



Annual report of the Trustees 2019/2020

The Manchester Airport Community Trust Fund is now in its 23rd year. The Trust benefits an area of approximately 10 miles from the Airport. Six Trustees are drawn from the Manchester Airport Consultative Committee to represent the City/Borough Council areas within the boundary:

- Cheshire East Borough Council. Cllr Don Stockton
- Cheshire West & Chester Borough Council. Cllr Bob Rudd
- Manchester City Council. Cllr Paul Andrews
- Stockport Metropolitan Borough Council. Cllr John Taylor
- Tameside Metropolitan Borough Council. Cllr Bill Fairfoul
- Trafford Metropolitan Borough Council. Cllr Michael Whetton
- The seventh Trustee represents Manchester Airports Group. Mr John Twigg or Mrs Wendy Sinfield



Trustees Cllr Bill Fairfoul, Cllr Mike Whetton, Cllr Bob Rudd, Cllr Don Stockton, Cllr Paul Andrews, Cllr John Taylor and Mrs Wendy Sinfield pictured with Mrs Tina Large Community Trust Fund Administrator.

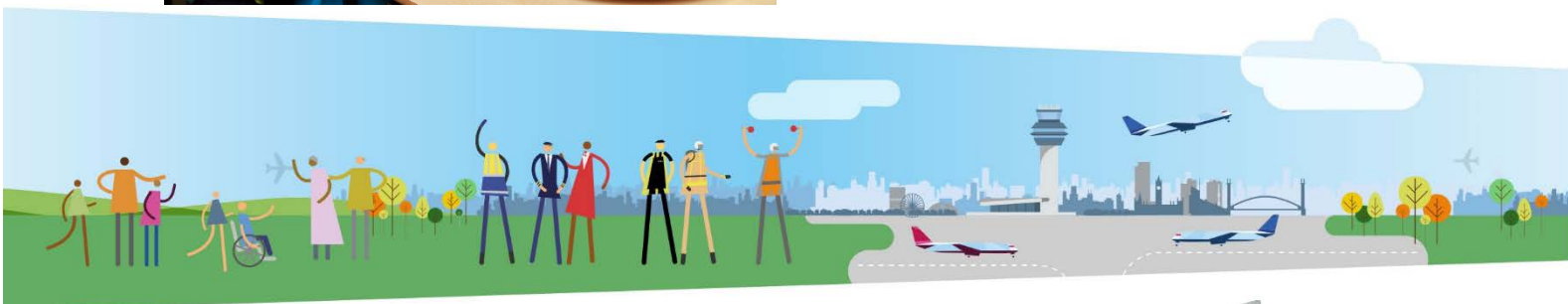
The Community Trust Fund is accessible through a web link where groups can find out information and upload their applications:

www.manchesterairport.co.uk/CommunityTrustFund

In 2019/2020 54 grants have been awarded, amounting to £110,987 invested in community, environmental or social projects.



1st Marple Scout Group received £2,237 towards new safety flooring.



Where the money comes from:

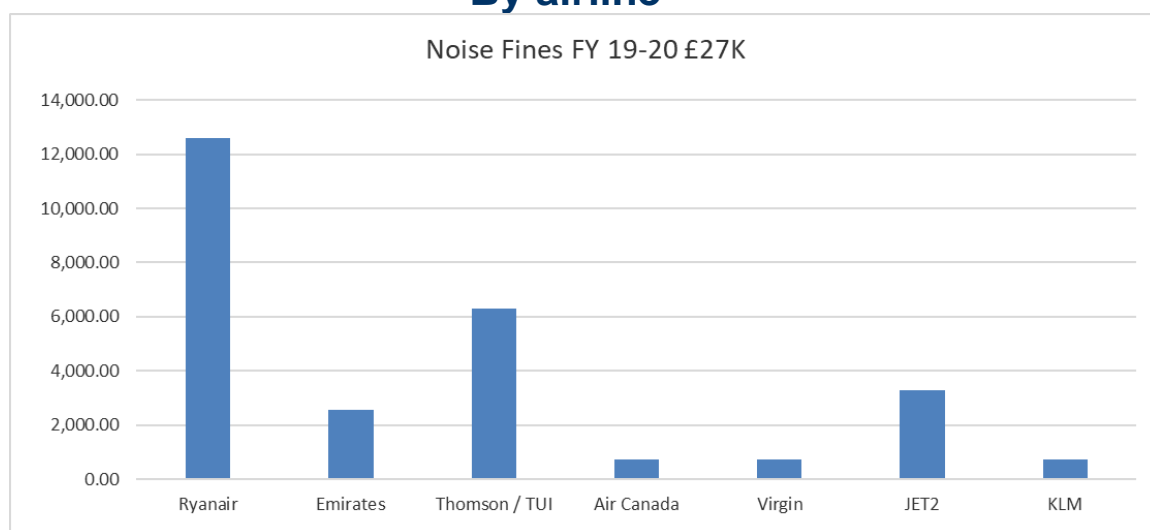
The Community Trust Fund's income is an annual £100,000 donation from Manchester Airports Group and noise fines imposed on the airlines of departing aircraft that breach noise levels.

To encourage the quietest operations, the threshold for fining aircraft has fallen over the years. Modern aircraft are significantly quieter than their predecessors which has made this change possible. The daytime limit is 2dB less than when the Fund came in to being (in 1997) and the core night noise limit is 6dB more stringent. The table below lists our noise penalty limits.

NOISE LEVEL BREACHED TO INCUR A NOISE PENALTY					
Day Limit 07:00 – 23:00 hrs		Night Limit 23:00 – 23:30 hrs & 06:00 – 07:00 hrs		Core Night Limit 23:30 – 06:00hrs	
dB (A)	PNdB	dB (A)	PNdB	dB (A)	PNdB
90	103	82	95	81	94

By airline

Noise Fines FY 19-20 £27K



In total £27,000 was raised through noise penalties and each year Manchester Airports Groups contributes a further £100,000. All Air Transport Movements related to Manchester Airport are monitored by the Manchester Airport Noise and Track Information System (MANTIS). The noise, path and compliance are measured, and penalties are levied, regardless of whether complaints are made. A public portal to MANTIS is provided to allow people to investigate their own complaints, and find out how much noise was made by an individual departure:

www.manchesterairport.co.uk/WebTrak

The Community Trust Fund accounts are externally audited and can be found on the Charity Commission website (www.charitycommission.gov.uk) and the relevant pages are linked from:

www.manchesterairport.co.uk/CommunityTrustFund

How has the money been spent?

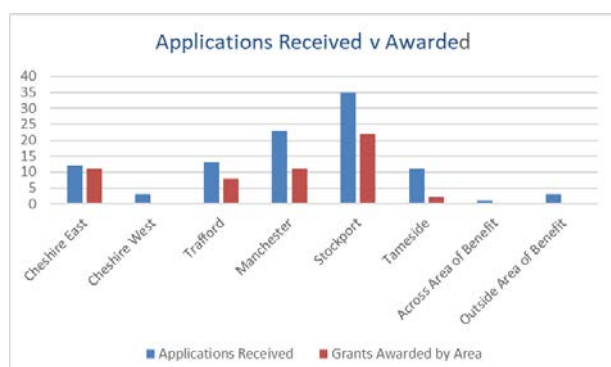
The Trustees met in April, July and October 2019 and January 2020 to consider applications made.

How has the money been distributed?

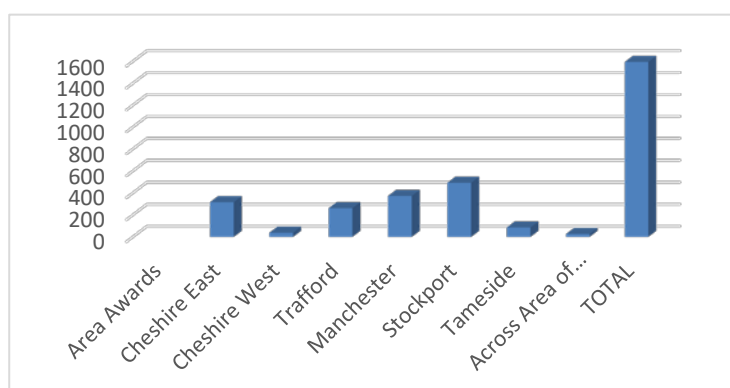
Below is a list of the grants made in 2019/2020 by City/Borough Council:

Trafford		Manchester	
Boundary House PPG	1,000.00	Levenshulme Old Library CIO	1,500.00
Friends of Stretford Public Hall	3,000.00	Levenshulme Players	1,405.49
Senior Citizens Sailing Group	3,000.00	Burnage Library Activity & Information Hub	1,419.00
Trafford Handball Club	650.00	Aquarius Centre Hulme	1,327.00
Stretford In Bloom	1,150.00	Whalley Range Methodist Church	3,000.00
Hale Barns Events Ltd	1,445.00	Home Community Café	2,653.00
Firs Community Centre	3,000.00	123rd Manchester Scouts (Chorlton Scouts)	3,000.00
The Counselling and Family Centre	3,000.00	Greenheys Residents Association	1,666.80
		Wythenshawe Farm	2,675.00
		Friends of Oswald School (Pocket Park)	2,403.70
Tameside		Stockport	
Grafton Centre	3,000.00	1st Marple Scout Group	2,237.00
Tameside District Scouts	3,000.00	Woodley Allotment Association	2,203.00
		The Marple Band	2,800.00
		1st Heaton Vale Sea Scout Group	2,955.00
		Seashell Trust	1,418.40
Cheshire West		Cheadle & Gatley JFC	1,300.00
		Reddish Vale Men in Sheds	1,604.14
		Brinnington Rise Allotments	2,120.00
Cheshire East		St Anns Hospice	1,649.00
Alderley & Wilmslow Musical Theatre Company	3,000.00	Cheadle Hulme Lacrosse club	2,841.65
Knutsford Town Council	2,200.00	2nd Heald Green Scout Group	800.00
Prestbury Parish Council	3,000.00	St Ann's Road North Allotment Association	2,216.40
Knutsford Sports Club (Tennis Section)	633.00	Stockport and Brinnington ABC	1,974.95
Friends of Dean Drive Park	2,891.99	Stockport Foodbank - Hazel Grove Baptist Church	1,169.53
Chelford Tenants & Residents Association (Chelford Together)	650.00	Stockport East, High Peak CPS	2,187.00
Mere & Tabley Community Club	3,000.00	Grow Edgeley	380.00
Pickmere & District WI	1,420.25	Abney Scout & Guide Centre	3,000.00
Alderley & Wilmslow Musical Theatre Company	3,000.00	Bowmen of Bruntwood	1,803.00
The Welcome Café	1,315.00	Walthew House	2,853.00
Dean Row Allotment Society	980.00	Stockport Community Shed	2,090.00
		Friends of Scholes Park	2,400.00
		Cheadle Gatley Griffin Dogdeball Club	1,300.00

Applications received, and grants awarded by area 2019/2020



Grants awarded by area since 1997



In summary

The Community Trust Fund remains a popular resource in the Airport's wider community. Since its inception in 1997 over £3.5 Million has been awarded to 1,529 projects.

We promote our Trust Fund at every opportunity and in the last year this has included:

- Twenty-two 'Mobile' Community Outreach events across Cheshire and Greater Manchester; including our two-day visit to the Royal Cheshire County Show.
- Thirty-nine Knutsford Outreach opportunities (at Knutsford Library).
- Attendance at 'Stockport Homes' Greenspace Funding Fair.
- At fifteen meetings with City, Borough, Town and Parish Councillors and their Clerks and Officers.

- If you have an event that you would like us to attend, please contact us using the details at the bottom of this page.



↑ Alderley & Wilmslow Musical Theatre £3000 towards new theatre floor

↓ AGE UK Crossacres Wythenshawe, received £924 towards refurbishing a container as a workshop



↑ Manchester's Seniors Sailing Club £3000 towards a safety boat

↓ Quarry Bank £3000 received funding towards a dipping pond



If you would like to apply to the Community Trust Fund visit:

www.manchesterairport.co.uk/CommunityTrustFund

Or for further information please contact:



:

The Administrator, Community Trust Fund, Manchester Airport, M90 1QX.

Tel:

0161 489 5281

e-mail:

trust.fund@manairport.co.uk



:

@MAComRels

**Manchester Airport
Community Trust Fund**

Annual Report and Financial Statements

Year ended 31 March 2020

Charity number: 1071703

Manchester Airport Community Trust Fund

Annual Report and Financial Statements for the year ended 31 March 2020

Table of Contents

Report of the Trustees.....	1
Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements.....	6
Independent auditor's report to the Trustees of Manchester Airport Community Trust Fund	7
Statement of Financial Activities.....	9
Balance Sheet	10
Notes to the financial statements	11

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020

Manchester Airport Community Trust Fund ('the Trust') is a registered charity and was established under a Trust Deed dated 8 December 1997.

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 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 published in October 2019.

Objectives and activities for the public benefit

The Trust's continuing objectives are for such charitable purposes within the areas affected by the activities of Manchester Airport Plc as the Trustees from time to time determine (subject to obtaining the prior consent of Manchester Airport Plc, Manchester City Council and Cheshire East Council), and in particular to:

- promote, enhance, improve, protect and conserve the natural and built environment by projects of tree planting, landscaping and other works of environmental improvement and heritage conservation;
- enable within those areas, facilities in the interests of social welfare for recreation, sport and leisure time occupation with the object of improving the conditions of life for those living or working in or visitors to those areas; and
- to promote and provide for the benefit of the public a better appreciation of the natural and urban environment and ways of better serving, protecting and improving the same and education and training in all matters relating to the natural, physical environment and its interaction with the economic well-being of the community.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities for the year.

The Trust considers applications from not-for-profit groups or organisations working to improve the environment or social welfare in communities within the Area of Benefit. Projects should offer open access to all and demonstrate wide, lasting benefit to all members of the community regardless of race, gender, age, ability or religion. The items or works that the applicants are seeking funds towards should clearly bring community benefit.

Grants will be awarded only for tangible items, which give enduring benefit, but excluding applications that involve the purchase of land and buildings.

Meetings are held quarterly at which the Trustees review applications and allocate grants according to their adopted criteria.

Structure, Governance and Management

The Trust has eight Trustees. A first Trustee and a second Trustee are appointed by Manchester Airport Plc. The second Airport Trustee is permitted to attend meetings only when the first Airport Trustee is unavailable. The remaining Trustees are appointed by the Manchester Airport Consultative Committee from the council areas of Stockport, Manchester, Trafford, Tameside, Cheshire East and Cheshire West and Chester. Chairmanship of the Trust rotates annually between the Cheshire East Council Trustee and the Manchester Airport Trustee. Don Stockton, the first Airport trustee, was Chair for the year ended 31 March 2020 (John Twigg for year ended 31 March 2019).

The term of the Trustee's appointment (other than the First and Second Trustee) is determined by their continuing membership of, and nomination by, the Manchester Airport Consultative Committee.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 *(continued)*

Structure, Governance and Management *(continued)*

New trustees are issued with a starter pack that outlines their role and responsibilities to the Trust. The Trustees meet four times in each financial year (quarterly in April, July, October and January) to consider applications for funding. Other legal and administrative details are set out on page 3.

Key management personnel remuneration

The Trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity, and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid during the year.

Reference and administrative information

Charity Trustees

The charity trustees from the start of the financial year up until the date of signing the accounts were as follows:

Mr John Twigg, first Airport Trustee and Chair (eff. 1 Apr 2020) (resigned 12.10.2020)
Mr Robert Pattison, first Airport Trustee and current Chair (appointed 28.09.2020)
Mrs Wendy Sinfield, second Airport Trustee
Councillor Paul Andrews, Manchester City Council
Councillor Bill Fairfoull, Tameside Metropolitan Council
Councillor Bob Rudd, Cheshire West & Chester Council (resigned 7 October 2019)
Councillor Sam Naylor, Cheshire West & Chester Council (appointed 20 April 2020)
Councillor Don Stockton, Cheshire East Council and Chair for year ended 31 March 2020
Councillor John Taylor, Stockport Metropolitan Borough Council
Councillor Mike Whetton, Trafford Metropolitan Borough Council (resigned 15 July 2020)
Councillor Chris Boyes, Trafford Metropolitan Borough Council (appointed 15 July 2020)

Registered Office

Manchester Airport Plc
Olympic House
Manchester Airport
Manchester
M90 1QX

Administrator

Tina Large, funded by Manchester Airport Plc.
Helen McNabb, funded by Manchester Airport Plc.

Banker

HSBC, 4 Hardman Square, Spinningfields, Manchester, M3 3EB.

Auditor

KPMG LLP, Chartered Accountants, One St Peter's Square, Manchester, M2 3AE.

Solicitor

Pannone Manchester, Solicitors, 58 Mosley Street, Manchester, M2 3HZ.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 (*continued*)

Financial review

The Trust's key financial objective is to ensure financial stability and continued solvency year on year so it can pursue its aims and objectives.

Total income for the year amounted to £156,291 (2018/19: £145,646). The principal funding sources for the Trust are the annual donation from Manchester Airport Plc, £100,000, and noise fines income levied by Manchester Airport Plc of £27,450 (2018/19: £17,050). These noise fines are passed to the Trust on the basis that it is the local areas within the Area of Benefit that are most affected by the noise from aircraft operations. The Trust's assets are invested with the HSBC Bank, but no interest has been earned on deposits during 2019/20 (2018/19: £nil). In addition, there is a donation in kind received from Manchester Airport Plc relating to the costs of governance and the administrator of the Trust.

Charitable activities decreased to £150,864 (2018/19: £157,248). The Trustees held four meetings this year for the purpose of considering and awarding grants. The Trustees have considered applications and pledged 55 grants totalling £111,073 (2018/19: £129,852) with £nil (2018/19: £nil) previously approved, but unspent, grants being returned. The administration costs of £18,841 (2018/19: £17,896) are offset by the donation in kind from Manchester Airport Plc.

The overall incoming resources of £156,291 are higher than the £145,646 last year, due to an increased number of environmental fines. The level of grants awarded in this financial year decreased to £111,073 (2018/19: £129,852), and this led to an increase in funds of £5,427 for the year (2018/19: £11,602 decrease). When combined with the brought forward reserve, a total surplus of £44,712 (2018/19: £39,285) is available to be carried forward into 2020/21 for further grants.

Grants are not made to individuals. There is a wide distribution of recipients in terms of both geographic area and project type, and the awards pledged are listed in the note 9 to the financial statements on pages 14 and 15.

Review of Development, Achievements and Performance

A permanent administrator remains appointed to the Trust, accountable to the Trustees and Manchester Airport Plc. The administrator is responsible for handling all day to day enquiries and financial matters, processing applications, servicing the Trustees' meetings, producing statistical information, generating PR coverage and raising awareness.

Criteria, conditions and guidelines are detailed in the Manchester Airport Plc Community Trust Fund Application Pack. The Trustees regularly review and update these. The pack is available in an electronic pack in the Community Trust Fund section of the Manchester Airport website and in hard copy at Knutsford library or on request. All applications are now online. The tool has proven popular; where applicants struggle with computer familiarity the Administrator is able to assist.

The Trust is regularly promoted as part of the Manchester Airport Community Relations Outreach Programme. The Manchester Airport Press team have promoted many of the awarded grants thus also promoting the Trust fund. In addition, the Trust Fund is promoted at Knutsford Library which has a drop-in facility for applicants every Tuesday with a late night on the first Tuesday of every month. Each year the Community Relations Team host Mobile Outreach events across Cheshire and Greater Manchester where the Trust Fund is promoted and, in the year, there have been 22 of these events. The Trust also promotes its grants in the Airport's Community Relations Quarterly E-Newsletter, which is sent to over 12,000 people, together with the Wythenshawe E-Newsletter, which is sent to over 10,000 people. The Administrator attends other events in the Area of Benefit in order to raise awareness and provide advice to potential applicants. This has included an event at Stockport Homes Green Space Funding Fair.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 (*continued*)

Review of Development, Achievements and Performance

Successful applicants are required to promote their grant at the site receiving the grant (where appropriate), through the local media, and in their own newsletters and publications. We continue to send out the PR advice brochure to successful applicants to use as a PR tool. Over the last year we were delighted to celebrate successful projects with applicants in a series of celebrations and opening events such as those at 1st Marple Scouts, Friends of Dean Park, Mere and Tabley Community Centre and Stockport Foodbank. We have also received positive publicity for our grants in local media and newsletters from other successful projects. This grass-roots coverage within local communities is a cost-effective yet valuable form of promotion and awareness raising for the Trust.

We continue to take the opportunity to promote the Trust fund with statutory agencies and other volunteering funding services to keep in touch with small grass-roots projects. The Trustees wish to acknowledge the financial and administrative support of Manchester Airport Plc. They are pleased with the number, variety and range of applications received over the year and believe the Trust will continue to bring lasting benefits to the environment and quality of life in the areas around the Airport.

Internal Control and Risk Management

The Trustees annually review the effectiveness of all material internal controls, including finance and compliance controls such as General Data Protection Regulation. The controls are designed to meet the Trust's particular needs and the risks to which it is exposed, to manage those risks and to provide reasonable assurance against misstatement or loss.

The Trustees have agreed an audit policy to help minimise the risk of grant fraud and to ensure past grants continue to offer community benefit. The policy was first implemented in July 2005. This year, the following projects were evaluated in detail:

7th May 2019 - Secret Garden of Springfield
13th August 2019 - Highway Hope
4th November 2019 - Heald Green United Reformed Church
31st January 2020 - Royal Oak community Centre

The audit visits are performed by the Administrator, with the support of the Trustees. The audit includes a review of the equipment and the financial records of the grant recipient. All applicants audited were 100% compliant with the rules of the Trust. The audit evaluation is constantly being reviewed to ensure that it meets policy and standards requirements. Trustees look at audit in detail at every meeting and due to this diligent procedure being in place and effective, the Trustees' assessment is that an Internal Auditor is not required.

Future Plans

The future plans of the Trust are to continue to promote the fund within the local community, in line with the objectives and strategies described on pages 2 and 3.

Each year the Trustees consider trends in applications and the effectiveness of the Trust. The current database being used is due to be phased out and the opportunity will be taken to introduce a new system which is designed to be simpler and easier for applicants and enable more effective and efficient reporting and assessment of grants for the Trustees. This should prove beneficial to potential applicants and assist the Trust to deliver benefits in the areas of greatest need and opportunity.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 (*continued*)

Reserves and Financial Policies

The Trust seeks to distribute in the form of grants all its available income and hold a minimal level of reserves. All the reserves are therefore considered free reserves.

There are £44,712 (2018/19: £39,285) of unspent reserves to be carried forward and used for projects in 2020/21. The level of unspent reserves is reviewed by the Trustees at each quarterly meeting. The Trustees maintain a prudent approach to grant applications and ensure that funds are only distributed where applicants meet the criteria of the fund. These ensure that each grant given for each project will provide a wider community benefit.

Each year, the request for funding always exceeds the available funding. A number of applications are turned down due to lack of conformity with one or more of the Trust's criteria which ensure a wider benefit to the community. During the next financial year, the Trustees will look to further promote the fund and continue to distribute the accumulated reserves. As all expenditure of the Trust is reimbursed by Manchester Airport Plc, the Trust does not set a target level of reserves, instead ensuring that expenditure on grants does not exceed available reserves.

The Annual Donation from Manchester Airport Plc, £100,000, arises from the legal agreement (S106 Obligation A.2) linked to the second runway development. At each quarterly meeting where applications for grants are considered, the Trustees assess the current financial position of the Trust and take a prudent view of how spending might be phased throughout the year. This ensures appropriate funds are available each quarter.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Trust's auditor is unaware; and each Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

Impact of COVID-19

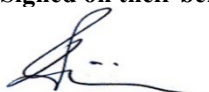
Through funding provided by Manchester Airport Plc, the Trust has been able to continually achieve its objectives, as described on page 1. The COVID-19 pandemic has had a profound impact on Manchester Airport, and the travel industry as a whole.

Manchester Airport has taken swift actions to mitigate the financial impacts of COVID-19, including restricting both revenue and capital expenditure to preserve cash, and taking advantage of the Government's Job Retention Scheme. Through these actions, Manchester Airport is able to continue to make good its S106 obligation to donate £100,000 to the Trust annually.

It is imperative that the Trust continues to operate and continue to benefit communities in the Manchester Airport area. Despite the impact of COVID-19 on the Trust's key source of income, the Trustees believe that they will be able to continue to meet the Trust's strategic objectives for the foreseeable future.

Approved by the Trustees on: 20th January 2021

Signed on their behalf by:



Don Stockton
Trustee
Olympic House
Manchester Airport
Manchester
M90 1QX

Manchester Airport Community Trust Fund

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the Trust Deed of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed subject to any material departures disclosed and explained in the financial statements; and
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Trust Deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.



KPMG LLP
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the Trustees of Manchester Airport Community Trust Fund

Opinion

We have audited the financial statements of Manchester Airport Community Trust Fund ('the charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease their operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ('the going concern period').

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Trustees' conclusions, we considered the inherent risks to the charity's business model, including the impact of Brexit, and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Other information

The Trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Independent auditor's report to the Trustees of Manchester Airport Community Trust Fund (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 8, the Trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

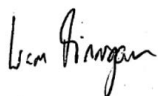
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's Trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Liam Finnigan
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St Peter's Square
Manchester
M2 3AE

20 January 2021

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Manchester Airport Community Trust Fund

Statement of Financial Activities for the year ended 31 March 2020

		Unrestricted funds	
		2020	2019
	Note	£	£
Income from:			
Donations	2	128,841	127,396
Other	3	27,450	18,250
Total income		156,291	145,646
Expenditure			
Charitable activities	4	(150,864)	(157,248)
Total expenditure		(150,864)	(157,248)
Net movement in funds		5,427	(11,602)
Reconciliation of funds:			
Opening total funds		39,285	50,887
Closing total funds		44,712	39,285

All income and expenditure are derived from continuing operations.

There are no gains and losses other than those noted above and therefore no further disclosure has been prepared.

The accompanying accounting policies and notes form an integral part of these financial statements.

The statement of financial activities incorporates an income and expenditure account.

Manchester Airport Community Trust Fund

Balance Sheet at 31 March 2020

	Note	2020 £	2019 £
Current Assets			
Debtors	5	39,708	40,800
Cash at bank and in hand		<u>17,094</u>	<u>10,450</u>
		56,802	51,250
Creditors: Amounts falling due within 1 year	6	(12,090)	(11,965)
Net assets		44,712	39,285
Unrestricted funds		<u>44,712</u>	<u>39,285</u>
Total charity funds		<u>44,712</u>	<u>39,285</u>

The notes on pages 11 – 15 form part of these accounts.

Approved by the Board of Trustees on 20 January 2021 and signed on its behalf by:



Don Stockton
Trustee

Manchester Airport Community Trust Fund

Notes to the financial statements

1. Accounting Policies

The financial statements are prepared on a going concern basis, in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities, preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. They include all the activities of the Trust. Under Charities SORP FRS 102 section 20.11 the charity is exempt from the requirements to prepare a cash flow statement on the grounds of its size.

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs.

The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period.

The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

The Trust receives an annual donation from Manchester Airport Plc of £100,000 arising from the legal agreement (S106 Obligation 4.2) linked to the second runway development. This obligation is not time bound and the income is guaranteed for the foreseeable future. Other income from noise fines cannot be planned, or guaranteed, but once received is made available for distribution.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Basis for accounting for income and expenditure

All incoming and outgoing resources are accounted for in the Statement of Financial Activities on the accruals basis. Expenditure relates only to direct charitable expenditure as the costs of administration and management of the Trust, including audit fees, are borne by Manchester Airport Plc. The cost of the grants are recognised upon award by the Trustees at the quarterly meetings.

Remuneration and expenses

No Trustees received any form of remuneration for services provided to the Trust during the year (2018/19: £nil), nor did they receive any expenses.

Taxation

Manchester Airport Community Trust Fund is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Trust is potentially exempt from taxation relating to income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Funds

Unrestricted funds are funds which can be used in accordance with the charitable objectives at the discretion of the Trustees. There are no restricted funds.

Manchester Airport Community Trust Fund

Notes to the financial statements (continued)

1. Accounting Policies (continued)

Debtors and creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term deposits net of bank overdrafts, which have an original maturity of three months or less.

Cash flow statement

The financial statements do not include a cash flow statement because the Trust, as a small reporting entity, is exempt from the requirements to prepare such a statement under Charities SORP FRS 102.

2. Income from donations

	2020 £	2019 £
Manchester Airport donation	100,000	100,000
Manchester Airport (income in kind)	18,841	17,896
Governance costs	<u>10,000</u>	<u>9,500</u>
Total voluntary income	<u>128,841</u>	<u>127,396</u>

The Administrator for the Trust is employed and paid by Manchester Airport Plc on behalf of the Trust. An estimate of the value of this resource of £18,841 (2018/19: £17,896) has been recognised as a donation in kind, with an offsetting administration cost in expenses.

The governance costs of £10,000 for the year (2018/19: £9,500) relate to the External Audit Fee borne by Manchester Airport Plc, with an offsetting governance cost (Note 4).

3. Other income

Other income comprises of environmental fines levied by Manchester Airport Plc. Income from fines is recognised when the fines are invoiced by Manchester Airport Plc.

4. Charitable activities

Direct charitable expenditure of £110,987 (2018/19: £157,248) comprises of grants awarded at the discretion of the Trustees following applications to the Trust. Total expenditure takes into account returned / time-expired amounts of £nil (2018/19 £nil) and administration and governance costs borne by Manchester Airport Plc.

	2020 £	2019 £
Grants awarded (see appendix)	111,073	129,852
Administration costs covered by voluntary income in kind	18,841	17,896
Provision for bad debts of environmental fines	10,950	-
Governance costs	<u>10,000</u>	<u>9,500</u>
Charitable activities per statement of financial activities	<u>150,864</u>	<u>157,248</u>

Manchester Airport Community Trust Fund

Notes to the financial statements *(continued)*

5. Debtors

Total debtors of £39,708 (2018/19: £40,800) comprise environmental fines of £4,050 (2018/19: £10,200) as well as accrued income of £4,200 (2018/19: £nil) and amounts owed by Group undertakings of £31,458 (2018/19: £30,600).

6. Creditors

Creditors of £12,090 comprise £2,090 (2018/19: £2,465) of grants awarded but not paid and £10,000 (2018/19: £9,500) of accrued audit fees.

7. Related Party Transactions

The ultimate controlling entity is Manchester Airport Plc, a company registered in England and Wales.

8. Transactions involving Manchester Airport Plc

The amount owed by Manchester Airport Plc to the Trust was £31,458 (2018/19: £30,600).

During the year to 31 March 2020 the total contribution made by Manchester Airport Plc to the Trust was £128,841 (2018/19: £127,396).

Manchester Airport Community Trust Fund

Notes to the financial statements *(continued)*

9. Grants awarded during the year ended 31 March 2020

Applicant	Trustee Area	Grant (£)
Levenshume Old Library CIO	Manchester	1,500.00
Levenshume Players	Manchester	1,405.49
1st Marple Scout Group	Stockport	2,237.00
Burnage Library Activity and Information Hub	Manchester	1,419.00
Boundary House PPH	Trafford	1,000.00
Woodley Allotment Association	Stockport	2,203.00
The Marple Band	Stockport	2,800.00
Friends of Stretford Public Hall	Trafford	3,000.00
Grafton Centre	Tameside	3,000.00
Alderley and Wilmslow Musical Theatre Company	Cheshire East	3,000.00
Tameside District Scouts	Tameside	3,000.00
1st Heaton Vale Sea Scout Group	Stockport	2,955.00
Senior Citizens Sailing Group	Trafford	3,000.00
Seashell Trust	Stockport	1,418.40
Mossfield Allotments	Trafford	3,000.00
Aquarius Centre Hulme	Manchester	1,327.00
Trafford Handball Club	Trafford	650.00
Cheadle and Gatley JFC	Stockport	1,300.00
Reddish Vale Men in Sheds	Stockport	1,604.14
Knutsford Town Council	Cheshire East	2,200.00
Stretford in Bloom	Trafford	1,150.00
Hale Barns Events Limited	Trafford	1,445.00
Whalley Range Methodist Church	Manchester	3,000.00
Prestbury Parish Council	Cheshire East	3,000.00
Firs Community Centre	Trafford	3,000.00
Brinnington Rise Allotments	Stockport	2,120.00
St Anns Hospice	Stockport	1,649.00
Home Community Café	Manchester	2,653.00
Cheadle Hulme Lacrosse Club	Stockport	2,841.65
123rd Manchester Scouts (Chorlton Scouts)	Manchester	3,000.00
2nd Heald Green Scout Group	Stockport	800.00
Knutsford Sports Club (Tennis Section)	Cheshire East	633.00
Greenheys Residents Association	Manchester	1,666.80

Manchester Airport Community Trust Fund

Notes to the financial statements *(continued)*

9. Grants awarded during the year ended 31 March 2020 *(continued)*

Applicant	Trustee Area	Grant (£)
Friends of Dean Drive Park	Cheshire East	2,891.99
Chelford Tenants and Residents Association (Chelford Together)	Cheshire East	650.00
St Ann's Road North Allotment Association	Stockport	2,216.40
Stockport and Brinnington ABC	Stockport	1,974.95
Mere and Tabley Community Club	Cheshire East	3,000.00
Pickmere and District WI	Cheshire East	1,420.25
Stockport Foodbank - Hazel Grove Baptist Church	Stockport	1,169.53
Stockport East, High Peak CPS	Stockport	2,187.00
Wythenshawe Farm	Manchester	2,675.00
Grow Edgeley	Stockport	380.00
Abney Scout and Guide Centre	Stockport	3,000.00
Bowmen of Bruntwood	Stockport	1,803.00
Whalley Grangers	Manchester	2,300.00
Walthew House	Stockport	2,853.00
The Welcome Café	Cheshire East	1,315.00
Stockport Community Shed	Stockport	2,090.00
Friends of Scholes Park	Stockport	2,400.00
The Counselling and Family Centre	Trafford	3,000.00
Friends of Oswald School (Pocket Park)	Manchester	2,403.70
Dean Row Allotment Society	Cheshire East	980.00
Cheadle Gatley Griffin Dodgeball Club	Stockport	1,300.00
Other		85.99
TOTAL		111,073.29

**Manchester Airport
Community Trust Fund**

Annual Report and Financial Statements

Year ended 31 March 2020

Charity number: 1071703

Manchester Airport Community Trust Fund

Annual Report and Financial Statements for the year ended 31 March 2020

Table of Contents

Report of the Trustees.....	1
Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements.....	6
Independent auditor's report to the Trustees of Manchester Airport Community Trust Fund	7
Statement of Financial Activities.....	9
Balance Sheet	10
Notes to the financial statements	11

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020

Manchester Airport Community Trust Fund ('the Trust') is a registered charity and was established under a Trust Deed dated 8 December 1997.

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 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 published in October 2019.

Objectives and activities for the public benefit

The Trust's continuing objectives are for such charitable purposes within the areas affected by the activities of Manchester Airport Plc as the Trustees from time to time determine (subject to obtaining the prior consent of Manchester Airport Plc, Manchester City Council and Cheshire East Council), and in particular to:

- promote, enhance, improve, protect and conserve the natural and built environment by projects of tree planting, landscaping and other works of environmental improvement and heritage conservation;
- enable within those areas, facilities in the interests of social welfare for recreation, sport and leisure time occupation with the object of improving the conditions of life for those living or working in or visitors to those areas; and
- to promote and provide for the benefit of the public a better appreciation of the natural and urban environment and ways of better serving, protecting and improving the same and education and training in all matters relating to the natural, physical environment and its interaction with the economic well-being of the community.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities for the year.

The Trust considers applications from not-for-profit groups or organisations working to improve the environment or social welfare in communities within the Area of Benefit. Projects should offer open access to all and demonstrate wide, lasting benefit to all members of the community regardless of race, gender, age, ability or religion. The items or works that the applicants are seeking funds towards should clearly bring community benefit.

Grants will be awarded only for tangible items, which give enduring benefit, but excluding applications that involve the purchase of land and buildings.

Meetings are held quarterly at which the Trustees review applications and allocate grants according to their adopted criteria.

Structure, Governance and Management

The Trust has eight Trustees. A first Trustee and a second Trustee are appointed by Manchester Airport Plc. The second Airport Trustee is permitted to attend meetings only when the first Airport Trustee is unavailable. The remaining Trustees are appointed by the Manchester Airport Consultative Committee from the council areas of Stockport, Manchester, Trafford, Tameside, Cheshire East and Cheshire West and Chester. Chairmanship of the Trust rotates annually between the Cheshire East Council Trustee and the Manchester Airport Trustee. Don Stockton, the first Airport trustee, was Chair for the year ended 31 March 2020 (John Twigg for year ended 31 March 2019).

The term of the Trustee's appointment (other than the First and Second Trustee) is determined by their continuing membership of, and nomination by, the Manchester Airport Consultative Committee.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 *(continued)*

Structure, Governance and Management *(continued)*

New trustees are issued with a starter pack that outlines their role and responsibilities to the Trust. The Trustees meet four times in each financial year (quarterly in April, July, October and January) to consider applications for funding. Other legal and administrative details are set out on page 3.

Key management personnel remuneration

The Trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity, and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid during the year.

Reference and administrative information

Charity Trustees

The charity trustees from the start of the financial year up until the date of signing the accounts were as follows:

Mr John Twigg, first Airport Trustee and Chair (eff. 1 Apr 2020) (resigned 12.10.2020)
Mr Robert Pattison, first Airport Trustee and current Chair (appointed 28.09.2020)
Mrs Wendy Sinfield, second Airport Trustee
Councillor Paul Andrews, Manchester City Council
Councillor Bill Fairfoull, Tameside Metropolitan Council
Councillor Bob Rudd, Cheshire West & Chester Council (resigned 7 October 2019)
Councillor Sam Naylor, Cheshire West & Chester Council (appointed 20 April 2020)
Councillor Don Stockton, Cheshire East Council and Chair for year ended 31 March 2020
Councillor John Taylor, Stockport Metropolitan Borough Council
Councillor Mike Whetton, Trafford Metropolitan Borough Council (resigned 15 July 2020)
Councillor Chris Boyes, Trafford Metropolitan Borough Council (appointed 15 July 2020)

Registered Office

Manchester Airport Plc
Olympic House
Manchester Airport
Manchester
M90 1QX

Administrator

Tina Large, funded by Manchester Airport Plc.
Helen McNabb, funded by Manchester Airport Plc.

Banker

HSBC, 4 Hardman Square, Spinningfields, Manchester, M3 3EB.

Auditor

KPMG LLP, Chartered Accountants, One St Peter's Square, Manchester, M2 3AE.

Solicitor

Pannone Manchester, Solicitors, 58 Mosley Street, Manchester, M2 3HZ.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 (*continued*)

Financial review

The Trust's key financial objective is to ensure financial stability and continued solvency year on year so it can pursue its aims and objectives.

Total income for the year amounted to £156,291 (2018/19: £145,646). The principal funding sources for the Trust are the annual donation from Manchester Airport Plc, £100,000, and noise fines income levied by Manchester Airport Plc of £27,450 (2018/19: £17,050). These noise fines are passed to the Trust on the basis that it is the local areas within the Area of Benefit that are most affected by the noise from aircraft operations. The Trust's assets are invested with the HSBC Bank, but no interest has been earned on deposits during 2019/20 (2018/19: £nil). In addition, there is a donation in kind received from Manchester Airport Plc relating to the costs of governance and the administrator of the Trust.

Charitable activities decreased to £150,864 (2018/19: £157,248). The Trustees held four meetings this year for the purpose of considering and awarding grants. The Trustees have considered applications and pledged 55 grants totalling £111,073 (2018/19: £129,852) with £nil (2018/19: £nil) previously approved, but unspent, grants being returned. The administration costs of £18,841 (2018/19: £17,896) are offset by the donation in kind from Manchester Airport Plc.

The overall incoming resources of £156,291 are higher than the £145,646 last year, due to an increased number of environmental fines. The level of grants awarded in this financial year decreased to £111,073 (2018/19: £129,852), and this led to an increase in funds of £5,427 for the year (2018/19: £11,602 decrease). When combined with the brought forward reserve, a total surplus of £44,712 (2018/19: £39,285) is available to be carried forward into 2020/21 for further grants.

Grants are not made to individuals. There is a wide distribution of recipients in terms of both geographic area and project type, and the awards pledged are listed in the note 9 to the financial statements on pages 14 and 15.

Review of Development, Achievements and Performance

A permanent administrator remains appointed to the Trust, accountable to the Trustees and Manchester Airport Plc. The administrator is responsible for handling all day to day enquiries and financial matters, processing applications, servicing the Trustees' meetings, producing statistical information, generating PR coverage and raising awareness.

Criteria, conditions and guidelines are detailed in the Manchester Airport Plc Community Trust Fund Application Pack. The Trustees regularly review and update these. The pack is available in an electronic pack in the Community Trust Fund section of the Manchester Airport website and in hard copy at Knutsford library or on request. All applications are now online. The tool has proven popular; where applicants struggle with computer familiarity the Administrator is able to assist.

The Trust is regularly promoted as part of the Manchester Airport Community Relations Outreach Programme. The Manchester Airport Press team have promoted many of the awarded grants thus also promoting the Trust fund. In addition, the Trust Fund is promoted at Knutsford Library which has a drop-in facility for applicants every Tuesday with a late night on the first Tuesday of every month. Each year the Community Relations Team host Mobile Outreach events across Cheshire and Greater Manchester where the Trust Fund is promoted and, in the year, there have been 22 of these events. The Trust also promotes its grants in the Airport's Community Relations Quarterly E-Newsletter, which is sent to over 12,000 people, together with the Wythenshawe E-Newsletter, which is sent to over 10,000 people. The Administrator attends other events in the Area of Benefit in order to raise awareness and provide advice to potential applicants. This has included an event at Stockport Homes Green Space Funding Fair.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 (*continued*)

Review of Development, Achievements and Performance

Successful applicants are required to promote their grant at the site receiving the grant (where appropriate), through the local media, and in their own newsletters and publications. We continue to send out the PR advice brochure to successful applicants to use as a PR tool. Over the last year we were delighted to celebrate successful projects with applicants in a series of celebrations and opening events such as those at 1st Marple Scouts, Friends of Dean Park, Mere and Tabley Community Centre and Stockport Foodbank. We have also received positive publicity for our grants in local media and newsletters from other successful projects. This grass-roots coverage within local communities is a cost-effective yet valuable form of promotion and awareness raising for the Trust.

We continue to take the opportunity to promote the Trust fund with statutory agencies and other volunteering funding services to keep in touch with small grass-roots projects. The Trustees wish to acknowledge the financial and administrative support of Manchester Airport Plc. They are pleased with the number, variety and range of applications received over the year and believe the Trust will continue to bring lasting benefits to the environment and quality of life in the areas around the Airport.

Internal Control and Risk Management

The Trustees annually review the effectiveness of all material internal controls, including finance and compliance controls such as General Data Protection Regulation. The controls are designed to meet the Trust's particular needs and the risks to which it is exposed, to manage those risks and to provide reasonable assurance against misstatement or loss.

The Trustees have agreed an audit policy to help minimise the risk of grant fraud and to ensure past grants continue to offer community benefit. The policy was first implemented in July 2005. This year, the following projects were evaluated in detail:

7th May 2019 - Secret Garden of Springfield
13th August 2019 - Highway Hope
4th November 2019 - Heald Green United Reformed Church
31st January 2020 - Royal Oak community Centre

The audit visits are performed by the Administrator, with the support of the Trustees. The audit includes a review of the equipment and the financial records of the grant recipient. All applicants audited were 100% compliant with the rules of the Trust. The audit evaluation is constantly being reviewed to ensure that it meets policy and standards requirements. Trustees look at audit in detail at every meeting and due to this diligent procedure being in place and effective, the Trustees' assessment is that an Internal Auditor is not required.

Future Plans

The future plans of the Trust are to continue to promote the fund within the local community, in line with the objectives and strategies described on pages 2 and 3.

Each year the Trustees consider trends in applications and the effectiveness of the Trust. The current database being used is due to be phased out and the opportunity will be taken to introduce a new system which is designed to be simpler and easier for applicants and enable more effective and efficient reporting and assessment of grants for the Trustees. This should prove beneficial to potential applicants and assist the Trust to deliver benefits in the areas of greatest need and opportunity.

Manchester Airport Community Trust Fund

Report of the Trustees for the year ended 31 March 2020 (*continued*)

Reserves and Financial Policies

The Trust seeks to distribute in the form of grants all its available income and hold a minimal level of reserves. All the reserves are therefore considered free reserves.

There are £44,712 (2018/19: £39,285) of unspent reserves to be carried forward and used for projects in 2020/21. The level of unspent reserves is reviewed by the Trustees at each quarterly meeting. The Trustees maintain a prudent approach to grant applications and ensure that funds are only distributed where applicants meet the criteria of the fund. These ensure that each grant given for each project will provide a wider community benefit.

Each year, the request for funding always exceeds the available funding. A number of applications are turned down due to lack of conformity with one or more of the Trust's criteria which ensure a wider benefit to the community. During the next financial year, the Trustees will look to further promote the fund and continue to distribute the accumulated reserves. As all expenditure of the Trust is reimbursed by Manchester Airport Plc, the Trust does not set a target level of reserves, instead ensuring that expenditure on grants does not exceed available reserves.

The Annual Donation from Manchester Airport Plc, £100,000, arises from the legal agreement (S106 Obligation A.2) linked to the second runway development. At each quarterly meeting where applications for grants are considered, the Trustees assess the current financial position of the Trust and take a prudent view of how spending might be phased throughout the year. This ensures appropriate funds are available each quarter.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Trust's auditor is unaware; and each Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

Impact of COVID-19

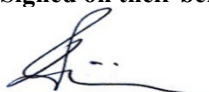
Through funding provided by Manchester Airport Plc, the Trust has been able to continually achieve its objectives, as described on page 1. The COVID-19 pandemic has had a profound impact on Manchester Airport, and the travel industry as a whole.

Manchester Airport has taken swift actions to mitigate the financial impacts of COVID-19, including restricting both revenue and capital expenditure to preserve cash, and taking advantage of the Government's Job Retention Scheme. Through these actions, Manchester Airport is able to continue to make good its S106 obligation to donate £100,000 to the Trust annually.

It is imperative that the Trust continues to operate and continue to benefit communities in the Manchester Airport area. Despite the impact of COVID-19 on the Trust's key source of income, the Trustees believe that they will be able to continue to meet the Trust's strategic objectives for the foreseeable future.

Approved by the Trustees on: 20th January 2021

Signed on their behalf by:



Don Stockton
Trustee
Olympic House
Manchester Airport
Manchester
M90 1QX

Manchester Airport Community Trust Fund

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the Trust Deed of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed subject to any material departures disclosed and explained in the financial statements; and
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Trust Deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.



KPMG LLP
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the Trustees of Manchester Airport Community Trust Fund

Opinion

We have audited the financial statements of Manchester Airport Community Trust Fund ('the charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease their operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ('the going concern period').

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Trustees' conclusions, we considered the inherent risks to the charity's business model, including the impact of Brexit, and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Other information

The Trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Independent auditor's report to the Trustees of Manchester Airport Community Trust Fund (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 8, the Trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

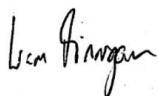
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's Trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Liam Finnigan
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St Peter's Square
Manchester
M2 3AE

20 January 2021

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Manchester Airport Community Trust Fund

Statement of Financial Activities for the year ended 31 March 2020

		Unrestricted funds	
		2020	2019
	Note	£	£
Income from:			
Donations	2	128,841	127,396
Other	3	27,450	18,250
Total income		156,291	145,646
Expenditure			
Charitable activities	4	(150,864)	(157,248)
Total expenditure		(150,864)	(157,248)
Net movement in funds		5,427	(11,602)
Reconciliation of funds:			
Opening total funds		39,285	50,887
Closing total funds		44,712	39,285

All income and expenditure are derived from continuing operations.

There are no gains and losses other than those noted above and therefore no further disclosure has been prepared.

The accompanying accounting policies and notes form an integral part of these financial statements.

The statement of financial activities incorporates an income and expenditure account.

Manchester Airport Community Trust Fund

Balance Sheet at 31 March 2020

	Note	2020 £	2019 £
Current Assets			
Debtors	5	39,708	40,800
Cash at bank and in hand		<u>17,094</u>	<u>10,450</u>
		56,802	51,250
Creditors: Amounts falling due within 1 year	6	(12,090)	(11,965)
Net assets		44,712	39,285
Unrestricted funds		<u>44,712</u>	<u>39,285</u>
Total charity funds		<u>44,712</u>	<u>39,285</u>

The notes on pages 11 – 15 form part of these accounts.

Approved by the Board of Trustees on 20 January 2021 and signed on its behalf by:



Don Stockton
Trustee

Manchester Airport Community Trust Fund

Notes to the financial statements

1. Accounting Policies

The financial statements are prepared on a going concern basis, in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities, preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. They include all the activities of the Trust. Under Charities SORP FRS 102 section 20.11 the charity is exempt from the requirements to prepare a cash flow statement on the grounds of its size.

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs.

The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period.

The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

The Trust receives an annual donation from Manchester Airport Plc of £100,000 arising from the legal agreement (S106 Obligation 4.2) linked to the second runway development. This obligation is not time bound and the income is guaranteed for the foreseeable future. Other income from noise fines cannot be planned, or guaranteed, but once received is made available for distribution.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Basis for accounting for income and expenditure

All incoming and outgoing resources are accounted for in the Statement of Financial Activities on the accruals basis. Expenditure relates only to direct charitable expenditure as the costs of administration and management of the Trust, including audit fees, are borne by Manchester Airport Plc. The cost of the grants are recognised upon award by the Trustees at the quarterly meetings.

Remuneration and expenses

No Trustees received any form of remuneration for services provided to the Trust during the year (2018/19: £nil), nor did they receive any expenses.

Taxation

Manchester Airport Community Trust Fund is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Trust is potentially exempt from taxation relating to income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Funds

Unrestricted funds are funds which can be used in accordance with the charitable objectives at the discretion of the Trustees. There are no restricted funds.

Manchester Airport Community Trust Fund

Notes to the financial statements (continued)

1. Accounting Policies (continued)

Debtors and creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term deposits net of bank overdrafts, which have an original maturity of three months or less.

Cash flow statement

The financial statements do not include a cash flow statement because the Trust, as a small reporting entity, is exempt from the requirements to prepare such a statement under Charities SORP FRS 102.

2. Income from donations

	2020 £	2019 £
Manchester Airport donation	100,000	100,000
Manchester Airport (income in kind)	18,841	17,896
Governance costs	10,000	9,500
Total voluntary income	128,841	127,396

The Administrator for the Trust is employed and paid by Manchester Airport Plc on behalf of the Trust. An estimate of the value of this resource of £18,841 (2018/19: £17,896) has been recognised as a donation in kind, with an offsetting administration cost in expenses.

The governance costs of £10,000 for the year (2018/19: £9,500) relate to the External Audit Fee borne by Manchester Airport Plc, with an offsetting governance cost (Note 4).

3. Other income

Other income comprises of environmental fines levied by Manchester Airport Plc. Income from fines is recognised when the fines are invoiced by Manchester Airport Plc.

4. Charitable activities

Direct charitable expenditure of £110,987 (2018/19: £157,248) comprises of grants awarded at the discretion of the Trustees following applications to the Trust. Total expenditure takes into account returned / time-expired amounts of £nil (2018/19 £nil) and administration and governance costs borne by Manchester Airport Plc.

	2020 £	2019 £
Grants awarded (see appendix)	111,073	129,852
Administration costs covered by voluntary income in kind	18,841	17,896
Provision for bad debts of environmental fines	10,950	-
Governance costs	10,000	9,500
Charitable activities per statement of financial activities	150,864	157,248

Manchester Airport Community Trust Fund

Notes to the financial statements *(continued)*

5. Debtors

Total debtors of £39,708 (2018/19: £40,800) comprise environmental fines of £4,050 (2018/19: £10,200) as well as accrued income of £4,200 (2018/19: £nil) and amounts owed by Group undertakings of £31,458 (2018/19: £30,600).

6. Creditors

Creditors of £12,090 comprise £2,090 (2018/19: £2,465) of grants awarded but not paid and £10,000 (2018/19: £9,500) of accrued audit fees.

7. Related Party Transactions

The ultimate controlling entity is Manchester Airport Plc, a company registered in England and Wales.

8. Transactions involving Manchester Airport Plc

The amount owed by Manchester Airport Plc to the Trust was £31,458 (2018/19: £30,600).

During the year to 31 March 2020 the total contribution made by Manchester Airport Plc to the Trust was £128,841 (2018/19: £127,396).

Manchester Airport Community Trust Fund

Notes to the financial statements *(continued)*

9. Grants awarded during the year ended 31 March 2020

Applicant	Trustee Area	Grant (£)
Levenshume Old Library CIO	Manchester	1,500.00
Levenshume Players	Manchester	1,405.49
1st Marple Scout Group	Stockport	2,237.00
Burnage Library Activity and Information Hub	Manchester	1,419.00
Boundary House PPH	Trafford	1,000.00
Woodley Allotment Association	Stockport	2,203.00
The Marple Band	Stockport	2,800.00
Friends of Stretford Public Hall	Trafford	3,000.00
Grafton Centre	Tameside	3,000.00
Alderley and Wilmslow Musical Theatre Company	Cheshire East	3,000.00
Tameside District Scouts	Tameside	3,000.00
1st Heaton Vale Sea Scout Group	Stockport	2,955.00
Senior Citizens Sailing Group	Trafford	3,000.00
Seashell Trust	Stockport	1,418.40
Mossfield Allotments	Trafford	3,000.00
Aquarius Centre Hulme	Manchester	1,327.00
Trafford Handball Club	Trafford	650.00
Cheadle and Gatley JFC	Stockport	1,300.00
Reddish Vale Men in Sheds	Stockport	1,604.14
Knutsford Town Council	Cheshire East	2,200.00
Stretford in Bloom	Trafford	1,150.00
Hale Barns Events Limited	Trafford	1,445.00
Whalley Range Methodist Church	Manchester	3,000.00
Prestbury Parish Council	Cheshire East	3,000.00
Firs Community Centre	Trafford	3,000.00
Brinnington Rise Allotments	Stockport	2,120.00
St Anns Hospice	Stockport	1,649.00
Home Community Café	Manchester	2,653.00
Cheadle Hulme Lacrosse Club	Stockport	2,841.65
123rd Manchester Scouts (Chorlton Scouts)	Manchester	3,000.00
2nd Heald Green Scout Group	Stockport	800.00
Knutsford Sports Club (Tennis Section)	Cheshire East	633.00
Greenheys Residents Association	Manchester	1,666.80

Manchester Airport Community Trust Fund

Notes to the financial statements *(continued)*

9. Grants awarded during the year ended 31 March 2020 *(continued)*

Applicant	Trustee Area	Grant (£)
Friends of Dean Drive Park	Cheshire East	2,891.99
Chelford Tenants and Residents Association (Chelford Together)	Cheshire East	650.00
St Ann's Road North Allotment Association	Stockport	2,216.40
Stockport and Brinnington ABC	Stockport	1,974.95
Mere and Tabley Community Club	Cheshire East	3,000.00
Pickmere and District WI	Cheshire East	1,420.25
Stockport Foodbank - Hazel Grove Baptist Church	Stockport	1,169.53
Stockport East, High Peak CPS	Stockport	2,187.00
Wythenshawe Farm	Manchester	2,675.00
Grow Edgeley	Stockport	380.00
Abney Scout and Guide Centre	Stockport	3,000.00
Bowmen of Bruntwood	Stockport	1,803.00
Whalley Grangers	Manchester	2,300.00
Walthew House	Stockport	2,853.00
The Welcome Café	Cheshire East	1,315.00
Stockport Community Shed	Stockport	2,090.00
Friends of Scholes Park	Stockport	2,400.00
The Counselling and Family Centre	Trafford	3,000.00
Friends of Oswald School (Pocket Park)	Manchester	2,403.70
Dean Row Allotment Society	Cheshire East	980.00
Cheadle Gatley Griffin Dodgeball Club	Stockport	1,300.00
Other		85.99
TOTAL		111,073.29