Financial Statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Settlement for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. ANALYSIS OF TOTAL EXPENDITURE

	Direct costs £	Support Costs £	Total Year ended 31 July 2022 £
Raising funds:			
Fundraising costs	13,396	-	13,396
Charitable activities			
Community Buildings	158,966	106,186	265,152
Community Care	156,125	211,787	367,912
Learning and Development	36,124	-	36,124
Total year ended 31st July 2022	364,611	317,973	682,584

	Direct costs £	Support Costs £	Year ended 31 July 2021 £
<i>Raising funds:</i>			
<i>Fundraising costs</i>	<i>13,046</i>	<i>-</i>	<i>13,046</i>
<i>Charitable activities</i>			
<i>Community Buildings</i>	<i>149,354</i>	<i>117,156</i>	<i>266,510</i>
<i>Community Care</i>	<i>131,536</i>	<i>234,312</i>	<i>365,848</i>
<i>Learning and Development</i>	<i>13,367</i>	<i>-</i>	<i>13,367</i>
Total year ended 31st July 2021	307,303	351,468	658,771

Support costs are broken down as follows:

	Total Year ended 31 July 2022 £	Total Year ended 31 July 2021 £
Wages and salaries	192,199	243,977
Other costs	125,774	107,491
Total	317,973	351,468

All of the above expenditure is restricted.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. ANALYSIS OF TOTAL EXPENDITURE (continued)
SUPPORT COSTS BY FUNCTION

	Comty Buildings £	Comty Care £	Total 2022 £	Comty Buildings £	Comty Care £	Total 2021 £	Basis
Strategic & HR Management	97,281	193,978	291,259	103,907	207,815	311,722	By staff hours
Finance	4,218	8,436	12,654	5,038	10,076	15,114	By staff hours
IT	4,687	9,373	14,060	8,211	16,421	24,632	By staff hours
Totals	106,186	211,787	317,973	117,156	234,312	351,468	

Governance costs included within support costs
consist of:

	Total Year ended 31 July 2022 £	Total Year ended 31 July 2021 £
Audit fees	7,146	7,224
Total year ended 31st July 2022	7,146	7,224

All of the above expenditure is restricted.

3. EXPENDITURE AGAINST SOME SPECIFIC GRANTS

The terms and conditions of some grant agreements with the London Boroughs of Lambeth and Southwark require that expenditure is analysed in the Financial Statements.

	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total 2022 Exp £
Grants from the London Borough of Southwark					
Common Purpose	13,046	-	4,954	-	18,000
Older Peoples - COPSINS Partnership	52,187	12,923		754	65,864
MHWB Personal Support	4,771	-	-	-	4,771
	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total 2021 Exp £
Grants from the London Borough of Southwark					
Core					
Common Purpose	13,046		4,954		18,000
Older Peoples - COPSINS Partnership	47,984	11,850	2,950	3,080	65,864
MHWB Personal Support	3,831	35		125	3,991

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

4. INCOME ANALYSIS - BY SOURCE

	Unrestricted	Restricted	Total Year ended 31 July 2022
	£	£	£
Public authority grants	-	175,157	175,157
Public authority contracts	-	28,416	28,416
Other grants and contracts	6,667	39,894	46,561
Donations and subscriptions	91,840	25,000	125,174
Activities to generate income	46,889	-	20,222
Rental income	257,537	-	257,537
Bank and investment income	2,302	-	2,302
Other income - CJRS grant	-	-	-
Total year ended to 31st July 2022	405,235	268,467	673,702

	Unrestricted	Restricted	Total Year ended 31 July 2021
	£	£	£
<i>Public authority grants</i>	-	167,343	167,343
<i>Public authority contracts</i>	-	24,307	24,307
<i>Other grants and contracts</i>	-	55,544	55,544
<i>Donations and subscriptions</i>	46,316	-	46,316
<i>Activities to generate income</i>	51,511	-	51,511
<i>Rental income</i>	225,992	-	225,992
<i>Bank and investment income</i>	3,552	-	3,552
<i>Other income</i>	50,300	-	50,300
Total year ended to 31st July 2021	377,671	247,194	624,865

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
5. OPERATING (DEFICIT)		
Operating deficit is stated after crediting/(charging)		
Investment income - listed	2,302	3,552
- non listed	-	-
Depreciation	76,990	77,382
Operating lease rentals	3,120	3,120
Auditors' remuneration - audit services	7,476	7,224

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
6. INTEREST PAYABLE AND SIMILAR CHARGES		
Bank charges and interest	5,304	8,329

The Social Investment Business advanced £280,000 in 2013 to complete building works at 1 Rushworth Street. It is at a fixed rate of 5% per annum for 12 years.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

7. STAFF NUMBERS AND COSTS

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
The aggregate costs of staff were:		
Salaries and wages	327,980	368,267
Social security costs	26,630	29,900
Pension costs	16,449	18,470
	<u>371,059</u>	<u>416,637</u>

The average number of staff on a full time equivalent basis, excluding trustees, employed by the Settlement during the year was as follows:

	Year ended 31 July 2022 No.	Year ended 31 July 2021 No.
Staff numbers:		
Community Buildings	-	-
Community Care	4	5
Learning and Development	1	1
Shared Services	5	5
	<u>10</u>	<u>11</u>

The average number of employees, full and part-time, during the period was 17 (2021 - 16)

The key management personnel during the period under review comprised members of the Senior Management Team of Mary Ward Settlement who provided services to Blackfriars Settlement as part of their role for the Mary Ward Settlement. These members of staff did not receive any additional remuneration for their work on behalf of Blackfriars Settlement, however, a portion of their costs were recharged by the Mary Ward Settlement. Total recharged costs from the Mary Ward Settlement for recharged staff was £155,456 (2021: £192,156), of which £76,387 (2021: £75,708) related to the Senior Management Team, and included the cost of the Director of Blackfriars Settlement.

Termination payments totalling £nil were made in the period (2021: £17,622).

No trustees received remuneration during the year (2021: none). No staff member was paid in excess of £60,000 (2021: none). No travel or incidental expenses were reimbursed to trustees during the period (2021 - £nil).

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

8. TANGIBLE FIXED ASSETS

	Leasehold building £	Furniture, Fittings and equipment £	Total £
Cost or valuation			
At 31 st July 2021	3,375,116	123,942	3,499,058
At 31 st July 2022	3,375,116	123,942	3,499,058
Depreciation			
At 31 st July 2021	493,931	82,067	575,998
Charge for the period	67,502	9,488	76,990
At 31 st July 2022	561,433	91,555	652,988
Net Book Value			
At 31 st July 2022	2,813,683	32,387	2,846,070
At 31 st July 2021	2,881,185	41,875	2,923,060

9. INVESTMENTS

	31 July 2022 £	Listed 31 July 2021 £
Market Value		
At 31 st July 2021	31,370	27,088
(Loss) / Gain on revaluation	(292)	4,282
Market value at 31st July 2022	31,078	31,370
Securities listed on UK Stock Exchange	30,448	30,740
Unlisted securities	630	630
	31,078	31,370
Historical cost of investments	3,216	3,216
Included above at 31 st July are investments valued at more than 5% of the total value:		
COIF Charities Investment Fund - Income	30,448	30,740

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

10. DEBTORS	31 July 2022 £	31 July 2021 £
Grant and contract payments receivable	47,320	30,800
Other debtors	1,620	1,620
VAT recoverable	-	939
Prepayments and accrued income	125,118	81,539
	<u>174,058</u>	<u>114,898</u>

There were no debtors due after more than one year (2021: none) included above.

11. CREDITORS: amounts falling due within one year	31 July 2022 £	31 July 2021 £
Trade payables	8,629	6,604
Other taxes and social security	3,330	6,771
Secured loans (note 12)	24,574	24,574
Other creditors	1,377	10,210
VAT payable	4,572	-
Accruals and deferred income	177,871	118,439
Amounts owed to group undertakings	50,545	62,960
	<u>270,898</u>	<u>229,558</u>
Deferred Income movements:		
Opening balance at 1 st August 2021	80,561	48,248
Additions	111,739	80,561
Transfers out	(80,561)	(48,248)
Closing Balance at 31 st July 2022	<u>111,739</u>	<u>80,561</u>

Deferred income is income received in the period for activities - rentals, trips, services, grant-funded projects - scheduled to happen after the period end.

12. CREDITORS: amounts falling due after one year	31 July 2022 £	31 July 2021 £
Loans	69,558	96,318
	<u>69,558</u>	<u>96,318</u>

The above loan, held with the Social Investment Bank at a fixed interest rate of 5%, is repayable by instalments, falling due December 2024, and is secured by a fixed charge on the leasehold property.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

13. LEASE OBLIGATIONS

At 31st July the Settlement had minimum lease payments under non-cancellable operating leases as follows:

	31 July 2022 £	31 July 2021 £
Equipment		
Not later than one year	-	3,120
	-	3,120

14. RESTRICTED FUNDS

	31 July 2021 £	Income £	Expenditure £	Transfers £	31 July 2022 £
United St. Saviours	-	15,462	(32,866)	17,404	-
MH&WBS-Well Connected-Big Lottery	-	51,001	(120,470)	69,469	-
LB Southwark Adult Learning	-	28,416	(67,771)	39,355	-
LB Southwark COPSIN Grant	-	65,864	(140,001)	74,137	-
LB Southwark Common Purpose Grant	-	18,000	(38,066)	20,066	-
Southwark Charities	-	24,432	(51,933)	27,501	-
The Mercers Company	-	25,000	(53,140)	28,140	-
Other	-	40,292	(87,899)	47,607	-
	-	268,467	(592,146)	323,679	-

Where income has been received specifically for services provided by the Settlement it is shown as restricted income. Expenditure has been fully allocated to those services provided by the Settlement based on operational headcount. Unrestricted income and/or reserves are shown as transfers to the Settlement's activities where allocated expenditure exceeds the sources of restricted income for each service.

Blackfriars Settlement managed 10 (2020-21: 10) separate restricted funds in this financial period. Funds with balances or movements during the year in excess of £10,000 have been listed separately above. Smaller funds have been consolidated, where possible, into an "other funds" category, by service or combined where they are to achieve a common purpose. If this has not been possible because of their purpose, they have been shown separately.

Restricted Funds Purpose:

United St Saviours - Funding contributed to a wide variety of activities for the Positive Ageing group run by the Settlement until March 2022. A new core grant supporting all Settlement services began in April 2022.

Big Lottery- Funding for the MHWB Thinking Ahead project providing support, courses and activities for people experiencing mental distress.

LB Southwark Adult Learning - Funding is provided for adult skills based courses.

LB Southwark COPSIN Grant - Funding contributes to a wide variety of activities for the Positive Ageing group.

Southwark Charities - Core funding for the Positive Ageing service, providing activities to keep older people well.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

14. RESTRICTED FUNDS (continued)

LB Southwark Common Purpose Grant - Funding contributes to the costs of Blackfriars Settlement Director

The Mercers Company - Funding contributes to a wide variety of activities for the Positive Ageing group

<i>RESTRICTED FUNDS</i>	<i>31 July 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>31 July 2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<i>United St. Saviours</i>	-	24,636	(63,035)	38,399	-
<i>MH&WBS-Well Connected-Big Lottery</i>	-	47,631	(132,343)	84,712	-
<i>LB Southwark Adult Learning</i>	-	24,307	(62,192)	37,885	-
<i>LB Southwark COPSIN Grant</i>	-	65,864	(168,523)	102,659	-
<i>LB Southwark Common Purpose Grant</i>	-	18,000	(46,056)	28,056	-
<i>LB Southwark Community Capacity Grant</i>	-	13,000	(33,262)	20,262	-
<i>DCLG Pop-up cafe</i>	-	19,577	(50,683)	31,106	-
<i>London Funders Wave 2</i>	-	24,279	(62,121)	37,842	-
<i>Other</i>	-	9,900	(27,510)	17,610	-
	-	247,194	(645,725)	398,531	-

15. DESIGNATED FUNDS	Balance at 31 July 2021	Income	Expenditure	Inter fund transfers	Balance at 31 July 2022
	£	£	£	£	£
Buildings assets reserve	2,881,185	-	(67,502)	-	2,813,683
Designated Bursary Fund	1,457	-	-	-	1,457
Fixed asset reserve	41,875	-	(9,487)	-	32,388
Total Year ended 31st July 2022	2,924,517	-	(76,989)	-	2,847,528
Total Year ended 31st July 2021	3,001,899	-	(77,382)	-	2,924,517
Designated funds	2,924,517	-	(76,990)	-	2,847,527
General fund	(66,576)	673,702	(282,208)	(323,679)	1,240
Total Year ended 31st July 2022	2,857,941	673,702	(359,198)	(323,679)	2,848,767
Total Year ended 31st July 2021	2,887,565	629,147	(260,240)	(398,531)	2,857,941

Designated Funds Purpose

Buildings Assets Reserve: the remaining value in the accounts of the Settlement's buildings, against which depreciation of those assets is written off.

Designated Bursary Fund: a fund established to help former students at the Settlement's Learning and Development Services courses to pay for course fees.

Fixed Asset Reserve: the remaining value in the accounts of fixtures, fittings and computers against which depreciation of these assets is written off.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

15. DESIGNATED FUNDS (continued)

<i>DESIGNATED FUNDS</i>	<i>Balance at 31 July 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Inter fund transfers</i>	<i>Balance at 31 July 2021</i>
	£	£	£	£	£
<i>Buildings assets reserve</i>	2,948,687	-	(67,502)	-	2,881,185
<i>Designated Bursary Fund</i>	1,457	-	-	-	1,457
<i>Fixed asset reserve</i>	51,755	-	(9,880)	-	41,875
<i>Total Year ended 31st July 2021</i>	<u>3,001,899</u>	<u>-</u>	<u>(77,382)</u>	<u>-</u>	<u>2,924,517</u>
<i>Total Year ended 31st July 2020</i>	<u>3,064,638</u>	<u>15,289</u>	<u>(78,028)</u>	<u>-</u>	<u>3,001,899</u>
<i>Designated funds</i>	3,001,899	-	(77,382)	-	2,924,517
<i>General fund</i>	(114,334)	629,147	(182,858)	(398,531)	(66,576)
<i>Total Year ended 31st July 2021</i>	<u>2,887,565</u>	<u>629,147</u>	<u>(260,240)</u>	<u>(398,531)</u>	<u>2,857,941</u>
<i>Total Year ended 31st July 2020</i>	<u>2,964,089</u>	<u>655,829</u>	<u>(244,083)</u>	<u>(488,270)</u>	<u>2,887,565</u>

16. ANALYSIS OF NET ASSETS

	<i>Tangible Fixed assets £</i>	<i>Investments £</i>	<i>Long term Liabilities £</i>	<i>Net Current Assets £</i>	<i>2022 Total £</i>
<i>Restricted funds</i>	-	-	-	-	-
<i>Designated funds</i>	2,846,070	-	-	1,457	2,847,527
<i>General reserves</i>	-	31,078	(69,558)	39,720	1,240
<i>Total at 31st July 2022</i>	<u>2,846,070</u>	<u>31,078</u>	<u>(69,558)</u>	<u>41,177</u>	<u>2,848,767</u>
	<i>Tangible Fixed assets £</i>	<i>Investments £</i>	<i>Long term Liabilities £</i>	<i>Net Current Assets £</i>	<i>2021 Total £</i>
<i>Restricted funds</i>	-	-	-	-	-
<i>Designated funds</i>	2,923,060	-	-	1,457	2,924,517
<i>General reserves</i>	-	31,370	(96,318)	(1,628)	(66,576)
<i>Totals at 31st July 2021</i>	<u>2,923,060</u>	<u>31,370</u>	<u>(96,318)</u>	<u>(171)</u>	<u>2,857,941</u>

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

17. PENSIONS

Company Defined Contribution Pension Scheme

Two defined contribution schemes are available for staff, managed through Aviva PLC and National Employers Savings Trust (NEST). The schemes are compliant with auto-enrolment legislation and are the vehicles for the Settlement to comply with its obligations under this legislation. In addition to enrolling all eligible workers onto a scheme, staff members choosing to make increased pension contributions are eligible to receive a matching additional contribution from the Settlement to the same plan of up to 6% of gross salary. The cost of these schemes to the Settlement for the period ending 31st July 2022 was £10,519 (31st July 2021: £12,631). At 31st July 2022, the Settlement was holding £1,047 (31st July 2021: - £nil) of staff and company pension contributions that were due for remittance to Aviva and/or NEST.

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FOR OPERATING ACTIVITIES

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Net (expenditure) for the year per the Statement of Financial Activities	(9,174)	(29,624)
Adjustments for:		
Depreciation charges	76,990	77,382
Loss / (Gain) on investments	292	(4,282)
Dividends, interest and rents from investments	(2,302)	(3,552)
Loan interest repayable	5,302	3,554
(Increase) / decrease in debtors	(59,160)	(49,447)
Increase / (decrease) in creditors	41,340	58,011
Net cash provided by operating activities	<u>53,288</u>	<u>52,042</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Cash deposits	7,047	4,746
Bank accounts	130,970	109,743
	<u>138,017</u>	<u>114,489</u>

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

20. ANALYSIS OF NET DEBT

	At 1 August 2021 £	Cash flows £	Other non- cash changes £	At 31 July 2022 £
Total cash and cash equivalents: Cash at bank and in hand	114,489	23,528		138,017

21. CONTINGENT LIABILITY

In August 2017, the Settlement was contacted by the Local Government Pension Scheme (“LGPS”) requesting payment of £36,000 in relation to outstanding pension obligations for a former staff member. This staff member was employed by the Settlement for an approximate 2 year period between February 2014 and March 2016 following a TUPE transfer from a previous employer, the London Borough of Lambeth (“LB Lambeth”). The sum requested had apparently arisen on the actuarial revaluation carried out in March 2017, nine months after the Settlement had left the LGPS.

Having reviewed the original agreements and associated correspondence with both LB Lambeth and the LGPS, the trustees at the time, took the view that the sum demanded is not payable because, on joining the LGPS, the Admission Agreement clearly stated that all starting and terminating liabilities would be borne by LB Lambeth. This view remains unchanged and on this basis, no accrual has been made.

22. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

Mary Ward Settlement, a registered charity (Charity Registration Number 223066) and company (Company Registration Number 46188) is the ultimate parent undertaking of the Centre. The Financial Statements do not include disclosure of transactions between the Centre and the Settlement. As a 100% controlled subsidiary undertaking, the Centre is exempt from the requirement to disclose such transactions under Financial Reporting Standard 102 Section 33.

There were no other related party transactions in the year (2020: none).

23. FINANCIAL INSTRUMENTS

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Financial assets measured at fair value	31,078	31,370
Financial assets measured at amortised cost	130,072	80,561
Financial liabilities measured at amortised cost	162,942	200,092

Financial assets measured at fair value include investments.

Financial assets measured at amortised cost include grants receivable and other debtors.

Financial liabilities measured at amortised cost include loans, trade payables and other creditors.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

24. FINANCIAL INFORMATION 2021

		<i>Unrestricted Funds Year ended 31 July 2021 £</i>	<i>Restricted Funds Year ended 31 July 2021 £</i>	<i>Total Funds Year ended 31 July 2021 £</i>
	<i>Notes</i>			
INCOME AND ENDOWMENTS FROM:				
<i>Donations and legacies</i>		83,016	-	83,016
<i>Charitable activities</i>				
<i>Grants, contracts, donations, fees for:</i>				
<i>Community Buildings</i>		225,992	-	225,992
<i>Community Care</i>		-	222,887	222,887
<i>Learning and Development</i>		-	24,307	24,307
<i>Other trading activities</i>				
<i>Fundraising Activities</i>		14,811	-	14,811
<i>Investments</i>		3,552	-	3,552
<i>Other - CJRS income</i>		50,300	-	50,300
TOTAL INCOME	4	377,671	247,194	624,865
EXPENDITURE ON:				
<i>Raising funds</i>		13,046	-	13,046
<i>Charitable activities</i>				
<i>Community Buildings</i>		-	266,510	266,510
<i>Community Care</i>		-	365,848	365,848
<i>Learning and Development</i>		-	13,367	13,367
TOTAL EXPENDITURE	2	13,046	645,725	658,771
<i>Gains (losses) on investments</i>		4,282	-	4,282
NET INCOME (EXPENDITURE)		368,907	(398,531)	(29,624)
<i>Transfers between funds</i>		(398,531)	398,531	-
NET MOVEMENT IN FUNDS		(29,624)	-	(29,624)
RECONCILIATION OF FUNDS:				
<i>Total funds brought forward</i>		2,887,565	-	2,887,565
<i>Total funds carried forward</i>		2,857,941	-	2,857,941

MANAGEMENT INFORMATION ONLY

THE FOLLOWING PAGES DO NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS

**BLACKFRIARS SETTLEMENT
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2022**

INCOME			Year ended 31 July 2022 Totals £	<i>Unrestricted</i>	<i>Restricted</i>	<i>Year ended 31 July 2021 Totals £</i>
	Unrestricted £	Restricted £				
PUBLIC AUTHORITY GRANTS						
Community Care						
London Borough of Southwark/- COPSINS Partnership		65,864	65,864		65,864	65,864
London Borough of Southwark Other		10,000	10,000		13,000	13,000
London Borough of Southwark Personal Accounts Grants		4,771	4,771		3,271	3,271
Bankside and Walworth Community Council		750	750		-	-
London Borough of Southwark Common Purpose Grant		18,000	18,000		18,000	18,000
Big Lottery - Weathering Well Project		51,001	51,001		13,483	13,483
Big Lottery - Coronavirus Community Support Grant		-	-		34,148	34,148
Kickstart Grant		7,899	7,899		-	-
DCLG Pop up Cafe		10,350	10,350		-	-
MHCLH Communities		-	-		19,577	19,577
Other various		6,522	6,522			
TOTAL PUBLIC AUTHORITY GRANTS		175,157	175,157		167,343	167,343
PUBLIC AUTHORITY CONTRACTS						
Learning and Development						
London Borough of Southwark - Adult Training contracts		28,416	28,416		24,307	24,307
TOTAL PUBLIC AUTHORITY CONTRACTS		28,416	28,416		24,307	24,307

MANAGEMENT INFORMATION ONLY

THE FOLLOWING PAGES DO NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS

**BLACKFRIARS SETTLEMENT
INCOME AND EXPENDITURE ACCOUNT (continued)
FOR THE YEAR ENDED 31 JULY 2022**

	Year ended 31 July 2022		Year ended 31 July 2021	
	£	£	£	£
INCOME				
Income		673,702		629,147

EXPENDITURE				
Salaries and wages	327,980		368,267	
National insurance	26,630		29,901	
Pension costs	16,449		18,470	
Staff training and development & travel	522		111	
Direct project expenses	61,284		26,492	
Rent, rates and service charges	5,000		5,611	
Insurance	7,705		4,000	
Audit fee	7,476		7,224	
Bank charges and interest	5,304		8,329	
Light, heat and power	44,309		31,702	
Repairs and maintenance	27,997		32,262	
Cleaning and caretaking	27,525		18,670	
Telephone and postage	3,514		3,711	
Printing and stationery	7,343		2,610	
Website and publicity	642		890	
IT costs	17,879		10,092	
Depreciation	76,989		77,383	
Fundraising expenditure	80		-	
Cost of generating income	13,046		13,046	
Bad Debts	5,200		-	-
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		682,876		658,771

DEFICIT FOR THE YEAR		(9,174)		(29,624)
		=====		=====