

**MANCHESTER SETTLEMENT
A COMPANY LIMITED BY GUARANTEE
ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2021**

MANCHESTER SETTLEMENT

ACCOUNTS

YEAR ENDED 31 MARCH 2021

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MANCHESTER SETTLEMENT

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

BOARD OF TRUSTEES

	Role	Date of in year appointment	Date of in year resignation
Angela Doyle			
David Black	Treasurer		
Michelle Rigg	Chair		
Carol Bartram			
Lisa Purchase			23/02/2021
Phillip Bradley			09/02/2021
Maria Lester		17/06/2020	
Michael Conway		14/09/2020	
Toni Anglin		19/03/2021	

COMPANY SECRETARY

	Date of in year appointment	Date of in year resignation
Adrian Ball	24/09/2019	

SENIOR MANAGEMENT TEAM

	Role	Date of in year resignation
Adrian Ball	Chief Executive	

REGISTERED OFFICE AND PRINCIPAL ADDRESS

New Roundhouse
1328 – 1330 Ashton Old Road
Openshaw
Manchester
M11 1JG

AUDITORS

Crowe U.K. LLP
Chartered Accountants & Registered Auditors
The Lexicon
Mount Street
Manchester
M2 5NT

BANKERS

The Co-operative Bank PLC
PO Box 101
1 Balloon Street
Manchester
M60 4EP

SOLICITORS

HLF Berry
446 Barlow Moor Road
Chorlton
Manchester
M21 0BQ

MANCHESTER SETTLEMENT

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2021

Chair's Report

I would like to begin my report by thanking the Trustees, Chief Executive, staff and volunteers that have contributed to the charity during the year that has presented huge challenges for all our beneficiaries and stakeholders. The staff and volunteer teams have responded fabulously well to the challenges of delivering services to our most vulnerable service users whilst managing their own health and safety. The trustees extend their thanks and best wishes to all those that have helped the charity to continue to work during this most difficult period of time.

Our new community focused strategy was launched in the summer of 2019, the strategy brought a refreshed vision, mission and values to our work, reflective of the current mix of services, and planned outcomes. The strategy unifies all of the different work streams of the charity within a consistent purpose and theory of change. The Cycles of Community Change model really came into its own during the year. Our relationships with community members allowed us to develop new volunteer led Covid-19 response services, such as our new Community Led Food Pantry, and our Befriending Service that are having a massive impact upon the needs of our beneficiaries.

2020/21 saw the continued development new community nursery, within our integrated family services offer. As with all services the numbers of families accessing the services varied with different stages of lockdown, but we were able to adapt services to meet the needs of families in different ways.

Our Supported Housing Services have continued to be an effective vehicle for delivering outcomes for vulnerable young people, particularly young people leaving care and young people who are classed as unaccompanied asylum-seeking children. We were delighted to be able to open 2 new houses accommodating up to 6 extra young people in February 2021.

The community services that we have delivered from The New Roundhouse for many years have become much more central to our purpose. Our work streams have supported different sections of the community – young people, families and older people through programme of engaging, community led activities that have improved the lives of individuals and have provided platforms for those individuals to get involved in supporting others. We have been excited to work with local volunteers to establish a Food Pantry providing very low-cost food packages for local families that are really struggling.

The pandemic required us to rapidly develop and adapt services such that we could continue to reach out to communities that were feeling very isolated. In May 2020 we launched our "Open Door" telephone befriending service, taking referrals from local health professionals. The service has gone from strength to strength and is now staffed by a fantastic team of volunteers.

This most terrible of years has seen our community really step up to help those most in need such that we have more than tripled the number of volunteers working with us, whilst developing their skills. We are extremely thankful to them for their commitment.

Corporate Challenges

Along with most other organisations, by far the biggest corporate challenge was regarding the delivery of essential services to our communities through lockdown periods, and the increasing needs of our charity beneficiaries relating to Covid-19.

Our charitable objectives and our values have driven us to provide services throughout the past year, our nursery has been open throughout, initially for the children of key workers, but for all since July. Our supported housing services have needed to be in place 24/7 and our teams of frontline staff have really stepped up to the challenge of providing continuity of service.

The negative impact upon our fee income from Covid-19 related matters was less than we had anticipated, and the roll out of government support programmes has helped. The charity was able to access the furlough scheme for times when nursery and childcare services were only permitted in restricted circumstances.

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Longer term, the expected financial recession may be the matter that creates the greatest challenge. If the national financial picture impacts upon local authority funding, that could have a very significant impact upon all of the income streams that support the charity's work.

The charity is very thankful to receive a significant donation from the estate of private individual which is noted in our accounts and will assist us in overcoming anticipated funding reductions in coming years.

The trustees would like to thank all of the funders that have made our significant achievements possible. Major funders have included:

Manchester City Council
Lloyds Bank Foundation
Young Manchester
Greater Sport
The Lottery

Our work would not be possible without the commitment of our passionate volunteers and staff who are driven to improve the lives of young people. The board would additionally wish to pass on their thanks to them all.

Review of Charity's Position

Our financial position at the end of the reporting period is healthy. Our free reserves (unrestricted funds that are not used to fund property) provide for around six months of operating costs as per charity commission guidelines. Better than expected financial performance meant we were able to repay the balance of the loan that we had taken out to establish the nursery environment.

Plans for the next 12 month

At the time of writing the charity has secured a contract for the delivery of housing support for a 5 year' period, giving welcome stability, plus the opportunity to increase our property portfolio to a total of 35 units to make the maximum of the contract we have secured. The nursery and other childcare services are doing very well and are at full capacity, once again the plan here is for a year of stability, although discussions with the council about expansion onto an unused children's centre remain an option for expanding services should trading conditions support this.

The trustees have designated funds from our free reserves to invest into a range of charitable programmes, enhancing the scale and depth of impact in our Youth Work, Befriending and Family Support Services. Funds have also been designated for premises refurbishment.

Service Priorities

Young Peoples Services (Including Supported Housing)

- We wish to continue with our service improvement plans, focussing upon continued staff development.
- Wish to become a recognised centre of excellence with regard to working with asylum seeking young people.
- The trustees have designated a 1 year fund to enhance the services we provide to local young people., services that will impact upon their health and wellbeing

Child and Family Services

- Our absolute priority is to have a financially resilient childcare service that can have an impact in the long term.

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- We wish to provide a broad offer of integrated child and family services in Openshaw and surrounding areas.
- We wish to provide childcare that meets the needs of parents (affordable, flexible, high quality).
- We want to support the training and development of local people through volunteering, placements and apprenticeships.

Community, Health and Wellbeing

- We wish to launch a new positive mental health programme in advance of a new national strategy to invest in community mental health support services
- We aim to have a buoyant programme of engaging activity delivered from the Roundhouse and outreach settings that enables provides opportunities for the community to engage with others.
- We aim to have an extensive programme of health and wellbeing interventions co designed and delivered with the community and partners.
- We aim to be a recognised centre for Social Prescribing – endorsed by local GP's.
- We wish to have a body of members and volunteers that have a meaningful relationship with the charity.

Charity Leadership and Management

- To deliver all of our ambitions, we need to invest in the development of our teams and our systems.
- We need to build the capacity and strength of our board of trustees and management team, and the quality of systems that serve them, so as have a sound succession plan.
- We aim to have a marketing strategy that makes the best use of traditional and new media to ensure that we are selling the benefits of engaging with our charity as an individual, group or as a commissioner of services.
- We aim to have developed an approach to our branding that unifies our different services.
- We shall invest more funds than usual in the refurbishment of the New Roundhouse as part of an asset management strategy.
- We shall invest more resources into the training and development of current and future leaders.

Significant Events

Covid-19 – financial impact

Whilst funding patterns changed during the year, with some fees being replaced with emergency grants, the flexible nature of those grants has enabled the charity to have a sound financial year which will help us to weather the next few years. The legacy donation the charity received in two stages totalling c.£288k provided unrestricted income that further supported the in-year position, but was not required to subsidise existing delivery plans.

Covid-19 – managing services

Virus control measures were implemented such that key worker services could continue to be provided face to face, and all other work was shifted to a home working model. Staff have been supported through regular online meetings and have benefited from access to employee assistance helplines. Building upon our role as a trusted community organisation the charity has sought to adapt and create new services that assist the communities we support.

Our minds are turning to whether services need to be subject to long term redesign, due to new types of need in the community, or imposed, self imposed access restraints.

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Covid-19 – impact on staff and volunteers

22 staff have been subject to furlough, some on 3 weeks cycles to enable the continued delivery of key worker services. Following HMRC rules, staff have only been furloughed where they deliver against private income streams that have been affected by “lockdown”, all staff employed through public funding have been deployed in their normal or new roles as part of our Covid-19 response. Other staff have been equipped to work from home which has largely proceeded well, although it has highlighted the limitations of our supported housing database, which is now subject to review.

To conclude, 20/21 was a year that saw great progress towards our strategic goals and improving financial stability. The year also required us to experiment with new delivery models and services that will be retained into the next 12 months. The charity is well centered around our strategies for creating cycles of community change in North Manchester, a position that will enable us to be an important part of the pandemic recovery plans in the communities in which we work.

Michelle Rigg

Chair



Date: 20th July 2021

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TRUSTEES' REPORT

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INTRODUCTION

The trustees are pleased to present their annual Trustees' report together with the financial statements of the charity for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies House.

CHARITIES ACT PURPOSES

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 (FRS 102) (effective 1 January 2015).

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees and officers serving during the year and since the year end are as per page 1.

STRUCTURE GOVERNANCE AND MANAGEMENT

Legal status

Manchester Settlement is a private company limited by guarantee (registration number 00241676) and is a registered charity (registration number 228577). It is governed by its Memorandum and Articles of Association dated 12 August 1929 as amended 16 January 1997, 28 November 2013 and 19 September 2017.

Governance

The charity has a Board of Trustees that oversees the running of the organisation. The Board of Trustees are elected at the Annual General Meeting. Each year, they also elect three honorary officers from their own number: a Chairperson, Vice-Chairperson, and Treasurer also a Company Secretary who does not need to be a trustee. The board shall be not less than three and with the upper limit defined by the board from time to time. Trustees must resign at the Annual General Meeting if they have been on the Board for three years. Trustees are recruited and elected if a particular skill or experience is identified. The Board of Trustees may co-opt advisors to the Board as and when particular skills are required. The Memorandum and Articles of Association were updated in September 2017 to incorporate the following changes:

- a) Reduced minimum quorum at AGM meetings
- b) Allowing the Company Secretary position to be filled by a non-trustee

Charity Governance Code

The Trustees have adopted the Charity Governance Code, an update version of which was published in July 2017, and are guided by its principles and recommended practice for good governance.

Inducting Trustees

All new trustees are interviewed prior to appointment by the Chair and CEO before being considered for appointment by the trustees. Upon appointment they are required to undergo DBS clearance checks as part of our safeguarding policy. New trustees then spend a half day in the charity touring the different projects to meet staff and service users. They are inducted into the role of a trustee based upon the charity commission guidance.

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Decision Making

The trustees have agreed a scheme of delegation which specifies the decisions, limits and tolerances that are available to the Chief Executive and to other staff. The trustees agree the charity's strategy and budget plus a limited range of statutory policies. The Chief Executive may make decisions that are in accordance with the charity's strategy and agreed budget, including the hiring of staff and agreeing contracts.

OUR PURPOSES AND ACTIVITIES

Objectives of Manchester Settlement

Manchester Settlement is a registered charity established to develop community projects, promote health and education, and reduce poverty, alongside local people and the public and private sectors.

It plans to develop projects and services, making best use of central and local government funding and charitably raised resources, using a partnership approach.

Strategies and Activities

Manchester Settlement is a charity that is rooted in the urban communities of Manchester. The charity has existed in varying forms for upwards of 125 years delivering an ever-changing palette of services to meet the developing needs of individuals, families and communities. We are proud of the breadth of activity that we have been able to sustain, and of the flexibility and desire that we have to move into new areas of activity that will contribute to the social benefit that we pursue.

The individuals and families of Manchester and the surrounding areas face new challenges all of the time, and we are committed to using our skills to embrace and support the power within these communities to enhance lives.

Our Mission

To instigate sustainable cycles of change that support individuals, families and communities to be healthy, compassionate and empowered contributors to diverse communities.

Our Vision

We aspire to a society where people feel more supported, connected, empowered and resilient, such that they are motivated to get involved in helping others along that same journey.

Our Values

Our values are the touch points that should guide us every day, whether we are applying for funding, meeting family members or entering into partnerships.

We will always

- Respect the strengths and needs of all our stakeholders
- Believe that people are most powerful when connected to communities
- Be truthful and transparent
- Be brave enough to challenge boundaries

Our Sustainability

As a charity we need to do all we can to ensure our long-term sustainability, this explicitly recognises our need to be financially secure, such that we can continue to invest in the development of quality services. This internal sustainability is matched by our desire to increase the environmental sustainability of the actions of the community locally and globally.

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Our Theory of Change

Whilst all of our current and future service areas and approaches will have specific methodologies necessary to meet their particular specifications, Manchester Settlement translates our mission, vision and values through a methodology which applies across our service areas.

We aim to **create cycles of community change** that are equally powerful whatever part of our business we are speaking of.

The following infographic illustrates the "Cycles of Community Change" that our actions are planned to generate, cutting across all of our service areas.

Creating Cycles of Community Change



The strategies employed to achieve the charity's aims and objectives can be considered within some distinct but complementary service areas:

- Provision of Young Peoples Services, which although dominated by our Supported Housing Services are now complemented by other youth action programmes.
- Provision of Nursery and Childcare and Family Support services to support the development of local children outside and to support local families in accessing work through the provision of affordable provision.
- The co design and co delivery of inclusive activities and services with community members that enhance the lives of individuals and the communities to which they are or could be connected.

Public Benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity'.

The original objects of Manchester University Settlement defined in the Memorandum and Articles of Association registered in 1929 are: To promote the social welfare of the poorer residents in the City of Manchester and neighbourhood. The beneficial area is the City of Manchester and District.

In 2013 Manchester Settlement adopted a new set of Memorandum and Articles which elaborated on this slightly saying: To promote the advancement of education, the furtherance of health and all other measures for the social welfare of the poorer residents in the City of Manchester and neighbouring districts.

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TRUSTEES' REPORT

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The Trustees' report sets out the activities and achievements of the charity during the year ended 31 March 2021. From the Trustees' report it can be seen what the benefits are and that the benefits are related to the aims set out above. Our work has continued to be centred around 3 interlinked streams; Childcare and Family services, Young People's Services, and The Health and Wellbeing of the Community. All of this work has benefited both the direct beneficiaries themselves and their communities throughout the City of Manchester. All of the beneficiaries could be described within the terms of the original 1929 Memorandum and Articles of Association as "the poorer residents of the City of Manchester and neighbourhood" and no individual has been excluded on the basis of their inability to pay or by geographical or inappropriate restrictions. The availability of places is limited only by numbers and criteria of need. In most cases there is no charge to the beneficiary because payment is received on their behalf from the public purse.

ACHIEVEMENTS AND PERFORMANCE

Manchester Settlement Supported Housing Project – First Key Homes

Our service comprises of 29 homes, into which we receive referrals from Manchester City Council for vulnerable young people, who are in the main care leavers. The year saw a further shift in referrals towards young people who had arrived in the UK as unaccompanied asylum seekers (UASC), and we are pleased that we have quickly become recognised as having the skills necessary to work with this group of often very traumatised young people. The current capacity of 29 was reached through a partnership with One Manchester Housing Association from whom we lease two, 3 bed houses.

In order to be considered for future contracts the service was required to be assessed for quality of provision via a North west Framework process, we were one of a small number of providers that successfully navigated that process, which then enabled us to tender for the new 5-year contract.

Impact on Young People

It is important for us to measure our impact with regard to how each young person we support views their own progress, we measure this in five domains and can report impact as follows:

The chart shows the average increase in self-assessment scores in each of the domains and helps us to understand where the greatest challenges are, and where we need to focus more of our efforts.

Case Studies

FY and MT are 2 young Tigrinya speaking asylum seekers that came to us through the usual referral process. They were identified as needing additional support as they were very new to the UK, so we provided 10+ hrs of support per week. They had travelled together at least some of the way from their home country and when we met they were very timid and unsure, they looked nervous and very stressed out, I can only imagine their journey and ordeal.

We worked closely to support them, we worked on shopping trips, how to use money, find what they wanted/liked etc. I showed them how the house worked, connected them to WIFI and how to access translator on their phone, all safety features, how to use cleaning products, microwave, u-tube for English language, kitchen utensils like tin openers, kitchen safety etc.

We used interpreters to work on their independence booklets as their language skills were not good but since then they have flourished. They have their college interviews coming up, they have taken themselves exploring on the bus around Manchester and have been to every meeting and social activity we have asked them to. They have made lots of friends, have joined the gym and taken part in our allotment and our English classes. They keep their home clean and in good order and they have told me they are very happy, and they love living in their home.

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When they first arrived, I asked them about what they want to do as they get older, they had never thought about it as they just wanted to be safe but now, they are seeing the possibilities of their futures and are very keen to learn and build their lives here.

YO moved into one of our properties, initially he struggled but soon, he managed to adapt to the transition of moving to a completely different area and living with new people. Once we established areas that YO would benefit from he started to attend the horizons activities and became a regular member of the football sessions.

YO always made it clear that wanted to get his own flat, once he registered on Manchester Move, we began to do some work sheets from the independence booklet on moving on into independent living, budgeting, and pricing up items that he would require when he moves in. There were times during lockdown when he thought he would never be offered a flat but after a long wait he was finally offered a place he was happy with. YO is a very organised person which helped him manage and prioritise what is essential when limited to a financial budget.

He has now been moved in for over 4 months. I helped him with the move in process, and I have been to his flat since, which he has transformed it into his home. He has furnished and decorated it which he so proud of. He often contacts us or comes to the office for advice, support, and reassurance showing the strength of the relationship he built with First Key homes from move in, to move out, and beyond.

Community, Health and Wellbeing Services

The year was dominated by the reorganisation of services to meet the needs of those in the community that were most isolated.

The Open Door Befriending Service was launched in May 2020 taking referrals from health professionals that had identified vulnerable adults that would benefit from a regular telephone call.

The service has gone from strength to strength, attracting volunteers from a wide range of backgrounds; retired people, students, employees etc.



The Roundhouse Pantry was similarly established in year following an approach from a local community activist. We were able to take them on as a volunteer, and together we have developed the Roundhouse Pantry, a facility that is providing food for usually 300 people each week, at very low prices. This project would not be possible without this assistance we receive from local food suppliers, in the main Fareshare, Morrison's and Tesco Stores. The pantry is staffed by a team of volunteers that are working with us week in week out to provide low income working families with help.

We were also able to provide an extensive online health and wellbeing offer, with a wide range of clubs, from book clubs to yoga.

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Child and Family Services

Our child and family service offer has continued to develop during the year, despite the clear COVID-19 restrictions. Our Nursery provided service to the children of key workers, and vulnerable children every week of the pandemic, and we were delighted to be able to welcome all children back from July.

Where restrictions have allowed, we have facilitated parents support groups, developing the role of parents as volunteers and we have developed new service offers that provide creche childcare for parents attending important appointments.

Our after school clubs suffered from greater restrictions to re opening and are still operating with restricted numbers, but we are delighted to have been able to provide a service for all working parents from September 2020.

Our youth and play offer re started in August 2021, and was soon delivering evening and holiday play sessions, including the new Club Cre8 provision

There are now over 200 children registered with our different childcare services.

The nursery team has grown to 15 staff members, the full childcare team has 19 full and part time staff.

Impact on Children and Families

The nursery delivers the statutory Early years foundation stage (EYFS) learning and development and welfare requirements for children aged 0 to 5 years. As children were absent for parts of the year the usual assessments were reduced, we continued to conduct 2-year-old progress checks. The end of year Cohort tracking shows that the area children need most support in is their language development. Staff have undertaken additional training to support this, and Early years pupil premium funding will be used to provide further enhancements.

Children with SEND have been supported by early interventions including additional staffing support. We have been instrumental in securing professional input for children and Education Health care plans for those children who will need extra support throughout their educational journey. We have supported visits and applications to schools.

Parents feedback about the nursery provision and our continued engagement with them over the lockdown has been very positive. Feedback was collected verbally and independently sent to us particularly about the contact we maintained with them to support their wellbeing and activities for their children. We conducted home visits and delivered activity learning packs to support children's learning, along with the distribution of food vouchers and applications for hardship fund grants. Keyworkers benefited from us remaining open to support their childcare needs which allowed us all to support the national effort of keeping essential services up and running.

Case Study

Child A started nursery in the 2-year-old room in 2019 and had some SEND. Nursery supported the child by developing an Individual education plan and applying for additional staffing support. We recruited staff to work with the child and through this trusted relationship he was able to non-verbally communicate and be understood. The keyperson supported the child to reach little goals and progress and the child moved up into our pre-school room. Child A was supported throughout lockdown with welfare calls and learning packs, his parents were reluctant and fearful for him to return to nursery after lockdown but were guided through all the safety procedures we put in place for children to return. Our application for an Education Health Care plan was successful for Child A and we worked to secure him a place in a fantastic specialist school for the new term. During this time, we also supported parents with problems around inadequate housing and food voucher distribution.

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Feedback

Nursery parent

'I am so glad my child is in this nursery, you have all worked so hard to make it safe, he is so happy to be able to play with his friends and I can really tell the difference in his development, he has really come on'.

After school Club parent

'I wouldn't have been able to continue working through some of the lockdowns if it weren't for school and the after-school club, the children were so happy to get out and meet their friends'.

Baby sensory class parent

'I started the class when my child was around 6 months old, we followed a pattern each week which was a nice routine for the babies such as welcome and goodbye songs we really looked forward to the themed weeks as it was an opportunity to dress the babies up which was lots of fun, the classes helped my child's development and sensory experiences, while being an opportunity for me to meet other mums'.

CONTEXT

Manchester Settlement has been providing an evolving mix of services to the residents of North Manchester for 125 years with the objective of enhancing the lives of community members through projects to improve health, education and community development. The objectives for this work were relevant 125 years ago and continue to be relevant in 2020. The 2016 Our Manchester Strategy highlights the areas of strength and opportunity within Manchester, and areas of continuing challenge within Manchester.

- 33% of children in the city grow up in poverty.
- There remains significant areas of deprivation across the city where outcomes for people are poor and life is a struggle.
- Manchester's physical health is among the worst in the country and poor mental health affects too many people.
- Homelessness has become more visible in the recent past, with more people sleeping on the streets in the city centre.

Manchester Settlement continues to build the capacity of those who may face these barriers to have the best chances to take part and contribute to the developing cultural and economic vision for Manchester.

FINANCIAL REVIEW

Financial position

The charity ended the financial year in a very positive financial position. The availability of grants to support our long-term charitable work with communities affected by Covid-19, and the business support grants available to us ensured that we were able to not rely upon subsidising service delivery from other charitable funds. An unexpected legacy donation of £288k received in two instalments has enabled the trustees to plan for service delivery into 21/22 where grant funds have ceased, ensuring continuity of service.

Our principal sources of funding during the year continued to be unrestricted fee funding from the sales of childcare places or rental income from our houses plus restricted grant funding for service development or delivery projects; these are all recorded as income from charitable activities – 66.1% of the total income of the charity (2020: 99.8%). The other 33.9% is derived from voluntary donations, and investment income. Overall, our income increased by 60% compared to the previous year (2020 saw an increase of 17%).

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Our risk management plan focusses the attention of trustees and managers upon areas of financial volatility on a monthly basis. Our budget for 2021/22 predicts a surplus of £10K which has been agreed by the board. The budget utilises £110k of designated funds funded through the £288k legacy fund received this year. The board have allocated this designated fund to projects and developments that have a significant impact upon our beneficiaries. The priorities for this fund have been set for improved and expanded services in Befriending, Youth Activities, Family Support and for improvements to our premises.

In 2020/21 restricted funds raised for projects support totalled £269,555 with associated expenditure of £244,997. In the previous year restricted funds raised were £135,856 with expenditure of £133,756. Any restricted funds unspent are carried forward for use in following years where permitted.

Going Concern

The trustee risk assessment of the trading conditions, cash flows and reserves is that whilst the grant income forecast for the next year is reduced, the high level of reserves enables the charity to designate funds to projects that further charitable objectives. The trustees conclude that the charity is a going concern and that there are no material uncertainties that cast doubt upon the ability of the charity to remain as a going concern during the 12 months from the signing of the accounts.

Investment powers and policy

The trustees, having regard to the liquidity requirements of operating the charity operate a number of instant access current and deposit accounts attracting low levels of interest with high street banks. Balances are monitored to maximise protection from bank failures. The flagstone account management platform has been adopted to simplify the management of multiple accounts.

Risk Management

The trustees have a risk management strategy which comprises of:

- an annual review of the principal risks and uncertainties that the charity faces and the establishment of policies, systems and procedures to mitigate those risks identified in bi-monthly updates regarding significant changes to the risk register.
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that the key risks for the charity and the key actions are:

Risk	Actions to reduce risk
That Covid-19 restrictions or staff availability disrupt ability to deliver services	Maintain disaster recovery and Covid-19 management plans Maintain infection control procedures. Preserve Reserves are higher end of permissible level.
Insufficient demand/ fee income to cover costs of delivery, especially in the light of Covid-19	Marketing campaign in place. Monthly income and expenditure monitoring.
Failure to secure sufficient housing support contracts	Ensure quality standards are regularly assessed against required frameworks. Ensure pricing is competitive.

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Reserves policy

The trustees operate a risk based approach to identifying an ideal level of reserves that will give our partners and stakeholders confidence that the organisation is robust, whilst demonstrating we maximise the impact of our funds upon beneficiaries. The nature and variability of our contracts and income along with our contractual commitments impact upon our risk analysis. The risk analysis has identified that an absolute minimum of three months of operating costs should be maintained, but that six months of operating costs would enable us to deliver a well-managed service that would allow us to ensure a high quality redesign or transfer of assets and activities for the benefit of our beneficiaries.

For 2021/22 our minimum level of reserves is required to be £265,000 with a target level of reserves of £530,000. Of the unrestricted fund of £877,427 (note 15) £275,789 has been utilised to fund the freehold houses, £29,040 fixtures and fittings and £64,215 to fund refurbishment. At the 31st March 2021 there were £508,383 of free reserves which is close to the upper target level of reserves. The management team will closely monitor income and expenditure during the forthcoming year and depend upon financial performance will seek to invest any surplus reserve.

Pay policy for senior staff

Directors are not paid but may claim expenses incurred. The salary scale of the Chief Executive is approved by the full board of trustees following an analysis of comparative organisations and a performance review.

Fundraising

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Post Reporting Year Events

The management team have implemented a Covid-19 action plan spanning all areas of the charity's services. Services have been adapted to ensure that the service users are still receiving support wherever possible. New services such as a telephone befriending service are set to be delivered.

Trustees' responsibilities in relation to the financial statements

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

MANCHESTER SETTLEMENT

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2021

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

Statement as to disclosure to our auditors

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 charity's auditor is unaware, and the trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees have taken advantage of the small companies exemptions provided in Section 415A of the Companies Act 2006.

By order of the board of trustees

Michelle Rigg



Date 20th July 2021

MANCHESTER SETTLEMENT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 2021

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MANCHESTER SETTLEMENT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 2021

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in trustees' report.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption 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 [set out on page 14], 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

MANCHESTER SETTLEMENT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 2021

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

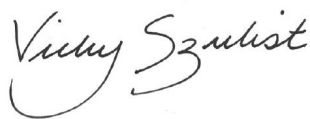
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, sample testing from grant and contract documentation, sample testing of childcare fees and nursery fees from the booking database and attendance register.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 our report

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



Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

10th August 2021

MANCHESTER SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
		£	£	£	£
Income from:					
Donations and legacies	3	345,499	-	345,499	681
Charitable activities	4	667,142	269,555	936,697	777,214
Other trading activities	5	6,745	-	6,745	27,623
Investments		660	-	660	928
Total		1,020,046	269,555	1,289,601	806,446
Expenditure on:					
Charitable activities	6	633,439	244,997	878,436	763,041
Total		633,439	244,997	878,436	763,041
Net incoming resources before transfers		386,607	24,558	411,165	43,405
Transfers	15	6,622	(6,622)	-	-
Net movement in funds		393,229	17,936	411,165	43,405
Reconciliation of funds:					
Total funds brought forward	15,16	2,200,701	964,633	3,165,334	3,121,929
Total funds carried forward	15,16	2,593,930	982,569	3,576,499	3,165,334

The charity has no recognised gains or losses other than the results for the year as above.

The notes on pages 22 to 36 form part of these accounts

MANCHESTER SETTLEMENT

BALANCE SHEET

Registered company number: 0024167

AS AT 31 MARCH 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	9	2,705,499		2,728,110	
Investments	10	35,000		35,000	
			2,740,499		2,763,110
Current assets					
Debtors	11	86,486		56,518	
Cash		818,378		494,939	
		904,864		551,457	
Creditors: amounts falling due within one year	12	(58,993)		(74,985)	
Net current assets			845,871		476,472
Creditors: amounts falling due after more than one year	13		(9,871)		(74,248)
Net assets			3,576,499		3,165,334
Funds					
Restricted	16		982,569		964,633
Unrestricted:	15				
Designated funds			1,716,503		1,443,436
Other			877,427		757,265
			3,576,499		3,165,334

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102.

These financial statements were approved and authorised for issue by the Board of Trustees on the 20th July 2021 and are signed on their behalf by:

Michelle Rigg



The notes on pages 22 to 36 form part of these accounts

MANCHESTER SETTLEMENT

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2021

Cash flow Statement

	2021		2020	
	£	£	£	£
Cash inflows / (outflows) from operating activities				
Net cash provided by operating activities		443,437		90,371
Cash Flows from investing activities				
Dividends and interest from investments	660		928	
Purchase of fixed assets	(27,813)		(2,699)	
Net cash applied to investing activities		(27,153)		(1,771)
Cash Flows from financing activities				
Loan repayment		(92,845)		(32,352)
Change in cash and cash equivalents in the year		323,439		56,248
Cash and cash equivalents at the beginning of the year		494,939		438,691
Cash and cash equivalents at the end of the year		818,378		494,939

Net Movement in Funds

	2021	2020
	£	£
Net movement in funds for the reporting period (as per the Statement of Financial Activities)	411,165	43,405
Adjustments for:		
Depreciation	50,424	52,427
Interest received	(660)	(928)
(Increase)/Decrease in debtors	(29,968)	19,190
Increase/(Decrease) in creditors	12,476	(23,723)
Net cash provided by operating activities	443,437	90,371

The notes on pages 22 to 36 form part of these accounts

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

1. GENERAL INFORMATION

Manchester Settlement is a private company limited by guarantee and a registered charity. The registered office and principal address is 1328-1330 Ashton Old Road, Openshaw, Manchester, M11 1JG. The charity is incorporated in the UK.

2. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under Companies Act 2006, and in accordance with the Financial Reporting Standard 102 (FRS 102) and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice" issued in 2015 (SORP 2015). The charity meets the definition of a public benefit entity.

Going concern

As disclosed in the Chair's Report on page 4 and the Trustee's Report on page 15, the trustees assessment of the trading conditions, cash flows and reserves is that whilst the implications of Covid-19 are significant, plans are in place to mediate the impact, and flexibilities exist that will enable the management team to reduce costs in a timely way should trading conditions require it, and conclude that the charity is a going concern. It is therefore felt that there are no material uncertainties that cast doubt upon the ability of the charity to remain as a going concern during the 12 months from the signing of the accounts.

Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt.

Donations

Donations include amounts received under Gift Aid together with Income Tax recoverable thereon.

Resources expended

The costs of projects, fund-raising and publicity, and management and administration comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed to specific activities they have been allocated to core costs which are then recharged to each delivery area on the basis of proportionate use of square footage in the premises.

Charitable expenditure

Includes all expenditure directly related to the objects of the charity (in accordance with the SORP) and comprises project costs, grants and directly attributable support costs. Governance costs include those costs incurred in the governance of the Charity's assets and are associated with constitutional and statutory requirements.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general charitable objectives.

Restricted funds represent funds received whose use is subject to restrictions imposed by the donor.

Designated funds represent funds earmarked for a particular use by the directors.

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (cont.)

Investment assets

Fixed asset investments comprise a Lowry drawing which is included at the trustees' best estimate of market value, informed by expert advice.

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:

Fixtures and fittings	- 25% p.a. straight line
Leasehold property	- 149 years straight line
Land and buildings	- 50 years straight line
Refurbishment	- 15% p.a. straight line

Majority of assets costing more than £500 are capitalised at cost.

Assets obtained during quarter 4 are depreciated in the following accounting year.

Long leasehold property is assessed annually for indications of impairment and if necessary the carrying value reduced accordingly.

Debtors

Trade debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount repaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes 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.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activity.

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (cont.)

Termination payments

The charity accounts for termination payments in the accounting period they are announced.

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF UNCERTAINTY

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the fixed assets, and accounting policies for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. Trade debts have been reviewed by the management team and trustees, only those with a realistic chance of recovery have remained as assets.

When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

(iii) Key sources of estimation uncertainty

Approximately £333,000 of the forecast income in 2021/22 comes from fees, it includes £324,000 fees from the nursery and childcare service. The demand for these services is very sensitive to national policy regarding the management of Covid-19, and the confidence of parents to place their children in childcare settings. As such the trustees have produced a range of forecast scenarios with different levels of income and cost that will allow for prudent financial management.

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

3. DONATIONS AND LEGACIES

	2021 £	2020 £
Residuary Legacy	287,826	-
CJRS grant	57,283	-
Donations	390	681
	345,499	681

4. CHARITABLE ACTIVITIES

	Grants and contracts	Fees	Rental income	Other	2021
	£	£	£	£	£
Young People's Housing Project	313,466	-	176,604	909	490,979
Community Development	92,070	-	-	2,620	94,690
Childcare	46,300	266,960	-	12,781	326,041
Organisational Development	23,000	-	-	1,987	24,987
	474,836	266,960	176,604	18,297	936,697

	Grants and contracts	Fees	Rental income	Other	2020
	£	£	£	£	£
Young People's Housing Project	144,248	-	171,190	9,680	325,118
Community Development	76,913	-	-	1,317	78,230
Childcare	23,500	295,300	-	18,488	337,288
Projects	30,443	-	-	-	30,443
Organisational Development	5,000	-	-	1,135	6,135
	280,104	295,300	171,190	30,620	777,214

5. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Room hire	6,745	27,623
	6,745	27,623

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

6. RESOURCES EXPENDED

Charitable Activities

	Activities undertaken directly	Support costs	Total 2021
	£	£	£
Houses	6,319	-	6,319
Young Peoples Housing Project	306,957	72,785	379,742
Community Development	75,039	15,823	90,862
Childcare	331,893	69,620	401,513
	720,208	158,228	878,436

Support costs	2021
	£
Activity expenses	715
Utilities	10,444
Repairs and maintenance	18,249
Rates and facilities management	3,293
Staff costs	77,774
Depreciation	15,227
Insurance	3,804
Miscellaneous expenses	304
Office costs	19,046
Professional fees	1,164
	150,020
Governance costs	
Auditors' remuneration	8,208
	158,228

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

Charitable Activities

	Activities undertaken directly	Support costs	Total 2020
	£	£	£
Houses	6,319	-	6,319
Young Peoples Housing Project	197,010	63,231	260,241
Community Development	70,144	14,051	84,195
Childcare	314,045	61,825	375,870
Projects	35,011	1,405	36,416
	622,529	140,512	763,041

Support costs	2020 £
Activity expenses	820
Utilities	11,834
Repairs and maintenance	9,958
Rates and facilities management	4,411
Staff costs	60,737
Depreciation	20,029
Insurance	3,735
Miscellaneous expenses	252
Office costs	19,943
Professional fees	873
	132,592
Governance costs	
Auditors' remuneration	7,920
	140,512

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

7. STAFF COSTS AND NUMBERS

	2021	2020
	£	£
Wages and salaries	487,646	466,779
Social security costs	32,700	32,711
Pension costs	16,647	18,204
	536,993	517,694
	2021	2020
	No.	No.
Chief Executive	1	1
Co-ordinators	5	5
Project workers	23	22
Administrative workers	3	3
	32	31

No one member of staff received remuneration in excess of £60,000 (2019/20: none).

During the year, no trustees had travel expenses reimbursed (2019/20: none).

No trustee received remuneration or benefits in kind during the year.

The key management personnel disclosed on page 1 received aggregate remuneration, including employers NI and pension costs of £65,975 (2019/20: £61,831).

There were no statutory redundancy payments made in the year ended 31 March 2021 (2019/20: none).

8. OPERATING SURPLUS

Operating surplus is stated after charging:

	2021	2020
	£	£
Staff pension contributions	16,647	18,204
Depreciation	50,424	52,427
Auditors' remuneration		
as auditors	8,208	7,920

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Long leasehold property	Freehold land and buildings	Refurbishment	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2020	98,330	2,244,252	635,457	110,960	3,088,999
Additions in the year	27,813	-	-	-	27,813
At 31 March 2021	126,143	2,244,252	635,457	110,960	3,116,812
Depreciation					
At 1 April 2020	91,094	164,452	75,242	30,101	360,889
Charge for the year	6,009	15,062	12,709	16,644	50,424
At 31 March 2021	97,103	179,514	87,951	46,745	411,313
Net book value					
At 31 March 2021	29,040	2,064,738	547,506	64,215	2,705,499
At 31 March 2020	7,236	2,079,800	560,215	80,859	2,728,110

10. INVESTMENTS

Movement in market value

	2021
	£
Market value at 1 April 2020 and 31 March 2021	35,000
Historical cost at 31 March 2021	500

The L. S. Lowry drawing is included in the accounts at £35,000 being the valuation at 31 March 2021. The drawing is held in safekeeping by the Whitworth Art Gallery, Manchester, who have provided the valuation of the drawing.

11. DEBTORS

	2021	2020
	£	£
Trade debtors	57,297	34,953
Other debtors	29,189	21,565
	86,486	56,518

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

12. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	5,171	11,795
Taxation and social security	9,280	8,137
Accruals and deferred income	27,272	21,420
Loans	3,884	26,723
Other creditors	13,386	6,910
	58,993	74,985

13. CREDITORS: Amounts falling due after more one year

	2021	2020
	£	£
Other creditors (First Ark loan)	-	60,493
Other creditors (Quaker loan)	9,871	13,755
	9,871	74,248
Quaker loan (unsecured)		
Analysis of the maturity of the loan is given below:		
< 1 year	3,884	3,851
2-5 years	9,871	13,755
	13,755	17,606
First Ark loan (unsecured)		
Analysis of the maturity of the loan is given below:		
< 1 year	-	22,872
2-5 years	-	60,493
	-	83,365

The charity decided to make an early full repayment of the loan provided by First Ark during the year.

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

14. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets that are measured at amortised cost:		
Cash held	818,378	494,939
Trade debtors	57,297	34,953
Other debtors excluding prepayments	54	40
	875,729	529,932

	2021	2020
	£	£
Financial liabilities that are measured at amortised cost:		
Trade creditors	5,171	11,795
Other creditors	19,302	104,272
Accruals	12,635	19,031
	37,108	135,098

15. UNRESTRICTED FUNDS

	Balance at 1 April 2020	Incoming resources	Outgoing resources	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Designated funds					
Fixed asset fund	1,165,400	-	(15,062)	6,622	1,156,960
Houses	278,036	-	(6,319)	-	271,717
Residuary Legacy	-	-	-	287,826	287,826
	1,443,436	-	(21,381)	294,448	1,716,503
Unrestricted funds					
Other charitable funds	757,265	1,020,046	(612,058)	(287,826)	877,427
	2,200,701	1,020,046	(633,439)	6,622	2,593,930

The fixed asset fund is designated as the Manchester Settlement part of the value of the New Roundhouse building and should be considered alongside the New Roundhouse Capital Project restricted fund (note 16). Together these funds comprise the total value of the New Roundhouse building. The Houses fund is designated as the value of the funds invested in the five houses owned by the charity to deliver charitable services.

The Residual Legacy Fund comprises of a single legacy donation with no restricted elements received in two installments during 2020/21. The priorities for this fund have been set for improved and expanded services in

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

Befriending, Youth Activities, Family Support and for improvements to our premises to be reviewed after one year, after which revised objectives may be set.

Transfers

A transfer has been made of £6,622 to the designated fixed asset fund to make a contribution to the unrestricted fund for the New Roundhouse capital project, this being one year of depreciation on the long leasehold property. Transfer of £287,826 has been made to create designated Residuary Legacy fund to reflect donation received in the year.

	Balance at 1 April 2019	Incoming resources	Outgoing resources	Transfers	Balance at 31 March 2020
	£	£	£	£	£
Designated funds					
Fixed asset fund	1,173,840	-	(15,062)	6,622	1,165,400
Houses	284,355	-	(6,319)	-	278,036
Nursery Development Fund	35,000	-	-	(35,000)	-
	1,493,195	-	(21,381)	(28,378)	1,443,436
Unrestricted funds					
Other charitable funds	659,579	670,590	(607,904)	35,000	757,265
	2,152,774	670,590	(629,285)	6,622	2,200,701

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

16. RESTRICTED FUNDS

	Balance at 1 April 2020	Incoming resources	Outgoing resources	Transfers	Balance at 31 March 2021
	£	£	£	£	£
New Roundhouse capital project	914,400	-	-	(6,622)	907,778
Our Manchester - VCS grant	-	38,333	(38,333)	-	-
EYPP/4CT Limited	-	15,800	(14,008)	-	1,792
F Beswick - Science activities	7,650	-	-	-	7,650
Laing Charitable Trust	8,303	17,500	(13,820)	-	11,983
Dalmore Capital	-	7,500	-	-	7,500
Lloyds Foundation	3,642	28,589	(25,447)	-	6,784
Morson Group	901	-	-	-	901
One Manchester - parent project	27,514	-	(12,120)	-	15,394
LandAid Charitable Fund	-	78,096	(58,627)	-	19,469
Manchester City Council Neighbourhood Covid 19 Support	-	500	(500)	-	-
The National Lottery Community Fund	-	10,000	(10,000)	-	-
Manchester City Council Buzz Holiday Playscheme	1,223	-	(1,223)	-	-
Greater Sport - Tackling Inequalities Fund	-	9,237	(9,237)	-	-
Power to Change - C-19 Trading Income Support	-	20,000	(20,000)	-	-
Manchester City Council - 1st 1000 days	-	25,000	(22,682)	-	2,318
Manchester City Council - Additional Restrictions Grant	-	18,000	(18,000)	-	-
Jigsaw Homes	-	1,000	(1,000)	-	-
FASD	1,000	-	-	-	1,000
	964,633	269,555	(244,997)	(6,622)	982,569

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

	Balance at 1 April 2019	Incoming resources	Outgoing resources	Transfers	Balance at 31 March 2020
	£	£	£	£	£
New Roundhouse capital project	921,022	-	-	(6,622)	914,400
Our Manchester - VCS grant	-	38,333	(38,333)	-	-
EYPP/4CT Limited	-	10,000	(10,000)	-	-
Science activities	8,000	-	(350)	-	7,650
Laing -Volunteer co-ordinator	8,333	25,000	(25,030)	-	8,303
Local Sustainability Fund CGR	1,250	-	(1,250)	-	-
Lloyds Foundation	8,787	21,843	(26,988)	-	3,642
Morson Group	3,263	-	(2,362)	-	901
One Manchester - parent project	17,500	17,500	(7,486)	-	27,514
Tesco	1,000	-	(1,000)	-	-
Hate crime	-	500	(500)	-	-
Neighbourhood Investment Fund	-	3,080	(3,080)	-	-
MCC Buzz Holiday Playscheme	-	5,000	(3,777)	-	1,223
Enterprise Grant	-	8,600	(8,600)	-	-
Eric Wright Trust	-	5,000	(5,000)	-	-
FASD	-	1,000	-	-	1,000
	969,155	135,856	(133,756)	(6,622)	964,633

The New Roundhouse Capital Project relates to the development of the new premises. The restricted fund on the New Roundhouse represents the amounts contributed by Manchester College who have been granted a long term lease, thus restricting their use of part of the building.

The Wellbeing and Community (Our MCR, EYPP/4CT) projects develop community activities to promote community engagement in learning, health and wellbeing.

F Beswick - Science Activities fund is a one-off donation over ten years to support science related activities with young people.

The Volunteer coordinator fund has been established by a grant from the John Laing Charitable Trust and Dalmore Capital to fund the co-ordination of volunteering across the charity.

Lloyds Charitable Trust is a restricted fund that supports our work with young people leaving care through the provision of supported housing and activities to promote engagement.

The Morson Group has funded 18 months of internet provision into the supported houses project.

One Manchester has grant funded an 18-month project to develop Parent and Community Led childcare initiatives.

The Tesco group has provided funds to deliver activities with young people on the supported housing project.

Hate crime is a grant from MACC to deliver activities that promote hate crime reporting mechanisms.

Neighbourhood Investment Fund was a grant from local councilors to; a) provide festival activities, and b) Purchase a defibrillator and associated training.

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

MCC Buzz Holiday Playscheme funded summer and Easter activities for vulnerable children.

Enterprise Grant was provided by the Social Investment Business to carry out a feasibility study looking at providing floating support housing services.

Eric Wright Trust provided a grant towards core costs.

FASD is a grant that help to facilitate networks of families caring for children affected by Foetal Alcohol Spectrum Disorder (FASD).

LandAid Charitable Fund is a combination of 3 grants provided to us by the Land Aid Property Charity to support projects with vulnerable young people. Two grants (£57k and £17.4k) were provided for refurbishment projects, and a further £3.7k for enhanced IT projects.

MCC Neighbourhood Covid 19 support, refers to a grant from Manchester City for Covid-19 response costs.

The National Lottery Community Fund funded 6 months of our Open-Door Befriending Service.

Greater Sport – Tackling Inequalities Fund provided for a coordinated programme of activities for isolated adults.

Power to Change–C-19 Trading Income Support was an income support fund to support reduced earned income through lockdown.

MCC 1st 1000 days, is a Manchester Council Grant for supporting the parents.

MCC Additional Restrictions Grant is a council grant to support charitable businesses throughout lockdown.

Jigsaw Homes provided a grant to support the start up of the Pantry project.

17. ANALYSIS OF NET ASSETS BY FUND

	2021				2020		
	Unrestricted funds	Restricted funds	Total funds		Unrestricted funds	Restricted funds	Total funds
	£	£	£		£	£	£
Tangible fixed assets	1,797,721	907,778	2,705,499		1,813,710	914,400	2,728,110
Investments	35,000	-	35,000		35,000	-	35,000
Other net assets	761,209	74,791	836,000		351,991	50,233	402,224
	2,593,930	982,569	3,576,499		2,200,701	964,633	3,165,334

18. CAPITAL COMMITMENT

Manchester Settlement has entered into a contract with Elite Partitioning & Ceilings LTD for providing capital goods and services. At the year end, MS paid 25% deposit of £1,090 for building the wall to be completed in April 2021. Remaining sum of £3,477 to be paid on completion in the financial year 2021/22.

MANCHESTER SETTLEMENT

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

19. OPERATING LEASE COMMITMENTS

The charity had total commitments under operating leases expiring as follows:

	Equipment		Property	
	2021	2020	2021	2020
	£	£		
< 1 year	521	5,762	14,281	-
2-5 years	1,433	1,988	57,125	-
> 5 years	-	-	40,463	-
	1,954	7,750	111,869	-

20. COMPANY LIMITED BY GUARANTEE

Under paragraph 8 of the Settlement Memorandum, every member undertakes to contribute to the assets of the Settlement in the event of being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Settlement contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributions among themselves, such amounts as may be required, not exceeding £1 per member.

21. RELATED PARTY TRANSACTIONS

There are no entities with significant control/Interest over the charity. There were related party transactions with a sole trader (IA services), a close family member of a SMT member. All transactions were on normal commercial terms totaling to £4,978 in FY 2020/21 (FY 2019/20: £6,468), with outstanding balance of £356 at the year end.