



COMPANY NUMBER 31105
CHARITY NUMBER 210558

BLACKFRIARS SETTLEMENT
(LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

**BLACKFRIARS SETTLEMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

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**BLACKFRIARS SETTLEMENT
REPORT FROM THE CHAIR
FOR THE YEAR ENDED 31 JULY 2020**

REPORT FROM THE CHAIR

The first half of the year saw the expansion of delivery services to local people and the continued development of links in the local community. Positive Ageing increased the number of its members through the new venue at Elephant & Castle Social Hub, and a steady stream of referrals. It continued to offer a wide range of activities, trips, hot food and the regular weekly befriending. Mental Health and Well-Being successfully concluded their delivery of the Well-Connected project and diversified their offering with the beginning of the 'Switched On' project funded by Maudsley Charity focussing on increasing the IT skills of members, and through the beginning of a women's group. Adult Education continued to expand, both in the number of courses and total enrolments.

The Orb Space project funded by the Department of Housing, Communities and Local Government continued this year and opened the doors of the Settlement to parts of the local community which we have not traditionally had strong links with. During the year it attracted well over 350 people into the Settlement, and offered a wide range of activities and sessions. Some were regular and others were one-off. We aim to continue some of the most successful of these, including cook & eat, spoken word, baby massage, and the death café. We had a hugely successful Black History Month event in October, with a number of incredibly talented spoken word artists, a local jazz band, hot food and the hall at capacity. We learned about the local community, something about bringing people together, and are working to raise funding for this project to continue.

The second half of the year was heralded by the nationwide lockdown in March, and the Settlement was closed to the public. The Mental Health & Wellbeing and Positive Ageing services immediately switched to providing emergency remote support for members. Initially this was focused on ensuring all members had food, medication and essentials. We worked closely with the wider voluntary and community sector and the Southwark Covid Hub, accepting referrals and working together to ensure that between us, needs were met.

During the course of lockdown this support evolved and has included:

- one-to-one practical and emotional telephone support
- an increase of the befriending service, using existing and new volunteers largely recruited from corporate partner organisations
- in partnership with Fooditude, the delivery of over 100 meals per week to the most vulnerable members
- the development of online and group telephone support sessions and activities

We are working hard to mitigate the effects of Covid-19 and the lockdown on our members through the continuation of much needed services. The lockdown has highlighted the high levels of digital exclusion of the majority of Blackfriars members. Both teams started using telephone conferencing to try and overcome this, but the access to information, communication and entertainment which most would take for granted are just not possible for our members. This is an area of need which we will attempt to tackle in the coming year.

We would like to extend our thanks to all our service providers and users, and to our Funders, many of whom have been engaged with us over an extended period of time, but without whom little of what we do would be made possible. In particular we would like to thank those funders who have supported our core work, and been flexible with their support during the last few months during the challenges of Covid-19.

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

Chair of Trustees

Frances Bates

BLACKFRIARS SETTLEMENT

REFERENCE AND ADMINISTRATIVE DETAILS

REFERENCE DETAILS

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

KEY MANAGEMENT PERSONNEL

Key management personnel are defined as members of the Settlement's Senior Management Team and were represented by the following in 2019-20:

Suzanna Jackson	Chief Executive	
Allister Duncan	Deputy Chief Executive	(retired 31 st March 2020)
Juliet Woodford	Director of Finance and Resources	
Elizabeth Ranger	Director of Blackfriars Settlement	

BOARD OF TRUSTEES

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

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

PROFESSIONAL ADVISORS

FINANCIAL STATEMENTS AUDITOR	Buzzacott LLP 130 Wood Street London, EC2V 6DL
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INTERNAL AUDITOR	Haines Watts 30 Camp Road Farnborough Hants GU14 6EW
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BANKERS	The Co-operative Bank plc 3 rd floor, St Paul's House 10 Warwick Lane London EC4M 7BP
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DEPOSIT FUNDS	CAF Bank Ltd 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ COIF Charity Funds 85 Queen Victoria Street, London EC4V 4ET
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SOLICITORS	Winckworth Sherwood 5 Montague Close London SE1 9BB
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STAKEHOLDER PENSION PLAN PROVIDERS:	Aviva PO Box 1550, Milford, Salisbury, SP1 2TW
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BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees (“the Board”) is pleased to present its Annual Report together with the Financial Statements of Blackfriars Settlement (“the Settlement”) for the year ended 31st July 2020. This report is also prepared to meet the requirements of a Directors' Report and Financial Statements for Companies Act purposes.

NATURE, OBJECTIVES AND STRATEGIES

LEGAL STATUS

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

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

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

THE PURPOSE OF THE SETTLEMENT

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

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

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

The Settlement’s portfolio of service activities include:

- Adult Education
- Positive Ageing
- Mental Health and Wellbeing
- The Orb Space community pop-up cafe

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

CORE VALUES AND OBJECTIVES

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

Core Values

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

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

CORE VALUES AND OBJECTIVES (continued)

Core Values (continued)

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

ACHIEVEMENTS AND PERFORMANCE

KEY ACHIEVEMENTS

Positive Ageing

2020 marks 70 years of older people's services running at BFS. In February we found out that the COPSINS Consortium, of which we are a part, had been successful in securing the commissioned contract to provide services for older people in the borough. This contract began on 1 June and will run for three years. Delivery will aim to ensure that the 'front door' to services is coordinated and that by whatever means a resident contacts services for older people, they will have access to the same services.

There has been a steady flow of new referrals over the year. Since the Covid-19 nationwide lockdown we have worked very hard to meet the needs of isolated and anxious members and new contacts in the community. We have accepted new referrals from the Southwark Covid Hub, arranged volunteers to do shopping and deliver prescriptions, delivered meals twice weekly, sent out activity packs and supported over 100 people with befriending calls once or twice weekly.

Needs have become more complex, with the team dealing with safeguarding issues, an increasing number of members and referrals with early dementia, and a slight increase in the average age of our service users (75.9 years).

Adult Education

We continued to provide learning and development classes on behalf of Southwark Adult Education but have greatly increased this offer with a range of other education opportunities provided through Mary Ward Centre. During the last year the number of enrolments at the Settlement has increased by 45% to 1,040 despite being unable to offer face to face provision during the summer term because of the national lockdown.

Mental Health and Wellbeing

In the period under review the Mental Health and Wellbeing (MHWB) service successfully concluded and evaluated the 'Well Connected' project, delivered in partnership with Three C's, focusing on skills development for members. One to one support also continued through the 'Focus With' programme paid for through members' personal budgets. This has also delivered specialist sessions in woodworking and soft crafts, both of which are very popular with members.

During lockdown the service moved to offering remote support. Because so few of our members are able to access the internet, support was provided by telephone and text. The team made regular calls to members wanting this, and was available to support with issues and needs as they arose. The team contacted or was contacted by a large number of former services users who then re-engaged with the service during this time. The London Borough of Southwark funded the service during this time through the Covid-19 Community Fund.

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Mental Health and Wellbeing (continued)

The service has a number of other partnerships enabling us to deliver a broad range of high quality services:

- Art2Print, our Social Enterprise Design Studio, continued to provide opportunities for members to learn skills in graphic design in partnership with professional design studio, the Plant;
- Continued support from Lloyds Bank volunteers provided individually tailored IT training sessions.
- The service has once again hosted an Art Therapy student on placement with us from the University of Roehampton, who has run sessions which members have found very beneficial;
- The service has also hosted its first Social Work Student, on placement from London South Bank University, which increased the capacity of the team to provide sessions and individual support;
- During lockdown the service has been supporting 140 people, the majority with no internet access: support has been via telephone, text and post, and through provision of emergency food and medication and sending out activity packs.
- The women's group piloted last year, has been established and become a regular weekly event.

The Orb Space

This social integration project continues this year with a diverse range of activities and events including a hugely successful spoken word event for Black History Month, regular Cook & Eat courses, comedy workshops, spoken word courses, baby massage, and film nights. Through the project the people we engaged with had far more ideas and suggestions for events than we had the capacity to deliver, but the project engaged with over 380 people and received very positive feedback. We aim to continue this in the coming year, albeit in a scaled down and different format as a result of social distancing.

PERFORMANCE INDICATORS

The actual performance of services is set out in the table below:

Key Performance Indicator	Achieved 2019-20	Achieved 2018-19
Older people supported through the Positive Ageing service	414	407
No of members supported through the MHWB project	140	72
Hours of volunteer support provided	10,879	n/a
Student enrolments	1,040	716

FINANCIAL REVIEW

The period ended 31st July 2020 continued to be challenging for the Settlement, even before the advent of Covid-19 and the impact of the nationwide lockdown, as the new Senior Management Team focused on stabilising key activities, building relationships with existing funders and seeking new and/or renewed sources of funding as it seeks to build a more secure future for its clients and other partners.

The Settlement has sought to maintain activities with the elderly and with people suffering from mental health issues. Reduced levels of income in recent years had impacted our ability to maintain good quality administrative and back office support in the period; however following the merger in May 2018, a significant part of the responsibility for administrative, back office and senior management support for the Settlement was taken on by Mary Ward Settlement. This support has developed over the year under review, with the dedicated Settlement Director in place throughout the period bringing much needed stability and a focus on building stable income streams to provide continuity of services for the future.

Covid had a significant impact on both income and services. While most funders continued to support the Settlement, regular income and donations from members which fund activities ceased abruptly with the lockdown, and while the activities these income streams fund also ceased, the lockdown created new kinds of urgent demand for support to our members and other vulnerable people in the community. The Settlement

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

FINANCIAL REVIEW (continued)

was fortunate to benefit from some streams of Covid-19 funding to enable the delivery of essential services, and some mitigation of losses was found by taking advantage of the Coronavirus Job Retention Scheme for a few members of staff not responsible for the delivery of front line services, and through cost savings associated with closing the Settlement's premises. However other sources of new funding that had been anticipated during the year, some of which would have contributed to core costs, were lost as funders focussed on Covid recovery. Overall the financial impact was an estimated net loss in income of around £40,000 compared to pre-Covid-19 forecasts.

Whilst the financial environment continues to be challenging, with a reported deficit of £76,524 for the period ended 31st July 2020 (2019: deficit £42,806), plans are underway to re-build the income stream and to control costs whilst continuing to deliver the activities of the Settlement.

Income

Income for the Settlement's charitable purposes was £611,374 for the period which, though lower than the comparative for the previous period (2019: £694,315), reflects the continued support from existing funders at similar levels including the London Borough of Southwark through the COPSINS Partnership, their Common Purpose Fund and the Big Lottery. The lower level of reported income for the period reflects a lower contribution from Learning and Development Funding, which was not guaranteed during the lockdown, and from regular income and donations from members, whose regular weekly activities ceased during the lockdown.

Income in kind

The value of the services for the purposes of our accounts for the period was £6,732 excluding VAT (2018-19: £51,089).

Local traders have contributed with generous discounts. Teams have appeared from corporate partners offering their time for tasks ranging from serving dinners to befriending isolated older people. Although not valued in the financial statements we are very grateful to those who have donated their time and service.

Expenditure

Our cost base has reduced significantly in response to the reduction in income over the past 2 financial periods. For the period under review, expenditure on charitable activities was £690,234 which is approximately 5% lower than the previous period (2019: £729,811).

TREASURY MANAGEMENT

The Board maintained a policy of holding the majority of funds on cash deposit. Together with the portfolio of shares and unit trusts, this policy resulted in bank and investment income of £1,039 in the period under review (2019: £2,810).

RESERVES POLICY AND GOING CONCERN

The Settlement aims to hold reserves equivalent to between 1 and 3 months' expenditure so that it can continue to provide a service in the event of unexpected financial crisis. At 31st July 2020 reserves totalled £2,887,565 (2018-19: £3,064,638).

The principal reserve represents the value of the leasehold premises in Rushworth Street and is therefore not currently available as a source of funds for use in our charitable activities. At the period end, it amounted to £2,948,687 (2019: £3,016,189) and is held as a reserve for future depreciation of the Settlement's property at 1 Rushworth Street, London SE1.

The Settlement also held two further unrestricted, but designated, funds as part of the reserves during the period under review, a reserve for future depreciation of fixed assets of £51,755 (2019: £46,992) and a designated bursary fund to support ESOL students of £1,457 (2018-19: £1,457). It also held a general unrestricted fund which, at 31st July 2020, had a deficit of £114,334 (2019: deficit £100,549).

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

RESERVES POLICY AND GOING CONCERN (continued)

Good progress had been made, since the merger with the Mary Ward Settlement group, on 1st May 2018, with the Settlement's strategy to reduce costs and increase sources of income, which had the impact of reducing the annual operating deficit until the Covid-19 pandemic took hold. As a result of the Covid-19 pandemic, the operating deficit for 2020-21 was higher than expected and resulted in the Settlement's reserves falling below target. The expectation is that there will be a small but steady improvement in reserves in the coming years and our future plans with Mary Ward Settlement should continue to help in this regard. Nevertheless it is likely that the Settlement's free reserves will remain negative over the life of the Strategic Plan to 2022.

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

STRATEGIC PLAN 2018 - 2022

Looking forward the Settlement expects to be able to achieve the following, as part of the Mary Ward Settlement group Strategic Plan 2018-22:

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

The Strategic Plan of Mary Ward Settlement includes the relocation of Mary Ward Settlement to a new site in Stratford in the London Borough of Newham which is likely to happen by the autumn of 2022. It is envisaged that the Settlement will continue to operate from its property at Rushworth Street but will be able to extend the range of its community services to the new site, operating a variety of activities in both the Boroughs of Newham and Southwark, alongside the wider offering of Mary Ward Settlement.

During 2019-20 the Covid-19 pandemic had a significant impact on the Settlement and its operations. The Settlement took the decision to close its premises shortly before the wider national lockdown in March 2020, taking into account the vulnerability of many of its users. As a result of the prolonged national lockdown the Settlement did not open its doors for face to face service provision during the summer of 2020, but focused on emergency online and telephone support, and working with local voluntary and community organisations to deliver essential services to vulnerable groups which included its membership base.

FUNDRAISING

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

During 2019-20, the Settlement received no complaints about its fundraising activities.

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

The following statement is provided to enable readers of the Annual Report and Financial Statements of the Settlement to obtain a better understanding of its governance and legal structure. The statement covers the period from 1st August 2019 to 31st July 2020 and up to the date of the approval of the Annual Report and Financial Statements.

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

THE BOARD

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

Frances Bates	Chair
Rachel Brain	Appointed 1/10/2019
Nadine Cartner	
Brian Chandler	Resigned 11/11/2019
Graham Collins	
Kim Duong	Treasurer
Heather Heathfield	Resigned 24/02/2020
Alex Horsup	
Beatriz Montoya	
Andrew Peck	
Margaret Wheeler	Vice Chair
Emma Wyatt	

Company Secretary: Suzanna Jackson

Kim Duong was on maternity leave until October 2019.

Brian Chandler was not active as a trustee due to ill health, throughout the period under review until the date of his retirement.

Ms B Campbell acts as clerk to the Board.

APPOINTMENTS TO THE BOARD

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

TRUSTEE INDUCTION AND TRAINING

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

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

BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

ORGANISATION

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

Day-to-day operational management of the Settlement is delegated to the Chief Executive who is supported by a Senior Management Team primarily consisting of the Director of the Settlement, the Deputy Chief Executive until his retirement on 31 March 2021, and the Director of Finance and Resources. The Chief Executive and her Senior Management Team oversee the smooth running of the Settlement's staff who are divided into teams in accordance with Settlement activities and projects.

RELATED PARTIES AND CO-OPERATION WITH OTHER ORGANISATIONS

None of the trustees receive remuneration or other benefit from their work with the Settlement, unless they are separately employed by the Settlement as a member of staff. For the year under review, no trustee received remuneration in the year for their role as a trustee. There were no expenses and no related party transactions for the year ended 31st July 2020 (2018-19: none).

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

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

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

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

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

RISK MANAGEMENT

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

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

**BLACKFRIARS SETTLEMENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2020**

RISK MANAGEMENT (continued)

The major risks facing the Settlement are:

- Sustainability following recent reduction in funding levels, including the impact of Covid-19. In mitigation the Settlement is continuing to make applications for new funding, with Senior Management Team support. In addition, the Settlement is continuing to reduce expenditure by integrating administrative functions and sharing resources across the Mary Ward Settlement group where feasible;
- Non-compliance with statutory regulation by the Settlement. In mitigation, the Settlement continues to review policies and procedures to ensure they are up to date;
- Increasing demands being placed on staff and a consequent failure to deliver quality services to users. In mitigation, the Settlement successfully recruited a Director of Services for the Settlement, who joined the Senior Management Team in January 2019. This position has boosted capacity within the Settlement and provides dedicated leadership and direction for Settlement staff.

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

The Settlement's ultimate holding company, Mary Ward Settlement has, and will continue to be supportive of the operations of the Settlement, including confirming that it would assist with the provision of financial support should it prove necessary.

**BLACKFRIARS SETTLEMENT
STATEMENT OF RESPONSIBILITIES OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JULY 2020**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the Settlement will continue in operation.

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

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

STATEMENT AS TO THE DISCLOSURE TO OUR AUDITORS

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

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

By order of the Board

16 March 2021

Frances Bates

Frances Bates
Chair

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT

Opinion

We have audited the financial statements of Blackfriars Settlement (the 'charitable company') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters 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, 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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of 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.

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.

Buzzacott LLP

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

25 March 2021

BLACKFRIARS SETTLEMENT
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted Funds Year ended 31 July 2020 £	Restricted Funds Year ended 31 July 2020 £	Total Funds Year ended 31 July 2020 £	Total Funds Year ended 31 July 2019 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies		38,970	-	38,970	89,606
Charitable activities					
Grants, contracts, donations, fees for:					
Community Buildings		281,580	-	281,580	292,021
Community Anchor					5,793
Community Care		-	228,457	228,457	215,277
Learning and Development		-	7,807	7,807	30,000
Other trading activities					
Fundraising Activities		52,905	-	52,905	53,550
Investments		1,039	-	1,039	2,810
Other - CJRS income		42,735	-	42,735	5,258
TOTAL INCOME	4	<u>417,229</u>	<u>236,264</u>	<u>653,493</u>	<u>694,315</u>
EXPENDITURE ON:					
Raising funds		7,621	60	7,681	7,999
Charitable activities					
Community Buildings		66	271,975	272,041	287,689
Community Anchor		-	-	-	-
Community Care		132	429,716	429,848	410,482
Learning and Development		-	22,783	22,783	23,641
TOTAL EXPENDITURE	2	<u>7,819</u>	<u>724,534</u>	<u>732,353</u>	<u>729,811</u>
Gains (losses) on investments		2,336	-	2,336	(7,310)
NET INCOME (EXPENDITURE)		411,746	(488,270)	(76,524)	(42,806)
Transfers between funds		(488,270)	488,270	-	-
NET MOVEMENT IN FUNDS		(76,524)	-	(76,524)	(42,806)
RECONCILIATION OF FUNDS:					
Total funds brought forward		2,964,089	-	2,964,089	3,006,895
Total funds carried forward		<u>2,887,565</u>	<u>-</u>	<u>2,887,565</u>	<u>2,964,089</u>

All income and expenditure derive from continuing activities.
The charitable company has no recognised gains or losses other than those shown above.
A full comparative statement of financial activities is included in note 24.
The notes on pages 19 to 33 form part of these accounts.

BLACKFRIARS SETTLEMENT
BALANCE SHEET (COMPANY NUMBER 31105)
AS AT 31 JULY 2020

	Notes	31 July 2020		31 July 2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		3,000,442		3,063,181
Investments - listed investments	9		27,088		24,752
			<u>3,027,530</u>		<u>3,087,933</u>
CURRENT ASSETS					
Debtors	10	65,451		71,912	
Cash on deposit		4,746		4,119	
Cash at bank and in hand		81,474		109,836	
			<u>151,671</u>		<u>185,867</u>
CREDITORS: amounts falling due within one year	11		<u>(171,547)</u>		<u>(173,130)</u>
NET CURRENT (LIABILITIES) ASSETS			<u>(19,876)</u>		<u>12,737</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,007,654		3,100,670
CREDITORS: amounts falling due after one year	12		<u>(120,089)</u>		<u>(136,581)</u>
NET ASSETS			<u>2,887,565</u>		<u>2,964,089</u>
FUNDS OF THE SETTLEMENT					
Unrestricted funds					
- Designated Reserves	15	3,001,899		3,064,638	
- General reserves		<u>(114,334)</u>		<u>(100,549)</u>	
			2,887,565		2,964,089
Restricted funds	14		<u>-</u>		<u>-</u>
MEMBERS' FUNDS	16		<u>2,887,565</u>		<u>2,964,089</u>

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

The Financial Statements were approved by the trustees and authorised for issue on 16 March 2021 and signed on their behalf, by:

Frances Bates

Frances Bates, Chair of the trustees on behalf of the trustees

Company registration no. 31105

BLACKFRIARS SETTLEMENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 July 2020 £	Year ended 31 July 2019 £
Cash Flows for operating activities:			
Net cash provided by (used in) operating activities	18	10,562	(32,436)
Cash flow from investing activities:			
Dividends, interest and rent from investments		1,039	2,810
Disposal of non-current asset investments		-	94,944
Payments made to acquire fixed assets		(15,289)	(13,207)
Net cash (used in) provided by investing activities		<u>(14,250)</u>	<u>84,547</u>
Cash flows from financing activities:			
Interest paid		(7,556)	(6,685)
Repayment of borrowings		(16,491)	(25,377)
Net cash used in financing activities		<u>(24,047)</u>	<u>(32,062)</u>
Change in cash and cash equivalents in the year		<u>(27,735)</u>	20,049
Card and cash equivalents at the beginning of the period	19, 20	<u>113,955</u>	<u>93,906</u>
Cash and cash equivalents at the end of the period	19, 20	<u>86,220</u>	<u>113,955</u>

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The Financial Statements have been prepared for the year to 31st July 2020. They have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the accounting policies below or the Notes to these Financial Statements. They have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

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

(c) Estimation uncertainty

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

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

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

(d) Tangible fixed assets and depreciation

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

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

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

(e) Investments

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

(f) Financial instruments

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

(g) Debtors

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

(h) Cash at bank and in hand

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

(i) Creditors and provisions

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

(j) Income

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

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

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

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

(k) Donated services

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

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

In the period to July 2020, the following donated goods or services were included in the accounts:

Cash donations	£32,238 (2019: £92,067)
Gifts in kind	£6,732 (2019: £51,089)
Total	£38,970 (2019: £143,156)

(l) Operating Lease Commitments

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

(m) Expenditure

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

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

(n) Allocation of Expenditure

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

(o) Fund accounting

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. ANALYSIS OF TOTAL EXPENDITURE

	Direct costs £	Support Costs £	Total Year ended 31 July 2020 £
Raising funds:			
Fundraising costs	7,681	-	7,681
Charitable activities			
Community Buildings	174,091	97,950	272,041
Community Care	233,947	195,901	429,848
Learning and Development	22,783	-	22,783
Total year ended 31st July 2020	<u>438,502</u>	<u>293,851</u>	<u>732,353</u>

	Direct costs £	Support Costs £	Year ended 31 July 2019 £
Raising funds:			
Fundraising costs	7,999	-	7,999
Charitable activities			
Community Buildings	184,493	103,196	287,689
Community Care	204,089	206,393	410,482
Learning and Development	23,641	-	23,641
Total year ended 31st July 2019	<u>420,222</u>	<u>309,589</u>	<u>729,811</u>

Support costs are broken down as follows:

	Total Year ended 31 July 2020 £	Total Year ended 31 July 2019 £
Wages and salaries	252,274	194,876
Other costs	41,577	114,713
Total	<u>293,851</u>	<u>309,589</u>

All of the above expenditure is restricted.

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. ANALYSIS OF TOTAL EXPENDITURE (continued)
BY FUNCTION

	Comty Buildings £	Comty Care £	Total 2020 £	Comty Buildings £	Comty Care £	Total 2019 £	Basis
Strategic & HR Management	79,687	159,374	239,061	85,840	171,681	257,521	By staff hours
Finance	4,314	8,629	12,943	3,200	6,399	9,599	By staff hours
IT	13,949	27,898	41,847	14,156	28,313	42,469	By staff hours
Totals	97,950	195,901	293,851	103,196	206,393	309,589	

Governance costs included within support costs consist of:

	Total Year ended 31 July 2020 £	Total 3 month period to 31 July 2019 £
Audit fees	6,460	5,360
Legal fees (related to governance)/insurance	-	-
Total year ended 31st July 2020	6,460	5,360

All of the above expenditure is restricted.

3. INCOME AND EXPENDITURE AGAINST SOME SPECIFIC GRANTS

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

	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total 2020 Exp £
Grants from the London Borough of Southwark					
Common Purpose	18,000	-	-	5,000	23,000
Older Peoples - Community Support	-	-	-	-	-
Older Peoples - COPSINS Partnership	52,010	5,794	-	9,093	66,897
MHWB Personal Support	7,947	741	2,925	1,534	13,146
	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total 2019 Exp £
Grants from the London Borough of Southwark					
Core	5,793	-	-	-	5,793
Older Peoples - Community Support	12,639	1,315	-	2,975	16,929
Older Peoples - COPSINS Partnership	41,097	8,484	-	19,198	68,779
MHWB Personal Support	12,333	551	6,586	5,758	25,228

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

4. INCOME ANALYSIS - BY SOURCE

	Unrestricted	Restricted	Total Year ended 31 July 2020
	£	£	£
Public authority grants	-	191,557	191,557
Public authority contracts	-	7,807	7,807
Other grants and contracts	-	36,900	36,900
Donations and subscriptions	16,581	-	15,581
Fees, sales and service charges	26,750	-	26,750
Rental income	281,580	-	281,580
Activities to generate income	48,544	-	48,544
Bank and investment income	1,039	-	1,039
Other income - CJRS grant	42,735	-	42,735
	<u>417,229</u>	<u>236,264</u>	<u>653,493</u>
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
	£	£	£
<i>Public authority grants</i>	-	196,487	196,487
<i>Public authority contracts</i>	-	30,000	30,000
<i>Other grants and contracts</i>	-	24,583	24,583
<i>Donations and subscriptions</i>	73,267	-	73,267
<i>Fees, sales and service charges</i>	29,180	-	29,180
<i>Rental income</i>	292,021	-	292,021
<i>Activities to generate income</i>	40,709	-	40,709
<i>Bank and investment income</i>	2,810	-	2,810
<i>Other income</i>	5,258	-	5,258
	<u>443,245</u>	<u>251,070</u>	<u>694,315</u>

5. OPERATING (DEFICIT)	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
Operating deficit is stated after crediting/(charging)		
Investment income - listed	1,039	2,766
- non listed	-	-
Depreciation	78,028	76,911
Operating lease rentals	3,120	930
Auditors' remuneration - audit services	6,460	5,360
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
Bank charges and interest	7,556	6,887
	<u> </u>	<u> </u>

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

7. STAFF NUMBERS AND COSTS

	Year ended 31 July 2020 £	Year ended 31 July 2019 £
The aggregate costs of staff were:		
Salaries and wages	384,126	313,406
Social security costs	33,639	25,085
Pension costs	19,317	10,645
	437,082	349,136
	437,082	349,136

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

	Year ended 31 July 2020 No.	Year ended 31 July 2019 No.
Staff numbers:		
Community Buildings	1	1
Community Care	5	6
Education and Training	1	2
Shared Services	3	3
	10	12
	10	12

The average number of employees, full and part-time, during the period was 15 (2019 - 12)

The key management personnel during the period under review comprised members of the Senior Management Team of Mary Ward Settlement who provided services to Blackfriars Settlement as part of their role for the Mary Ward Settlement. These members of staff did not receive any additional remuneration for their work on behalf of Blackfriars Settlement, however, a portion of their costs were recharged by the Mary Ward Settlement. Total recharged costs from the Mary Ward Settlement for recharged staff was £192,262 (2019: £146,015), of which £78,421 (2019: £51,185) related to the Senior Management Team, and included the cost of the Director of Blackfriars Settlement.

No termination payments were made in the period (2019: £9,525).

No trustee received remuneration during the year (2019: none). No staff member was paid in excess of £60,000 (2019: none). Nil travel or incidental expenses were reimbursed to trustees during the period (2019 - Nil).

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

8. TANGIBLE FIXED ASSETS	Leasehold building £	Furniture, Fittings and equipment £	Total £
Cost or valuation			
At 31 st July 2019	3,375,116	108,653	3,483,769
Additions	-	15,289	15,289
	-----	-----	-----
At 31 st July 2020	3,375,116	123,942	3,499,058
	-----	-----	-----
Depreciation			
At 31 st July 2019	358,927	61,661	420,588
Charge for the period	67,502	10,526	78,028
	-----	-----	-----
At 31 st July 2020	426,429	72,187	498,616
	-----	-----	-----
Net Book Value			
At 31 st July 2020	2,948,687	51,755	3,000,442
	=====	=====	=====
At 31 st July 2019	3,016,189	46,992	3,063,181
	=====	=====	=====

9. INVESTMENTS	Listed	
	31 July 2020 £	31 July 2019 £
Market Value		
At 31 st July 2019	24,752	127,006
Disposal proceeds	-	(94,944)
Loss on disposal	-	(7,310)
Gain on revaluation	2,336	-
	-----	-----
Market value at 31st July 2020	27,088	24,752
	=====	=====
Securities listed on UK Stock Exchange	26,458	24,122
Unlisted securities	630	630
	-----	-----
	27,088	24,752
	=====	=====
Historical cost of investments	3,216	3,216
	=====	=====
Included above at 31 st July are investments valued at more than 5% of the total value:		
COIF Charities Investment Fund - Income	26,458	24,122
	=====	=====

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

10. DEBTORS	31 July 2020 £	31 July 2019 £
Grant and contract payments receivable	5,215	29,965
Other debtors	2,146	1,620
VAT recoverable	7,377	4,780
Prepayments and accrued income	50,713	35,547
	<u>65,451</u>	<u>71,912</u>

There were no debtors due after more than one year (2019: none) included above.

11. CREDITORS: amounts falling due within one year	31 July 2020 £	31 July 2019 £
Trade payables	2,660	324
Other taxes and social security	2,475	9,427
Secured loans (note 12)	24,574	24,574
Other creditors	25	8,275
Accruals and deferred income	91,623	78,900
Amounts owed to group undertakings	50,188	51,630
	<u>171,547</u>	<u>173,130</u>
Deferred Income movements:		
Opening balance at 1 st August 2019	32,333	
Additions	48,248	
Transfers out	(32,333)	
Closing Balance at 31 st July 2020	<u>48,248</u>	

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

12. CREDITORS: amounts falling due after one year	31 July 2020 £	31 July 2019 £
Loans	120,089	136,581
	<u>120,089</u>	<u>136,581</u>

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

13. LEASE OBLIGATIONS

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

	31 July 2020 £	31 July 2019 £
Equipment		
Not later than one year	3,120	3,120
Later than one year	3,120	6,240
Later than five years	-	-
	6,240	9,360
	6,240	9,360

14. RESTRICTED FUNDS

	31 July 2019 £	Income £	Expenditure £	Transfers £	31 July 2020 £
United St. Saviours	-	24,085	(75,458)	51,373	-
MH&WBS-Well Connected-Big Lottery	-	46,563	(139,925)	93,362	-
LB Southwark Adult Learning	-	7,807	(25,986)	18,179	-
LB Southwark COPSIN Grant	-	59,307	(185,813)	126,506	-
LB Southwark MHWB Grant	-	13,146	(39,504)	26,358	-
LB Southwark Common Purpose Grant	-	23,000	(69,117)	46,117	-
DCLG Pop-up cafe	-	48,563	(145,936)	97,373	-
London Funders Wave 2	-	9,501	(29,768)	20,267	-
Other	-	4,292	(13,027)	8,735	-
	-	236,264	(724,534)	488,270	-
	-	236,264	(724,534)	488,270	-

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

Blackfriars Settlement managed 10 (2018-19: 9) separate restricted funds in this financial period. Funds with balances or movements during the year in excess of £10,000 have been listed separately above. Smaller funds have been consolidated, where possible, into an "other funds" category, by service or combined where they are to achieve a common purpose. If this has not been possible because of their purpose, they have been shown separately.

Restricted Funds Purpose:

United St Saviours - Funding contributes to a wide variety of activities for the Positive Ageing group run by the Settlement. The group meets regularly and provides companionship, support and activities for its members.

MH&WBS - Well-Connected-Big Lottery A programme funded by Big Lottery Funds in partnership with *Three Cs. The programme provides activities for people experiencing mental distress.

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

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

14. RESTRICTED FUNDS (continued)

LB Southwark MHWB Grant - Funding contributes to activities provided by the Mental Health and Wellbeing service run by the Settlement.

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

MHCLH Communities Innovation Grant - Funding contributes to a community pop-up café open to all to promote community support and integration.

	31 July 2018	Income	Expenditure	Transfers	31 July 2019
	£	£	£	£	£
<i>United St. Saviours</i>	-	24,583	(63,043)	38,460	-
<i>MH&WBS-Well Connected-Big Lottery</i>	-	69,728	(178,818)	109,090	-
<i>LB Southwark Adult Learning</i>	-	30,000	(76,935)	46,935	-
<i>LB Southwark COPSIN Grant</i>	-	58,550	(150,153)	91,603	-
<i>LB Southwark MHWB Grant</i>	-	25,228	(64,698)	39,470	-
<i>MHCLH Communities Innovation Grant</i>	-	22,115	(56,715)	34,600	-
<i>Other Funds</i>	-	20,866	(53,511)	32,645	-
	-----	-----	-----	-----	-----
	-	251,070	(643,873)	392,803	-
	=====	=====	=====	=====	=====

15. DESIGNATED FUNDS	Balance at 31 July 2019	Income	Expenditure	Inter fund transfers	Balance at 31 July 2020
	£	£	£	£	£
Buildings assets reserve	3,016,189	-	(67,502)	-	2,948,687
Designated Bursary Fund	1,457	-	-	-	1,457
Fixed asset reserve	46,992	15,289	(10,526)	-	51,755
	-----	-----	-----	-----	-----
Total Year ended 31st July 2020	3,064,638	15,289	(78,028)	-	3,001,899
	=====	=====	=====	=====	=====
Total Year ended 31st July 2019	3,128,342	-	(76,911)	13,207	3,064,638
	=====	=====	=====	=====	=====
Designated funds	3,064,638	15,289	(78,028)	-	3,001,899
General fund	(100,549)	640,540	(166,055)	(488,270)	(114,334)
	-----	-----	-----	-----	-----
Total Year ended 31st July 2020	2,964,089	655,829	(244,083)	(488,270)	2,887,565
	=====	=====	=====	=====	=====
Total Year ended 31st July 2019	3,006,895	443,245	(93,248)	(392,803)	2,964,089
	=====	=====	=====	=====	=====

Designated Funds Purpose

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

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

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

15. DESIGNATED FUNDS (continued)

	<i>Balance at 31 July 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Inter fund transfers</i>	<i>Balance at 31 July 2019</i>
	£	£	£	£	£
<i>Buildings assets reserve</i>	3,083,692	-	(67,503)	-	3,016,189
<i>Designated Bursary Fund</i>	1,457	-	-	-	1,457
<i>Fixed asset reserve</i>	43,193	-	(9,408)	13,207	46,992
Total	<u>3,128,342</u>	<u>-</u>	<u>(76,911)</u>	<u>13,207</u>	<u>3,064,638</u>

	<i>Balance at 31 July 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Inter fund transfers</i>	<i>31 July 2019</i>
	£	£	£	£	£
<i>Designated funds</i>	3,128,342	-	(76,911)	13,207	3,064,638
<i>General fund</i>	(121,447)	443,245	(16,337)	(406,010)	(100,549)
Total year ended 31st July 2019	<u>3,006,895</u>	<u>443,245</u>	<u>(93,248)</u>	<u>(392,803)</u>	<u>2,964,089</u>
Totals 3 month period to 31st July 2018	<u>3,009,091</u>	<u>82,003</u>	<u>(28,568)</u>	<u>(55,631)</u>	<u>3,006,895</u>

16. ANALYSIS OF NET ASSETS

	<i>Tangible Fixed assets</i>	<i>Investments</i>	<i>Long term Liabilities</i>	<i>Net Current Assets</i>	<i>2020 Total</i>
	£	£	£	£	£
<i>Restricted funds</i>	-	-	-	-	-
<i>Designated funds</i>	3,000,442	-	-	1,457	3,001,899
<i>General reserves</i>	-	27,088	(120,089)	(21,333)	(114,334)
Total at 31st July 2020	<u>3,000,442</u>	<u>27,088</u>	<u>(120,089)</u>	<u>(19,876)</u>	<u>2,887,565</u>

	<i>Tangible Fixed assets</i>	<i>Investments</i>	<i>Long term Liabilities</i>	<i>Net Current Assets</i>	<i>2019 Total</i>
	£	£	£	£	£
<i>Restricted funds</i>	-	-	-	-	-
<i>Designated funds</i>	3,063,181	-	-	1,457	3,064,638
<i>General reserves</i>	-	24,752	(136,581)	11,280	(100,549)
Totals at 31st July 2019	<u>3,063,181</u>	<u>24,752</u>	<u>(136,581)</u>	<u>12,737</u>	<u>2,964,089</u>

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

17. PENSIONS

Company Defined Contribution Pension Scheme

A defined contribution scheme is available for staff, managed through Aviva PLC. This scheme is compliant with auto-enrolment legislation and is the vehicle for the Settlement to comply with its obligations under this legislation. In addition to enrolling all eligible workers onto this scheme, staff members choosing to make increased pension contributions are eligible to receive a matching additional contribution from the Settlement to the same plan of up to 6% of gross salary. The cost of this scheme to the Settlement for the period ending 31st July 2020 was £15,701 (31st July 2019: £10,645). At 31st July 2020, the Settlement was holding £nil (31st July 2019: - £8,250) of staff and company pension contributions that were due for remittance to Aviva.

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

	Year ended 31 July 2020 £	Year ended 31 July 2019 £
Net (expenditure) for the year per the Statement of Financial Activities	(76,524)	(42,806)
Adjustments for:		
Depreciation charges	78,028	76,911
Gain/(loss) on investments	(2,336)	7,310
Dividends, interest and rents from investments	(1,039)	(2,810)
Loan interest payable	7,556	6,685
Decrease / (Increase) in debtors	6,460	(10,628)
Decrease in creditors	(1,583)	(67,098)
Net cash provided by / (used in) operating activities	<u>10,562</u>	<u>(32,436)</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Year ended 31 July 2020 £	Year ended 31 July 2019 £
Cash deposits	4,746	4,119
Bank accounts	81,474	109,836
	<u>86,220</u>	<u>113,955</u>

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

20. ANALYSIS OF NET DEBT

	At 1 August 2019 £	Cash flows £	Other non- cash changes £	At 31 July 2020 £
Total cash and cash equivalents: Cash at bank and in hand	113,955	(27,735)	–	86,220

21. CONTINGENT LIABILITY

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

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

22. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

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

There were no other related party transactions in the year (2019: none).

23. FINANCIAL INSTRUMENTS

	Year ended 31 July 2020 £	Year ended 31 July 2019 £
Financial assets measured at fair value	27,088	24,752
Financial assets measured at amortised cost	48,248	31,585
Financial liabilities measured at amortised cost	191,249	186,825

Financial assets measured at fair value include investments.

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

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

BLACKFRIARS SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

24. FINANCIAL INFORMATION 2019

	<i>Notes</i>	<i>Unrestricted Funds Year ended 31 July 2019 £</i>	<i>Restricted Funds Year ended 31 July 2019 £</i>	<i>Total Funds Year ended 31 July 2019 £</i>
INCOME AND ENDOWMENTS FROM:				
<i>Donations and legacies</i>		89,606	-	89,606
Charitable activities				
<i>Grants, contracts, donations, fees for:</i>				
<i>Community Buildings</i>		292,021	-	292,021
<i>Community Anchor</i>		-	5,793	5,793
<i>Community Care</i>		-	215,277	215,277
<i>Learning and Development</i>		-	30,000	30,000
Other trading activities				
<i>Fundraising Activities</i>		53,550	-	53,550
<i>Investments</i>		2,810	-	2,810
<i>Other</i>		5,258	-	5,258
TOTAL INCOME	4	443,245	251,070	694,315
EXPENDITURE ON:				
<i>Raising funds</i>		7,639	360	7,999
Charitable activities				
<i>Community Buildings</i>		78,155	209,534	287,689
<i>Community Anchor</i>		-	-	-
<i>Community Care</i>		144	410,338	410,482
<i>Learning and Development</i>		-	23,641	23,641
TOTAL EXPENDITURE	2	85,938	643,873	729,811
<i>(Loss)/gains on investments</i>		(7,310)	-	(7,310)
NET INCOME (EXPENDITURE)		349,997	(392,803)	(42,806)
<i>Transfers between funds</i>		(392,803)	392,803	-
NET MOVEMENT IN FUNDS		(42,806)	-	(42,806)
RECONCILIATION OF FUNDS:				
<i>Total funds brought forward</i>		3,006,895	-	3,006,895
<i>Total funds carried forward</i>		2,964,089	-	2,964,089

MANAGEMENT INFORMATION ONLY

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

BLACKFRIARS SETTLEMENT
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2020

INCOME	Unrestricted £	Restricted £	Year ended 31 July 2020 Totals £	<i>Unrestricted</i>	<i>Restricted</i>	Year ended 31 July 2019 Totals £
PUBLIC AUTHORITY GRANTS						
Community Anchor						
London Borough of Southwark Community Support Link	-	-	-	-	5,793	5,793
Community Care						
London Borough of Southwark/- COPSINS Partnership	-	59,307	59,307	-	58,550	58,550
London Borough of Southwark Other	-	-	-	-	9,073	9,074
London Borough of Southwark Personal Accounts Grants	-	13,146	13,146	-	25,228	25,228
Bankside and Walworth Community Council	-	978	978	-	-	-
London Borough of Southwark Common Purpose Grant	-	23,000	23,000	-	6,000	6,000
Big Lottery - Weathering Well Project	-	46,563	46,563	-	69,728	69,728
MHCLH Communities Innovation Grant	-	48,563	48,563	-	22,115	22,115
TOTAL PUBLIC AUTHORITY GRANTS	-	191,557	191,557	-	196,487	196,487
PUBLIC AUTHORITY CONTRACTS						
Learning and Development						
London Borough of Southwark - Adult Training contracts	-	7,807	7,807	-	30,000	30,000
TOTAL PUBLIC AUTHORITY CONTRACTS	-	7,807	7,807	-	30,000	30,000

MANAGEMENT INFORMATION ONLY

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

BLACKFRIARS SETTLEMENT
INCOME AND EXPENDITURE ACCOUNT (continued)
FOR THE YEAR ENDED 31 JULY 2020

	Year ended 31 July 2020		Year ended 31 July 2019	
	£	£	£	£
INCOME				
Income		655,829		694,315
EXPENDITURE				
Salaries and wages		384,127		303,881
National insurance		33,639		25,085
Pension costs		19,317		10,645
Staff training and development & travel		42		158
Redundancies costs		-		9,525
Direct project expenses		63,978		72,872
Rent, rates and service charges		17,212		20,966
Insurance		8,276		10,769
Audit fee		4,460		12,351
Bank charges and interest		7,691		6,887
Light, heat and power		32,746		8,130
Repairs and maintenance		16,813		27,223
Cleaning and caretaking		21,736		45,400
Telephone and postage		5,150		4,568
Printing and stationery		7,071		8,094
Legal and professional		9,105		67,220
Website and publicity		1,544		1,192
IT costs		9,914		11,466
Trusteeship costs		-		-
Depreciation		78,028		76,911
Other redevelopment expenditure				
Fundraising expenditure		258		576
Cost of generating income		7,423		7,423
Sundry expenses		3,823		5,779
		732,353		737,121
DEFICIT FOR THE YEAR		(76,524)		(42,806)