

Unaudited Financial Statements

The Millennium Quarter Trust Limited

(A company limited by guarantee)

For the year ended 31 March 2019

Company information

Charity registration number: 1090859

Company registration number: 03962470

Registered office: P O Box 532 Room 308
Town Hall Albert Square
Manchester
M60 2LA

Directors: John Williams
The Very Reverend Rogers Govender
Jane Elizabeth Sharrocks
Michael Roland Powell (resigned 20 March 2019)
Ali Raza Ilyas (resigned 25 September 2018)
Liam Mooney
Joan Elizabeth Davies (appointed 25 September 2018)

Secretary: Manchester Professional Services Limited

Bankers: Barclays Bank PLC
51 Mosley Street
Manchester
M2 3HQ

Solicitors: Pannone LLP
123 Deansgate
Manchester
M3 2BU

Independent Examiner: M Delf FCA
Grant Thornton UK LLP
Chartered Accountants
4 Hardman Square
Manchester
M3 3EB

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Report of the directors

The directors present their report together with the unaudited financial statements for the year ended 31 March 2019

Reference and administrative details

The Millennium Quarter Trust Limited ('MQT') is a company limited by guarantee (company number 03962470) and does not have any share capital. The company is also a registered charity (charity number 1090859)

The current members of MQT are Manchester City Council (MCC) and the Deans and Canons of the Cathedral and Collegiate Church of Saint Mary, Saint Denys and Saint George

The Board of the company comprises nominees of Manchester City Council, The Dean and Canons of Manchester Cathedral and a number of independent trustees who have been appointed for their expertise. The directors are its trustees for the purpose of charity law.

The charity is governed by its memorandum and articles of association last amended by a special resolution on 30 January 2002.

Directors

The directors (who are also trustees of the charitable company for the purposes of charity law), who served during the year, and since the year end are as follows:-

John Williams (appointed 7 April 2003)

The Very Reverend Rogers Govender (appointed 27 June 2006)

Michael Roland Powell (appointed 12 February 2015) (resigned 20 March 2019)

Liam Mooney (appointed 10 October 2017)

Ali Raza Ilyas (appointed 12 December 2017) (resigned 25 September 2018)

Jane Elizabeth Sharrocks (appointed 4 September 2014)

Joan Elizabeth Davies (appointed 25 September 2018)

Report of the directors

Structure, Governance and Management

Organisation

The company is administered by the Board of directors. During the financial period the Board met on four occasions and its principal business has been:

- To receive regular reports on the operation of the Manchester Cathedral Visitor Centre
- To receive regular reports on the National Football Museum at the Urbis building
- To receive regular reports on the development of the Millennium Quarter.

Trustee Induction and Training

New trustees meet separately with both the Chairman and the Company Secretary. They are provided with an induction pack which includes the most recent minutes and Annual Report, together with a copy of the Memorandum and Articles of Association. They also attend a Board meeting before formally joining the Board.

Risk Management

The directors have implemented systems and procedures to identify and mitigate the major risks the company faces, and to ensure consistent quality of delivery for all operational aspects of the company.

Particular attention has focussed on the health and safety of the public and members of staff

Objectives and Activities

The objects of the company are established as: -

- 1 For the general benefit of the public
 - 1.1 To preserve buildings and conserve, maintain and protect land or other property of the aesthetic, historic, architectural, constructional, scientific interest or importance in the Manchester Millennium Quarter project area,
 - 1.2 With or without assistance from others the provision of facilities in the interests of social welfare for recreation and other leisure time occupation in the MQT project area and for the designated surrounding areas with the object of improving the conditions of life for such persons having need of such facilities by reason of their age, gender, youth, infirmity, disablement, poverty and social or economic circumstances, and
 - 1.3 The advancement, improvement, promotion and development of the education of the public by promoting cultural activities including exhibitions, information services on themes relating to cities, lectures, demonstrations, performances of drama, music, opera and ballet, dance, film shows, poetry readings, painting and sculpture, literature and other arts

Report of the directors

Objectives and Activities (Continued)

The main objective of MQT is to oversee the operation of Manchester's Millennium Quarter, which is a distinctive cultural area in the historic medieval sector of Manchester. The Millennium Quarter was created as part of the Master plan for rebuilding the city centre following the catastrophic damage sustained in the explosion of June 1996. It comprises four elements: Exchange Square - a hard landscaped civic space adjacent to the retail core; the Manchester Cathedral Visitor Centre which contains the renovated Hanging Bridge, an exhibition about the Cathedral, meeting rooms and a café; Cathedral Gardens - a new green public space with trees, water features and seating areas and Urbis which is situated in Cathedral Gardens (now the National Football Museum).

Manchester City Council is directly responsible for the ongoing maintenance of Exchange Square and Cathedral Gardens. The Cathedral is responsible for the operation of the Cathedral Visitor Centre and received deficit grant funding of £ 34,806 in 2018/19 from MQT towards operating costs (2017/18: £37,954).

Achievements, performance and the fulfilment of public benefit

Financial performance is summarised in the financial statements accompanying this report.

During the last year the Millennium Quarter Trust continued to receive reports from the Cathedral Visitors Centre (CVC) Board of Directors. CVC continues to implement a new business plan which focuses on developing financial sustainability. The management of the conferencing business at the CVC had transferred to Grape and Grain in July 2017 who increased bookings and usage of the conference facilities, however this arrangement came to an end in early 2019. The CVC board is currently looking at options as to how to best run the conferencing business in the future. CVC continues to promote the Hanging Bridge through tours and visits to the Cathedral and CVC. The Cathedral was successful with a bid for National Lottery Heritage Fund (NLHF) funding to carry out an options appraisal to explore the functionality of various internal and external physical interventions, including public realm, along with the potential impacts on the historic fabric of each option, planning acceptability and long-term project viability. They have received an evaluation report, externally facilitated, that commended the Cathedral's willingness to return to first principles and rethink the project, based on the analyses carried out in 2018. The revised concept scheme is now being worked on by the project board, including the Cathedral Architect, and in conjunction with the project architects. The objective is to submit an Expression of Interest to the NLHF by the end of January 2020.

The National Football Museum continues to operate successfully within the Urbis building and provides regular updates to the Millennium Quarter Trust board. The Chief Executive of the National Football Museum continues to review strategic and operational plans and is working closely with MQT, Manchester City Council and partners. In early 2019, the National Football Museum introduced a charging model whereby non-Manchester residents pay £10 for an adult aged 16 to 64, £5 for a child, aged 5-15 and £25 for a family of two adults and two children. Senior citizens, students and the unemployed are charged £8. Tickets are valid for a year, allowing visitors to come back and view new events and changing exhibitions. Manchester residents continue to access the museum free of charge.

The Corn Exchange is continuing to expand as a new food and drink destination, including a hotel.

Report of the directors

The Millennium Quarter Trust board has continued to work together on issues affecting the area. In particular this has included responding to the Medieval Quarter Masterplan and a range of issues relating to the public realm, including the Transport for Greater Manchester Connected Wayfinding Project. The Board also established a Medieval Quarter Business Forum, chaired by the Chief Executive of the National Football Museum and supported by Manchester City Council and Corn Exchange. The Forum met for the first time in September 2018 and has since met every two months on average, bringing together local businesses and public sector services such as Greater Manchester Police, Manchester City Council services and Cityco to discuss strategic and operational issues with a view to improve the area, increase footfall and help ensure that events in Cathedral Gardens and Exchange Square have no detrimental effect on local businesses. Work continues with partners including the Medieval Quarter Marketing Group to undertake a branding and marketing exercise to promote the Medieval Quarter.

The Company continues to rely on grants and donated services to cover its operating costs. Its work is informed by the aims of its principal public funders and the priorities of the Association of Greater Manchester Authorities and Manchester City Council in ensuring the widest number of people in the region have the opportunity to experience the National Football Museum and the Cathedral Visitor Centre.

The Trust will remain focused on maximising the benefit of the Millennium Quarter's various charitable activities for all members of the public. This will include overseeing the development of the Cathedral Visitor Centre and contributing to the development of the Masterplan for the Medieval Quarter. As the Medieval Quarter Masterplan develops the area will be renamed as the Medieval Quarter. The Millennium Quarter Trust will continue to operate under its existing name.

With the Medieval Quarter Business Forum now operational and meeting regularly, it has been decided at MQT board to reduce the number of MQT board meetings to two a year, one in the autumn to hold its AGM and approve the accounts for the preceding year and one in the spring to approve the deficit grant for the Cathedral Visitor Centre.

Financial risk management objectives and policies

The principal financial instruments of the company are cash, operating debtors and operating creditors. The objective of the company in relation to these instruments is to ensure that none of them pose a material threat to the unrestricted reserves of the company.

All cash is held in Pounds Sterling with Barclays Bank plc.

The primary risk facing the company is the loss of support from Manchester City Council. Currently grants paid to the company amounts to 2018/19 71% (2017/18 73%) of the total income and therefore its loss could lead to the closure of the company. This risk has been mitigated by an undertaking of support (as detailed in the Principal Accounting Policies) given by Manchester City Council.

Funding

Any deficit of the Charitable Company is funded by Manchester City Council. The company is able to meet all outgoing items of expenditure and future plans and commitments. The company did not engage in any investment activity during the financial period.

Restricted funds

The company does not hold any restricted funds.

Report of the directors

Reserves policy

The company has approved a reserves policy which has identified only a minimal need to accrue reserves for contingencies or investment opportunities. This policy takes account of the current scope of charitable activities as well as future arrangements with MCC. The reserves held at 31 March 2019 were £nil (2018: £nil).

Investment policy

The company has the power to invest the monies of the company not immediately required for its purposes in any investments, securities or property thought fit, subject to current law. The company did not make investments during the period covered by these accounts.

Going concern

After making enquiries, the Board has a reasonable expectation that the company has adequate resources to meet its debts as they fall due for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further information is given in the accounting policies (page 11). It should be noted that the company has secured a commitment of support from Manchester City Council to provide appropriate resources for a period at least 12 months from the date of approval of the financial statements.

Directors' responsibilities for the financial statements

The trustees (who are also directors of the Millennium Quarter Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial period. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the company and of the incoming resources and application of resources, including the income and expenditure, 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,
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the directors

The company, on behalf of the directors, has directors' indemnity insurance with a charge in the period of £ 1,439 (2017/18, £1,571)

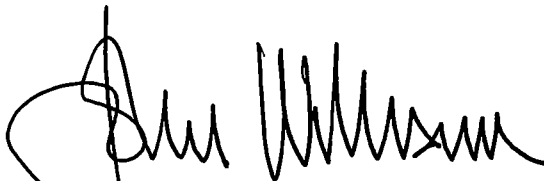
Small company exemption

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Independent Examination

The company is below the audit threshold for both the Companies and Charities Act requirements but requires an Independent Examination. The company has appointed M Delf FCA (of Grant Thornton UK LLP) to be the Independent Examiner. The accounts for the year ended 31 March 2019 have been given an Independent Examiners' Report by M Delf FCA.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'John Williams', with a large, stylized initial 'J'.

John Williams
For and on behalf of Millennium Quarter Trust Limited
Director

30 September 2019

Independent examiner's report to the trustees of The Millennium Quarter Trust Limited

I report on the accounts of The Millennium Quarter Trust Limited for the year ended 31 March 2019, which are set out on pages 11 to 18

This report is made solely to the charitable company's trustees, as a body, in accordance with the regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the charitable company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for my work, for this report, or for the opinions I have formed

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts. The charitable company's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 and Part 16 of the Companies Act 2006 and that an independent examination is needed).

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to.

- examine the accounts under section 145 of the Charities Act 2011,
- to follow the procedures laid down the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a comparison of the accounts with the accounting records kept by the charitable company. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect, the requirements.
 - to keep accounting records in accordance with section 386 of the Companies Act 2006;
 - to prepare accounts which accord with the accounting records, to comply with the accounting requirements of the section 396 of the Companies Act 2006; and
 - to comply with the Statement of Recommended Practice 'Accounting and reporting by Charities' Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015)'

have not been met; or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mile Delf
M Delf FCA
Grant Thornton UK LLP
Chartered Accountants
Manchester

Date 14 October 2019

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting & Reporting by Charities. Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS102) (effective 1 January 2015), Charities SORP (FRS102) and the Companies Act 2006. The charity is not required to prepare a cash flow statement, being a small entity under FRS102

The Millennium Quarter Trust Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the accounting policy notes

Basis of Accounting

The Financial Statements are prepared in accordance with the historical cost convention. The company's functional and presentational currency is the pound sterling ("GBP").

Going concern

The company made a Surplus of Nil during the year ended 31 March 2019 (a surplus of £Nil 2018)

The Charity will continue to focus on overseeing the operation of Manchester's Millennium Quarter, which besides Urbis comprises Exchange Square, the Manchester Cathedral Visitor Centre and Cathedral Gardens

The charitable company has the continuing support of Manchester City Council for the foreseeable future in the pursuit of its' charitable objectives

It should be noted that the company has secured a commitment of support from Manchester City Council to provide appropriate resources for a period at least 12 months from the date of approval of the financial statements

Based on the above, the directors have concluded that it is appropriate to adopt the going concern basis of accounting in preparing these financial statements.

Principal accounting policies (continued)

Incoming Resources

Voluntary income comprises all incoming resources from donations, gifts and grants.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. An equivalent amount is charged as expenditure. No income is recognised when there is no financial cost borne by a third party. Voluntary help is not included as income.

Grants receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred

Incoming resources from charitable activities

Incoming resources from charitable activities are accounted for when earned.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Governance costs are the costs associated with the governance arrangements of the company which relate to the general running of the charity as opposed to those costs associated with charitable activities. Included within this category are costs associated with the strategic as opposed to day to day management of the company's activities.

Support costs, which include executive and development, finance, ICT, external accountancy, legal, marketing, general office and administration, are allocated across categories of charitable expenditure, governance costs and the costs of generating funds

Fund accounting

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the company at the discretion of the trustees. Restricted funds are subjected to restrictions on their expenditure imposed by the donor

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting company, is exempt from the requirement to prepare such a statement under FRS 102.1A.7 Cash Flow Statements.

Principal accounting policies (continued)

Grants Made

The charity gives grants with conditions for its payment, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Independent Examination

The company is eligible for audit exemption under Section 477 of the Companies Act 2006.

The company is eligible for an independent examination and has been given an unqualified Independent Examiners Report by M Delf, FCA

Significant adjustments and key areas of estimation uncertainty

The trustees consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the Charity's accounting policies or key sources of estimation uncertainty.

Charitable company statement of financial activities (Incorporating the Income and Expenditure account)

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	1	15,000	-	15,000	15,000
Incoming resources from charitable activities					
Grants from Manchester City Council	2	37,565	-	37,565	41,080
Total incoming resources		52,565	-	52,565	56,080
RESOURCES EXPENDED					
Charitable activities					
Cultural activities and provision of facilities	3	34,806	-	34,806	37,954
Governance Costs	4	17,759	-	17,759	18,126
Total resources expended		52,565	-	52,565	56,080
Net incoming resources for the year/net income for the year	5	-	-	-	-
Balances brought forward at 1 April 2018		-	-	-	-
Balances carried forward as 31 March 2019	11	-	-	-	-

The comparative information is for the year ended 31 March 2018

There were no other recognised gains or losses for the financial period, other than the result for the year.

All results are derived from continuing operations

Company no 03962470

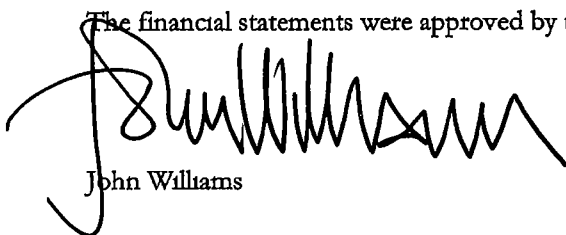
Charitable company balance sheet

	Note	2019 £	2018 £
Current assets			
Prepayments and Accrued Income	8	902	941
Cash at bank and in hand		10,615	16,084
		<u>11,517</u>	<u>17,025</u>
Creditors: amounts falling due within one year	9	<u>(11,517)</u>	<u>(17,025)</u>
Net current liabilities		-	-
Total net assets	10	<u>-</u>	<u>-</u>
Funds			
Unrestricted funds		-	-
Restricted funds		-	-
Total funds	11	<u>-</u>	<u>-</u>

The Trustees consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2019.



John Williams

Director

The accompanying notes form part of these financial statements

Notes to the financial statements (continued)

1 Incoming resources from voluntary income

	2019 £	2018 £
Donated services	15,000	15,000
	<u>15,000</u>	<u>15,000</u>

Donated services comprises accountancy and company secretarial services provided by Manchester Professional Services Limited

2 Income from Charitable Activities

Income, which is stated net of value added tax, represents grants from Manchester City Council.

3 Cost of cultural activities and provision of facilities

	2019 £	2018 £
Grant to the Cathedral Visitor Centre	34,806	37,954
	<u>34,806</u>	<u>37,954</u>

4 Governance costs

	2019 £	2018 £
Administration	12,000	12,000
Accountancy	3,000	3,000
Independent Examiners Fees	1,320	1,516
Insurance	1,439	1,571
Sundry costs	-	39
	<u>17,759</u>	<u>18,126</u>

5 Net income/(expenditure) for the year

	2019 £	2018 £
This is stated after charging:		
Independent Examiners Fees – fees payable to the Independent Examiner in relation to the examination of the company's annual financial statements	1,320	1,516

Notes to the financial statements (continued)

6 Directors' remuneration and staff costs

No remuneration has been paid to the company's directors. No expenses have been reimbursed by the company to the directors. There were no employees in the year (2018: none)

7 Taxation

As a charity, The Millennium Quarter Trust Limited is exempt from tax on income and gains to the extent that these are applied to its charitable objects

8 Debtors

	2019 £	2018 £
Prepayments and accrued income	902	941
	<u>902</u>	<u>941</u>

9 Creditors: amounts falling due within one year

	2019 £	2018 £
Accounts Payable	26	26
Accruals	1,333	9,962
Deferred income (note 14)	10,158	7,037
	<u>11,517</u>	<u>17,025</u>

The deferred income due to Manchester City Council is secured by a fixed and floating charge over the charity's assets.

10 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Current assets	11,517	-	11,517
Current liabilities	<u>(11,517)</u>	<u>-</u>	<u>(11,517)</u>
Net assets at 31 March 2019	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

11 Funds

	Unrestricted funds £	Restricted funds £	Total Funds £
At 1 April 2018	-	-	-
Incoming resources	52,565	-	52,565
Resources expended	(52,565)	-	(52,565)
At 31 March 2019	-	-	-

12 Guarantee

The company is limited by guarantee and has no authorised share capital

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are members or within one year after they ceased to be a member, of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors themselves

13 Indemnity Insurance

The company, on behalf of the directors, has paid directors' indemnity insurance with a charge of £1,439 for the year (2018 £1,571).

14 Related party transactions

Members and officers of Manchester City Council (MCC) serve on the Board of Directors. The company's transactions with MCC are summarised as follows

During the year, grants and donated services from Manchester City Council amounted to £37,565 (2018 £41,080)

At 31 March 2019 £10,158 (31 March 2018: £7,037) was due to MCC.

During the year, a grant of £34,806 (2018: £37,954) was made to Manchester Cathedral Visitors Centre.

At 31 March 2019 £Nil (31 March 2018 £8,629) was due to Manchester Cathedral Visitors Centre, included within accruals.

Manchester Cathedral Visitors Centre is a related party as the Very Reverend Rogers Govender served on the Board of Directors

