

COMPANY NO: 01348975
CHARITY NUMBER: 507162

The Gaddum Centre

A Company Limited by Guarantee

Report and Accounts

For the Year Ended 31 March 2019

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THE GADDUM CENTRE

TRUSTEES' REPORT **For the year ended 31st March 2019**

This Charity is a company limited by guarantee not having a share capital.

COMPANY NUMBER: 01348975

CHARITY REGISTRATION NUMBER: 507162

THE COMMITTEE AND TRUSTEES:

President (Hon.) Vacant

Chairperson Roy Harding (appointed January 2019)

Treasurer Don Bancroft

Other trustees
Mike Dyble
Jennifer R Platt
Rowena Birch
David Carmichael
Celia Hynes
Anthony Hassall (Appointed 27 February 2019)
Wes Baker (Appointed 27 February 2019)
Leanne Shackleton (Appointed 27 February 2019)
Claudia Carvell (Appointed 27 February 2019)

COMPANY SECRETARY Lynne Stafford

SENIOR MANAGEMENT TEAM
Lynne Stafford, Chief Executive
Anna Sevink Head of Financial Services
Stacey Adams, Deputy Chief Executive
Emma Balfe, Business Development Manager
(resigned February 2019)
Sam Palmer Head of Carers Services
Ben Whalley Head of Therapy & Advocacy Services

PRINCIPAL AND REGISTERED OFFICE: Gaddum House
6 Great Jackson Street
Manchester, M15 4AX

AUDITORS Beever and Struthers
St George's House, 215-219 Chester Road
Manchester, M15 4JE

BANKERS Lloyds Bank
42-46 Market Street,
Manchester, M1 1PW

INVESTMENT MANAGERS Brewin Dolphin
1 The Avenue,
Spinningfields Square
Manchester, M33AP

THE GADDUM CENTRE

TRUSTEES' REPORT

For the year ended 31st March 2019

The Trustees (who are also Directors of the Charity for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of The Gaddum Centre (the Charity) for the year ended 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015 (FRS102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEGAL ENTITY

The Gaddum Centre is a company limited by guarantee and is a registered charity.

GOVERNING DOCUMENT AND CONSTITUTION

The Charity is governed by the Articles and Memorandum of Association for the incorporated company. The Articles were revised on 30th June 2014.

The governing documents instruct the Trustees to act in a way to promote the objectives of the Charity.

ORGANISATION STRUCTURE

The Charity is led by the Chief Executive and Senior Management Team (SMT) consisting of Deputy Chief Executive, Head of Financial Services, Head of Carers Services, Head of Therapy & Advocacy Services. The Business Development Manager left the organisation in February 2019. The Trustee Board now meets 6 weekly and Chief Executive, Deputy Chief Executive & Head of Financial Services all attend the meetings. Sub groups for Trustee Board have been established: -

- Finance Sub Group
- People & Policies Group
- Quality & Governance Sub Group

The Chair of Trustee Board & Chief Executive meet fortnightly.

Staff receive regular updates through dissemination from Service Managers meetings and twice-yearly whole team events.

THE GADDUM CENTRE

TRUSTEES' REPORT For the year ended 31st March 2019

RECRUITMENT OF TRUSTEES

The Gaddum Centre Trustee Board continue to assess their skills with a view to ensuring future recruitment of Trustees demonstrates diversity and a reflection of the communities the organisation serves. In late 2018 and early 2019, Gaddum undertook a recruitment drive for new Trustees for identified skill gaps.

METHOD OF ELECTION OF TRUSTEES

New Trustees are now selected through external recruitment advertisement, followed by group interview sessions, and selection by Trustee Board with follow up 1:1 contact by Chair of Trustee Board. Nomination by one of the Trustees and seconded by another Trustee takes place, as required by the Charity's Articles of Association.

INDUCTION AND TRAINING OF TRUSTEES

New Trustees meet with the Chair of Trustee Board & Chief Executive and an ongoing Trustee Board development programme has been instigated, facilitated by an independent consultant. New Trustees are provided with details of their role and responsibilities through Charity Commission guidance and internal Gaddum documentation.

STATEMENT OF THE MAJOR RISKS FACED AND MITIGATING ACTIONS

The Gaddum Trustee Board is well aware of the risks to the organisation and is committed to reviewing and maintaining internal management systems, which both identify and where possible minimise the risks facing Gaddum.

A Strategic Risk Register is developed by Chief Executive & SMT, which has been a standing agenda item at each Trustee Board meeting. The risks are grouped under key areas relating to the organisation's Strategy and Business Plan and actions developed to address with a RAG rating. The Risk Register is updated following completed actions. The current Risk Register is being reviewed and updated by the Quality & Governance Sub Group which reports to Trustee Board

The key risk areas remain are: -

1. Financial
 - a. pension deficit,
 - b. cash flow,
 - c. sustainable varied income sources.
2. Organisational
3. Governance & Compliance
4. Reputational

THE GADDUM CENTRE

TRUSTEES' REPORT For the year ended 31st March 2019

CONNECTED CHARITIES

The Gaddum Centre administers and considers applications made to the following small charities:

Robert Bell Charity	Ann Butterworth and Daniel Bayley Charity	William Cavanagh Trust
Darbishire House Trust	Gratrix Charity	Pratt Charity
John Royle Fund	Relief Charity	Satterfield Charity
Shylock Chairty	Slater Memorial Fund	Yates Trust

The accounts of the above small charities are not consolidated into Gaddum's accounts as the Trustees consider the amounts in the accounts are not significant. Amounts owing to or from the above charities at 31st March 2018 were not significant. There were no material transactions between the above charities and The Gaddum Centre. The Trustees of Gaddum make decisions regarding funding applications and we administer the process.

TRUSTEES AND THEIR INTERESTS

The Trustees who served throughout the year are listed on page 1 and they have no beneficial interest in the Charity.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company Law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the surplus or deficit of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

THE GADDUM CENTRE

TRUSTEES' REPORT For the year ended 31st March 2019

RESPONSIBILITIES OF THE TRUSTEES (continued)

The Trustees are responsible for keeping adequate accounting records which sufficiently show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and ensures the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Trustees of the Charitable Company, at the date of approval of this report is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware. Each Trustee has taken all of the steps they should have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

OBJECTIVES AND ACHIEVEMENTS

OBJECTIVES OF THE CHARITY

The objective of the Charity is the promotion of any charitable purpose for the benefit of the community in Manchester and surrounding areas, in particular the furtherance of health and the relief of poverty, distress and sickness and the advancement of education. This objective is carried out by the provision of services in the field of social care, particularly health related services including counselling, the provision of advocacy, advice, family and individual support services, training and development projects to individuals, families, agencies, local and health authorities, professionals and companies.

The charity has three main work streams:

- Statutory Advocacy
- Carers Support Services
- Therapy Services

POLICIES ADOPTED TO FURTHER THE OBJECTIVES OF THE CHARITY

All existing policies reviewed including the Employee Handbook, whilst they are fit for purpose, a further wider review is planned to simplify the number of policies.

The policies formally reviewed and updated are:

- Employee handbook
- H&S (awaiting launch in new branding)

All other policies will be reviewed in Q3/4 2019/20 ahead of re launch in Q1 2020/21.

THE GADDUM CENTRE
TRUSTEES' REPORT
For the year ended 31st March 2019

INVESTMENT POWERS

The Memorandum and Articles of Association of the Charity permit wide powers of investment.

INVESTMENT POLICY

The Trustees believe that the Charity should hold financial reserves to cover 3 months operating costs.

The investment portfolio comprises almost half of the Charity's fixed assets, with the remainder comprising of property.

The Charity's main funding consists of contract income, therefore the Charity does not rely on investment income to fund charitable activities. Investment income contributes towards covering unrestricted expenditure not covered by contract income. Gaddum seeks to operate a full cost recovery policy on all future tenders. Capital funds are not drawn down in order to protect the investment income received.

The Trustees have chosen to enlist the services of an investment broker to manage the investment portfolio. The Chairperson and Finance Trustee are authorised signatories for the investment brokers. The Finance Manager acts as the named point of contact for the investment brokers. The Investment Brokers provide quarterly reporting on the portfolio performance to be taken to Trustees as part of board meetings. All Trustees and Senior Management are given access to view the portfolio online in order to monitor performance between reporting periods. The investment brokers may be required to attend additional board meetings in instances of major change.

INVESTMENT PERFORMANCE

The whole of the portfolio is invested into collectives and bonds. The current performance is in line with market trends.

AVAILABILITY OF FUNDS

Liquid assets comprising of investments, cash and debtors are sufficient to fulfil current obligations.

THE GADDUM CENTRE

TRUSTEES' REPORT **For the year ended 31st March 2019**

RESERVES POLICY

The Gaddum Centre General Committee is committed to ensure that sufficient reserves are maintained to ensure that the organisation can continue to meet the needs of the service users within the appropriate time scales in line with its charitable objectives, all staffing obligations and protect its investment in premises and equipment.

The Finance Sub Group & Trustee Board have agreed in the constantly changing environment, in which the organisation operates, sufficient reserves should ideally be available to develop new services so that it can continue to serve the community in accordance with its objectives.

In the event of the loss of substantial contracts from local authorities and NHS, staff would be eligible for TUPE arrangement to the new provider with no redundancy costs liable for Gaddum. Three months organisational operating costs of £83k will be retained in reserves to cover core costs.

FUTURE DEVELOPMENTS

The Gaddum Centre will continue over the next year to consolidate its position in Greater Manchester with the submission of tenders and grant applications for both existing and new contracts for all of its services. The Greater Manchester Health and Social Care Devolution Agenda will present future opportunities for the development of the organisation.

The Gaddum Centre successfully negotiated with commissioners for the continuation of the contracts for both Manchester Advocacy Hub with Manchester City Council and Salford Carers Centre with Salford Council.

Prior to February 2019, the focus of the Business Development Lead continued to be diversifying income streams, with particular emphasis on additional core funding. From March 2019, Business Development is being covered by SMT.

FINANCIAL REVIEW

Restricted funding of £473k was received for the provision of Advocacy, Carers & Therapy Services. There was outgoing restricted expenditure of £407k. We brought forward restricted funds of £167k and carried forward £158k for future committed service provision.

We received £1,942k of unrestricted income and expended £2,163k. There was also £5k of unrealised gains in the value of the investment portfolio. After transfers between funds, the unrestricted reserve balance is £480k, recognising the provision for pension deficit which at the year end was £284k.

A pension provision and corresponding pension deficit reserve of £284k (2018: £382k) has been recognised in the accounts as required by FRS102. Under FRS102 if an employer has entered into an agreement with the multi-employer plan that determines how the entity will fund a deficit, the entity is required to recognise the present value of the contributions payable from this agreement as a liability on its balance sheet. Prior to the application of FRS102 funding contributions were only recognised when they fell due. Pension commitments are covered in more detail in Note 18.

THE GADDUM CENTRE

TRUSTEES' REPORT

For the year ended 31st March 2019

PUBLIC BENEFIT

The Trustees have complied with their duty to have due regard to the public benefit guidance published by the Charity Commission.

The Charities Act 2011 identifies 13 descriptions of charitable purpose and in our view the work of the Charity meets the following:

- relief of poverty
- advancement of education
- advancement of health
- advancement of community development
- relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage

Activities undertaken to further charitable objectives for public benefit are described below. All services are provided free of charge to beneficiaries.

Therapy services

Therapy services includes staff members with social work, counselling and play therapy qualifications. In addition, the Gaddum Centre provides placements for both undergraduate and post graduate social work students and trainee counsellors.

GP Counselling service

The GP Counselling Service continues to provide service delivery into GP surgeries in North and South Manchester as well as Central Manchester, as part of commissioned IAPT mental health services. In addition to therapeutic counselling, social work students supported clients with social difficulties or undertake relapse prevention sessions. We continued to signpost service users to a range of other support networks including Gaddum Centre adult counselling service supported by trainee and volunteer counsellors.

Roby Support Services provides person centred, integrative and cognitive behavioural therapy tailored to diverse and marginalised communities. It continues to be part of commissioned Manchester IAPT Mental Health services.

Bereavement and Palliative Care

The Children and Families' Bereavement Services are delivered in Manchester, Salford and Rochdale, funded by NHS contracts; supporting children and their families following the death of a significant other.

The Children and Families' Paediatric Palliative Care Service provides psycho-social support for families caring for a child with a life limiting or life-threatening condition. We work with specialist community nursing teams in Salford, Stockport and Rochdale.

The Chameleon Project supporting Children & Young People and families affected by traumatic loss and bereavement has a further 2 years funding by a grant from BBC Children in Need.

THE GADDUM CENTRE

TRUSTEES' REPORT For the year ended 31st March 2019

Getting Help

From May 2017, the Gaddum Centre have been the lead organisation for the Getting Help service in Heywood, Middleton & Rochdale working with five other third sector organisations to improve mental health and wellbeing for hard to reach groups through the provision of counselling, befriending and group work. This is a sub contract to the Big Life group.

Carers Support Services

The Gaddum Centre manages both Salford Carers Centre and Bury Carers Centre in delivering local community services supporting both adult and young carers. The centres are designed to provide services to carers within their local authorities e.g. advice and information, assessment, newsletters, practical and emotional support, activities, support groups, training, relaxation, help with employment issues and referring and signposting to other service providers.

Salford

The contract for Salford Carers Service was awarded in February 2016, delivery of new service model commenced from 1st April 2017; an extension of 2 years has been awarded to the contract to 2020.

As well as giving advice support and guidance to adult carers, young adult carers and young carers the staff are involved with awareness raising and training of professionals in the community, involvement in local planning initiatives, conferences and other appropriate links and networks with local, national and regional organisations.

Carers received a free quarterly newsletter, with invitations to events and activities and other associated invitations. All carers new to the centre received an information pack and publications; which are regularly updated and made available to professionals.

Bury

Bury Carers Centre continues to provide a vital service for adults supporting a family member or friend who is ill, disabled, suffering from mental health issues or addiction. The work underpins the four main priorities outlined in Bury Adult Carers Strategy - Caring for Carers 2013-2018: -

- Identification and Recognition;
- Realising and Releasing Potential;
- A Life Outside Caring;
- Supporting Carers to Stay Healthy.

The centre has now been running for 10 years as a centralised 'hub' for carer activity, providing a point of access for information, support and advice and delivering outreach work into local communities.

As always during the year, several trips took place to enable clients to take a break from their caring role. The centre also provided various activities for its service users including Tai Chi, a reading group and art and IT classes. During this year, the service has moved to different premises following H&S problems in the previous building. Bury Council are responsible for lease and rental arrangements.

THE GADDUM CENTRE

TRUSTEES' REPORT

For the year ended 31st March 2019

Statutory Advocacy

Manchester Advocacy Hub

The Gaddum Centre are commissioned by Manchester City Council to provide independent statutory advocacy services for residents of Manchester. The Manchester Advocacy Hub was established on 1st April 2015 and provides-

- Independent Mental Capacity Advocates
- Independent Mental Health Advocates
- Care Act Advocates
- Independent Health Complaints Advocacy

The staff have also undertaken other work relating to Deprivation of Liberty.

Work with Older People

The Older People's Befriending Service continued to be funded by the JT Blair Charitable Trust. It is a free service benefiting socially isolated older people (aged 60 and over) who are residents of Manchester or Salford.

Charity Trust Administration

The Gaddum Centre administer a number of trust funds that provide funding for essential items and services for disadvantaged families and individuals residing in the City of Manchester and the immediate surrounding boroughs. Experienced staff ensure applications match both the objectives and criteria of the Gaddum Centre and the charities. The processed applications are recorded onto a database to monitor the number of grants made to each applicant. The staff liaise with various statutory and voluntary organisations to verify the applications and to discuss the grants awarded. Our comprehensive service ensures maximum benefit to the beneficiaries and efficient use of the charities' funds.

~~328 (2018: 334) requests for funding were considered by the Trustees over the past 12 months.~~

Impact Reporting Activity

All Gaddum Centre services delivered under contract to Local Authorities or NHS are monitored through quarterly contract reviews with commissioners. Each contract has specific monitoring requirements with both qualitative and quantitative measures against specific outputs and outcomes. Reports from all service areas are reported at bi-monthly Trustee Board meetings and to service delivery highlighted in the Strategic Risk Register with mitigating actions recorded.

The development of a new Information Management System with a reporting function and a balanced scorecard will accurately measure Impact Reporting Activity across Gaddum Centre in future.

Strategic Direction and Business Plan

The Trustee Board signed off a detailed Strategic Direction and Business plan for the next 5 years in October 2016, underpinned by detailed action plans and linked to Strategic Risk register. Chief Executive and SMT bi-annually review and update the Strategic Plan and the Trustee Board is kept informed of progress.

THE GADDUM CENTRE

TRUSTEES' REPORT For the year ended 31st March 2019

Remuneration of Chief Executive & SMT

The Job Description and remuneration of SMT members has been benchmarked against National Joint Council for Local Government Services (NJC) Pay scales, which are recognised as industry standard for voluntary, community and social enterprise (VCSE) organisations.

The Chief Executive's remuneration is subject to Chair & Trustee Board scrutiny and approval against annual appraisals.

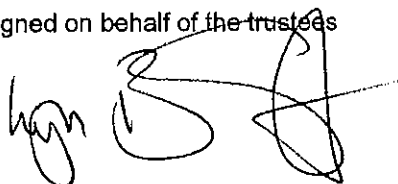
Auditors

Beever and Struthers have expressed their willingness to continue as auditors for the next financial year.

Small company provisions

The Trustees' Report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006.

Signed on behalf of the trustees

A handwritten signature in black ink, appearing to be 'Lynne Stafford', written over a horizontal line.

Lynne Stafford
Chief Executive

Approved by the Trustees on 11 December 2019

Registered office:
Gaddum House
6 Great Jackson Street
Manchester M15 4AX

THE GADDUM CENTRE

Independent Auditor's Report to the Trustees of the Gaddum Centre For the year ended 31st March 2019

We have audited the financial statements of The Gaddum Centre (the Charitable Company) for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2019 and of its deficit 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 to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- 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.

THE GADDUM CENTRE

Independent Auditor's Report to the Trustees of the Gaddum Centre For the year ended 31st March 2019

Other Information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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.

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 includes the Directors' Report prepared 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 Directors' Report included within the Trustees' Report 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 Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

THE GADDUM CENTRE

Independent Auditor's Report to the Trustees of the Gaddum Centre For the year ended 31st March 2019

Responsibilities of Directors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 4-5, 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 web-site 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 Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Sue Hutchinson
Senior Statutory Auditor

For and on behalf of
Beever and Struthers
Statutory Auditor
St George's House
215 – 219 Chester Road
Manchester
M15 4JE

Date: 20/12/19

The Gaddum Centre

Statement of Financial Activities (Incorporating an income and expenditure account) For the Year Ended 31 March 2019

			2019	2018
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Incoming resources				
Income and endowments from:				
Donations and legacies	2	12,005	75,803	87,808
Other trading activities	4	14,322	-	14,322
Investment income	5	16,120	-	16,120
Charitable activities	3	1,899,731	396,752	2,296,483
Total incoming resources		<u>1,942,178</u>	<u>472,555</u>	<u>2,414,733</u>
Resources expended				
Expenditure on raising funds	6	6,777	-	6,777
Charitable activities	6	2,156,165	406,968	2,563,133
Total resources expended		<u>2,162,942</u>	<u>406,968</u>	<u>2,569,910</u>
Net incoming/(outgoing) resources for the year		(220,764)	65,587	(155,177)
Other recognised gains and losses				
Gains/(losses) on investment assets		5,534	-	5,534
Pension movement		55,000	-	55,000
		<u>60,534</u>	<u>-</u>	<u>16,747</u>
Net movement in funds relating to the year		(160,230)	65,587	(94,643)
Transfer between funds in year		74,418	(74,418)	-
Net movement in funds after transfers		(85,812)	(8,831)	(94,643)
Balance brought forward		565,477	167,091	732,568
Balances carried forward		<u>479,665</u>	<u>158,260</u>	<u>637,925</u>

The notes on pages 18 to 32 form part of these financial statements.


The Gaddum Centre

Balance Sheet
As at 31 March 2019
Registered Number: 01348975

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	9	599,306	634,848
Investments	10	<u>512,003</u>	<u>487,817</u>
		1,111,309	1,122,665
Current assets			
Debtors	11	227,172	112,135
Cash at bank		<u>203,048</u>	<u>631,469</u>
		430,220	743,604
Creditors: amounts falling due within one year	12	<u>(557,196)</u>	<u>(800,674)</u>
Net current liabilities		(126,976)	(57,070)
Creditors: amounts falling due after one year	13	(346,408)	(333,027)
Net assets		<u>637,925</u>	<u>732,568</u>
Funds			
Restricted funds	14	158,260	167,091
Unrestricted funds			
- General		763,639	947,504
- Pension scheme liability	18	<u>(283,974)</u>	<u>(382,027)</u>
Total unrestricted funds		<u>479,665</u>	<u>565,477</u>
Total funds		<u>637,925</u>	<u>732,568</u>

These financial statements were approved and authorised for issue by the trustees on 11 December 2019 and signed on their behalf, by:


Don Bancroft
Treasurer


Roy HARDING
CHAIR

The notes on pages 18 to 32 form part of these financial statements.

The Gaddum Centre

Cash Flow Statement As At 31 March 2019 Registered Number: 01348975

	2019	2018
	£	£
Net cash flows from operating activities (see note 1)	(435,275)	472,549
<i>Cash Flows from investing activities</i>		
Interest and dividends received	16,120	18,944
Purchase of tangible fixed assets	-	(45,536)
Acquisition of investments	(182,635)	
Disposal of investments	173,369	-
	<u>6,854</u>	<u>(26,592)</u>
Change in cash and cash equivalents in the year	(428,421)	445,957
Cash and cash equivalents at the beginning of the year	<u>631,469</u>	<u>185,512</u>
Cash and cash equivalents at the end of the year.	<u>203,048</u>	<u>631,469</u>

	2019	2018
	£	£
Note 1		
Net Incoming resources/(resources expended)	(155,177)	18,255
Interest and dividends received	(16,120)	(18,944)
Depreciation of tangible fixed assets	35,542	29,923
Revaluation (loss)/profit on Investments	(9,386)	-
Decrease/(increase) in debtors	(115,037)	16,085
Increase/(decrease) in creditors	<u>(175,097)</u>	<u>427,230</u>
Net cash provided by operating activities	<u>(435,275)</u>	<u>472,549</u>

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

1. Accounting policies

1.1 General Information

The Charity is a company limited by guarantee (registered number 01348975) which is incorporated and domiciled in the UK. The address of the registered office: is Gaddum House, 6 Great Jackson Street, Manchester, M15 4AX.

1.2 Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

1.3 Going Concern

The Trustees have reviewed the budgets and forecasts and taken into consideration commitments to provide funding for service provision, the termination of certain contracts for service provision, other sources of unrestricted funding and the level of expenditure to be met from unrestricted funds.

Further, the Charity has successfully extended two significant contracts for service delivery through to 31 March 2020. The Trustees have also assessed the level of unrestricted funds and the liquidity of such funds and based on the detailed cash flow forecasts, have a reasonable expectation that the Charity will have sufficient funds to meet liabilities as they fall due and consequently continue to present the financial statements on a going concern basis.

1.4 Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. The following accounting policies are applied to income:

Donations

Donations and all other receipts from fund-raising are reported gross. Cash collections to which the charity is entitled but which it has not received by the year end are included in incoming resources in the Statement of Financial Activities and shown as debtors in the balance sheet.

Grants receivable

Grants are recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a grant is received relating to a future period, the Statement of Financial Activities shows the gross amount received together with the changes in the amounts deferred to future periods.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

1. Accounting policies (continued)

Income from government grants is recognised in the Statement of Financial Activities when conditions for the performance have been fulfilled. Where conditions of performance have not been fulfilled amounts are shown within deferred income in the balance sheet.

Investment Income

Investment income is accounted for when receivable.

1.5 Resources expended

Fund raising costs represents expenditure in relation to the investment portfolio. They are the investment management fees.

Charitable activities

Expenditure on charitable activities includes all expenditure directly related to the objects of the Charity.

Governance costs

Governance costs include those incurred in the governance of its assets and are associated with constitutional and statutory requirements.

Fund raising and publicity

Fund-raising and publicity costs represent expenditure in relation to staff members who are directly engaged in fund raising, and related costs of fund raising.

1.6 Fixed asset investments

Fixed asset investments are included at market value. The market value of listed investments is taken to be the stock exchange value at the balance sheet date. Any unrealised gains or losses on revaluation are taken to the Statement of Financial Activities.

1.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.9 Creditors

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

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

1. Accounting Policies (continued)

1.10 Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the Charity to the obligation.

1.11 Financial Instruments

The Gaddum Centre has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic Financial Instruments are initially recognised at the transaction value and subsequently measured at amortised cost using an effective interest method. Financial assets are held at amortised cost comprise investments, cash, trade debtors and accrued income. Financial liabilities held at amortised cost comprise trade, other creditors and accruals.

1.12 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Building	over 50 years	straight-line basis
Computers and office equipment	over 3 to 5 years	straight-line basis

Individual fixed assets costing £1,000 or more are capitalised at cost.

1.13 Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership, remain with the lessor, are charged in the Statement of Financial Activities on a straight-line basis over the period of the lease.

1.14 Pension costs

The cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the periods benefiting from the employees' services.

The disclosures in the financial statements follow the requirements of Section 28 of FRS 102 in relation to multi-employer funded schemes in which the Charity has a participating interest.

Contributions payable under an agreement with the scheme to fund past deficits are recognised as a liability in the financial statements calculated by the repayments known, discounted to the net present value at the year end using a market rate discount factor of 2.07% at 31 March 2016, 1.32% at 31 March 2017, 1.71% at 31 March 2018 and 1.39% at 31 March 2019. The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities in the period incurred.

The Charity also operates a money purchase pension scheme for its employees. The assets are held separately from those of the Charity. The annual contributions payable are charged to the Statement of Financial Activities. The disclosures in the financial statements follow the requirements of FRS 102.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

1. Accounting policies (continued)

1.15 Redundancy and Termination policy

Redundancy and termination payments are accounted for in the period in which they are agreed.

1.16 Fund Accounting

The Charity maintains various types of funds as follows:

Restricted funds

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes and for which expenditure will be incurred in future periods.

Unrestricted funds

General unrestricted funds represent funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital management.

1.17 Judgement in applying accounting policies and key sources of estimation uncertainty

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

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property plant and equipment, and policy 1.12 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The Charity makes an estimate of the recoverable value of trade and other debtors.

When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor the ageing profile of debtors and historical experience. See note 11 for the net carrying amount of the debtors.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

2. Donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Unrestricted donations	12,005	-	12,005	41,920
Legacies	-	-	-	70
Donations for salaries	-	70,803	70,803	40,063
Restricted donations	-	5,000	5,000	10,850
	<u>12,005</u>	<u>75,803</u>	<u>87,808</u>	<u>92,903</u>

3. Incoming resources from charitable activities

	Unrestricted funds 2019	Restricted funds 2019	Total Funds 2019 £	Total Funds 2018 £
Advocacy Services	644,247	22,500	666,747	579,613
Carers Services	640,591	299,737	940,328	860,401
Therapy Services	614,893	74,515	689,408	682,927
	<u>1,899,731</u>	<u>396,752</u>	<u>2,296,483</u>	<u>2,122,941</u>

Total Government Grant income in the period totalled £307,987 (2018: £279,890)

Manchester Health Care Commissioning provided £170,679 (2018: £69,050) for the provision of Carers Learning Development Grant.

Manchester Health Care Commissioning provided £nil (2018: £9,594) for the provision of Therapy Services

Manchester City Council provided £100,000 (2018: £100,000) for the provision of Manchester Carers Network Grant

NHS Heywood provided £25,000 (2018: £46,026) for the provision of Therapy Services Grant

Health Education England provided £nil (2018: £42,892) for the provision of Young Carers

NHS Stockport provided £12,308 (2018: £12,308) for the provision of Palliative Care.

4. Activities for generating funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rent received	14,322	-	14,322	44,980
	<u>14,322</u>	<u>-</u>	<u>14,322</u>	<u>44,980</u>

5. Investment Income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Quoted investments	16,120	-	16,120	18,944
	<u>16,120</u>	<u>-</u>	<u>16,120</u>	<u>18,944</u>

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

6. Resources Expended

Expenditure on raising funds

	2019	2018
	£	£
Investment management fees	<u>6,777</u>	<u>5,833</u>

Resources expended on charitable activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total Funds 2019 £	Total Funds 2018 £
Restricted resources expended				
On charitable activities				
Advocacy Services	20,414	2,086	22,500	27,730
Carers Services	104,119	201,834	305,953	174,009
Therapy Services	62,901	15,614	78,515	111,404
	<u>187,434</u>	<u>219,534</u>	<u>406,968</u>	<u>313,143</u>

Unrestricted resources expended

On charitable activities				
Advocacy Services	530,201	184,657	714,858	685,975
Carers Services	623,787	181,358	805,145	680,181
Therapy Services	361,927	259,847	621,774	567,021
	<u>1,515,915</u>	<u>625,862</u>	<u>2,141,777</u>	<u>1,933,177</u>
Governance costs	-	14,388	14,388	9,360
	<u>1,515,915</u>	<u>640,250</u>	<u>2,156,165</u>	<u>1,942,537</u>
Total resources expended	<u>1,703,349</u>	<u>859,784</u>	<u>2,563,133</u>	<u>2,255,680</u>

Governance costs

	2019	2018
	£	£
Audit fees	<u>14,388</u>	<u>9,360</u>
	<u>14,388</u>	<u>9,360</u>

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

7. Staff costs and numbers

The aggregate payroll costs were:

	2019	2018
	£	£
Wages and salaries	1,742,679	1,527,379
Redundancy and related costs	-	281
Social security costs	142,690	12,895
Other pension costs	77,319	60,247
	<u>1,962,688</u>	<u>1,600,802</u>

The key management personnel of the Charity comprise the Trustees and senior management team and are listed in the Trustees Report. The total employee benefits of the key management personnel of the Charity were £276,116 (2018: £197,107).

1 employee earned £60,000 p.a. or more (2018– 1 employee earned £60,000 pa or more).

Trustee disclosure

The Charity Trustees are not employees, so they are not included above, and they received no remuneration or other benefits directly or indirectly from the Charity's funds (2018 - nil) and no reimbursement of expenses either.

Particulars of employees:

The average number of persons employed during the year expressed in full time equivalents (35 hours per week)

	2019	2018
	No.	No.
Direct charitable	71	58
Governance	13	8
	<u>84</u>	<u>66</u>

8. Operating surplus

	2019	2018
	£	£
This is stated after charging		
Staff pension contributions	77,319	60,247
Depreciation	35,542	29,923
Auditors' remuneration	14,388	9,360

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

9. Tangible fixed assets

	Freehold Property £	Computer/ and office equipment £	Total £
Cost			
At 1 st April 2018	800,756	132,241	932,997
Additions	-	-	-
Disposals	-	-	-
At 31 st March 2019	<u>800,756</u>	<u>132,241</u>	<u>932,997</u>
Depreciation			
At 1 st April 2018	208,756	89,393	298,149
Charge for the year	16,000	19,542	35,542
Disposals	-	-	-
At 31 st March 2019	<u>224,756</u>	<u>108,935</u>	<u>333,691</u>
Net book value			
At 31 st March 2019	<u>576,000</u>	<u>23,306</u>	<u>599,306</u>
At 31 st March 2018	<u>592,000</u>	<u>42,848</u>	<u>634,848</u>

10. Investments

	2019 £	2018 £
Movement in market value		
Market value at 1 st April 2018	487,817	471,070
Acquisitions at cost	182,635	-
Disposals at opening book value	(173,369)	-
Net gains on revaluations in the year ended 31 st March 2019	14,920	16,747
Market value at 31 st March 2019	<u>512,003</u>	<u>487,817</u>
Historical cost at 31 st March 2019	<u>461,824</u>	<u>414,967</u>

	2019 £
Reconciliation of revaluation gain	
Net gains on revaluation	14,920
Correction of prior period overstatement	(9,386)
Balance as per statement of financial activities	<u>5,534</u>

By the Memorandum and Articles of Association, the investments are not subject to the limitations of the Trustee Investments Act.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

10. Investments (continued)

	2019 £	2018 £
Quoted Investments		
UK Bonds	227,644	152,250
UK investments and unit trusts	24,430	152,986
Global investments	259,929	182,581
Market value at 31 st March 2019	<u>512,003</u>	<u>487,817</u>

11. Debtors

	2019 £	2018 £
Trade debtors	190,086	92,729
Accrued Income	24,919	(400)
Prepayments	12,167	19,806
	<u>227,172</u>	<u>112,135</u>

12. Creditors:

	2019 £	2018 £
Amounts falling due within one year		
Trade creditors	86,681	77,971
PAYE and social security	55,517	46,261
Other creditors	1,734	1,910
Accruals and deferred income	366,264	625,532
Pension deficit contribution	47,000	49,000
	<u>557,196</u>	<u>800,674</u>

Deferred Income

	2019 £	2018 £
Opening balance	561,796	112,947
Resources deferred in the year	(145,679)	448,849
Closing balance	<u>416,117</u>	<u>561,796</u>

	2019 £	2018 £
Deferred income falling due within one year	306,683	561,796
Deferred income falling due after one year	109,434	-
Total deferred income	<u>416,117</u>	<u>561,796</u>

Of the deferred income figure: £280,113 relates to Manchester's Carers Learning & Development Programme of which £109,434 falls due after more than one year. The balance relates to Zochonis, GMCVO & Rochdale Palliative Care.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

13. Creditors falling due after more than one year

	2019 £	2018 £
Deferred income	109,434	-
Pension scheme liability due after one year	236,974	333,027
	<u>346,408</u>	<u>333,027</u>

Refer to Note 18 for further details around the pension provision.

14. Restricted funds

	Restated Balance at 1 st April 2018 £	Incoming resources £	Outgoing resources £	Transfer between funds £	Balance at 31 st March 2019 £
Carers	92,673	370,540	(305,953)	-	157,260
Therapy	74,418	79,515	(78,515)	(74,418)	1,000
Advocacy	-	22,500	(22,500)	-	-
	<u>167,091</u>	<u>472,555</u>	<u>(406,968)</u>	<u>(74,418)</u>	<u>158,260</u>
Unrestricted funds	<u>565,477</u>	<u>2,002,712</u>	<u>(2,162,942)</u>	<u>74,418</u>	<u>479,665</u>

Funding was received for the provision of carers' services, activities, advocacy and information from Salford City Council and Bury Metropolitan Borough Council.

Donations for Young Carers Services were received from Salford CVS, The Booths Charities, plus personal donations. The Zochonis Charitable Trust also provided funding for adult carers services.

IAPT counselling in primary care practices and Roby Support Services was funded by Manchester Health Care Commissioning under a contractual agreement. Salford CCG provided funding for both bereavement and palliative care services. Manchester Health Care Commissioning provided funding for bereavement services under a contractual agreement. Heywood, Middleton and Rochdale CCG and CCG Stockport provided funding for palliative care services. Heywood, Middleton & Rochdale CCG funded Getting Help.

Funding was received from Manchester City Council which enabled the delivery of the Manchester Advocacy Hub. Funding was received from The Blair Charity for support in reducing isolation and loneliness amongst the elderly and from United Utilities providing Welfare Rights & Benefits Advice for the hardest to reach in our communities.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

15. Analysis of net assets

	Tangible fixed assets	Investments	Other net assets	Total
	£	£	£	£
Restricted funds	-	-	158,260	158,260
Unrestricted funds	599,306	512,003	(347,670)	763,639
Pension fund	-	-	(283,974)	(283,974)
	<u>599,306</u>	<u>512,003</u>	<u>(473,384)</u>	<u>637,925</u>

16. Financial Instruments

	2019	2018
Financial Assets measured at amortised cost	727,008	723,798
Financial Liabilities measured at amortised cost	430,330	705,413

Financial assets consist of investments, cash, trade debtors and accrued income. Financial liabilities consist of trade creditors, other creditors and accruals

17. Company limited by guarantee

The Gaddum Centre is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18. Pension commitments

The Charitable Company participates in the TPT Retirement Solutions – Growth Plan, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows;

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

18. PENSION COMMITMENTS (continued)

Deficit Contributions

From 1 April 2019 to 31 January 2025: £11,243,000 per annum
(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025: £12,945,440 per annum
(payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30 September 2028: £54,560 per annum
(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. Where the scheme is in deficit and where the Charity has agreed to a deficit funding arrangement the Charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost

Present values of provision

Present values of provision	31 March 2019 £'000	31 March 2018 £'000	31 March 2017 £'000
	284	382	430

Reconciliation of opening and closing provision

	31 March 2019 £000s	31 March 2018 £000s
Provision at start of period	382	430
Unwinding of the discount factor (interest expense)	6	6
Deficit contribution paid	(49)	(48)
Remeasurements- impact of any change in assumptions	3	(6)
Remeasurements- amendments to the contribution schedule	(58)	-
Provision at end of period	284	382

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

18. PENSION COMMITMENTS (continued)

Statement of Financial Activity Impact

	Period Ending 31 March 2019 (£000s)	Period Ending 31 March 2018 (£000s)
Interest expense	6	6
Remeasurements – impact of any change in assumptions	3	(6)
Remeasurements – amendments to the contribution schedule	<u>(58)</u>	=
Cost recognised in Statement of Financial Activity *	<u>(49)</u>	=

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

ASSUMPTIONS

	31 March 2019 % per annum	31 March 2018 % per annum	31 March 2017 % per annum
Rate of discount	1.39	1.71	1.32

The discount rates shown above are the equivalent single discount rates which when used to discount the future recovery plan contributions due would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the Charity and the scheme at each year-end period:

Deficit contributions schedule for The Gaddum Centre

Year ending	31 March 2019 (£000s)	31 March 2018 (£000s)	31 March 2017 (£000s)
Year 1	47	49	48
Year 2	49	51	49
Year 3	50	52	51
Year 4	51	54	52
Year 5	53	55	54
Year 6	45	57	55
Year 7		59	57
Year 8		30	59
Year 9			30
Year 10			

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

18. PENSION COMMITMENTS (continued)

The Charity must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the Statement of Financial Activity i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the Charity's balance sheet liability.

The Gaddum Centre

Notes to the Financial Statements For the Year Ended 31 March 2019

19. Related party transaction

During the year no payments to related parties were made. In 2018: £19,104 was paid to The Proud Trust, a partner with The Gaddum Centre for the Let's Talk Project in Rochdale. The previous Finance Manager of The Gaddum Centre is the treasurer and a director of The Proud Trust.

20. Private charities

The total balance held on behalf of independent private charities and third parties at the 31st March 2019 is £201,425 (2018: £192,407). This balance is not included in the assets of The Gaddum Centre. The Charity holds as custodians on behalf of the independent private charities an investment portfolio with Brewin Dolphin, the current value of which is £198,029. This is not shown as an asset of The Gaddum Centre.

Investments are held as a separate entity within our investment portfolio. This is recorded and accounted for as a separate entity within our investment schedule. A second bank account is held for trust funds. This is accounted for separately, with all inter-charity transfers clearly documented and approved by two Senior Managers. This ensures the funds of the trust funds are not being used for The Gaddum Centre activities.

Investments are held by The Gaddum Centre as a custodian for the following charities:

Charity	Objects
Robert Bell Charity	For the benefit of people on low income, resident in the City of Manchester.
William Cavanagh Trust	For people on low income living in Gorton or West Gorton only.
Darbishire House Trust	This charity is restricted to helping women who are Manchester residents. Preference is given to teachers or ex - teachers who are retraining and are Manchester residents and unable to cover the whole cost themselves.
Pratt Charity	Small grants in support of respectable women over the age of 60 who reside in the City of Manchester.
John Royle Fund	Originally for leather workers, but now helps individuals on low income who are Manchester residents
Satterfield Charity	Provides convalescence for people who have received hospital care. It can also be used to provide clothing or help someone recovering at home. Covers an area within 60 miles of Manchester.
Shylock Charity	For people on low income, over 55 years of age who live within a radius of eight miles of Manchester Town Hall.
Yates Charity	The money comes from South Africa and varies from year to year. Grants can be made to people on low income who are residents of Higher Openshaw and its surrounding area.
Gratrix Charity.	Fund for plumbers and associated tradesmen and their dependants who are Greater Manchester residents in need.
Ann Butterworth and Daniel Bayley Charity	Supports students aged 21 or under who are studying the arts. Helps with costs directly associated with their course.
Humane Society	The purpose of the Society is to encourage children to learn life saving skills. This is not a registered Charity.

These are the charities who have a combined portfolio with Brewin Dolphin.

Gaddum Trustees do not necessarily make the decisions on how the money is spent. This is done by the Trustees of the individual charities.