

COMPANY NUMBER 31105
CHARITY NUMBER 210558



BLACKFRIARS SETTLEMENT

(LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

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BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

The trustees are pleased to present their annual report together with the financial statements of the charity for the 3 months ended 31st July 2018, which are also prepared to meet the requirements of a Directors' report and accounts for Companies Act purposes.

Blackfriars Settlement was launched as an Association in 1887, incorporated as the Women's University Settlement on 22nd March 1890 and changed its name to Blackfriars Settlement by special resolution on 16th June 1961. It is a company limited by guarantee (registered number 31105) and a registered charity (registered no. 210558) and is governed by its Memorandum of Association dated 16th June 1961 (as amended).

The financial statements comply with the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Chair's report

Following the difficult year experienced in 2016-17, Blackfriars Settlement ("the Settlement") spent 2017-18 considering its future plans, including how best to ensure the ongoing sustainability of the services provided to local communities in Southwark. Options were discussed with a number of partners and resulted in an agreement to merge with Mary Ward Settlement, by becoming its subsidiary, which became effective on 1st May 2018.

Mary Ward Settlement is a charity which runs an Adult Education College and community outreach services in London, as well as legal advice services in the London Borough of Camden through its subsidiary, Mary Ward Legal Centre, with aims, objectives and principal activities similar to those of the Settlement. The period under review is the 3 month period ended 31st July 2018, which is the date on which the financial year of Mary Ward Settlement ends. The result for the Settlement reported here will be included in the consolidated results of Mary Ward Settlement for the year ended 31st July 2018.

Mary Ward Settlement is an existing partner of the Settlement with which we have contracted, over a number of years, to provide English for Speakers of Other Languages (ESOL) courses. As a subsidiary of Mary Ward Settlement group, we are now developing a clearer view of what our longer term service provision might look like. We intend to continue to provide the services with which we have been successfully serving the local community during 2017-18 and plan to expand these under the leadership of Mary Ward Settlement during 2018-19.

Throughout the period under review we have continued to deliver services to local communities, embracing the elderly, those suffering with mental health issues and those wishing to follow courses of educational achievement. We also continue to make our building in Rushworth Street available for community use in the form of lettings and we also have a small number of tenants who assist our sustainability.

We would like to extend our thanks to all our service providers and users, and to our Funders, many of whom have been engaged with us over an extended period of time, but without whom little of what we do would be made possible.

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

Frances Bates
Chair of Trustees



BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

OBJECTIVES AND ACTIVITIES

The Purpose of the Settlement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit; running a charity (PB2)'. The Settlement relies on income from grants, investments, donations and fundraising events to deliver its services.

In order to demonstrate the benefit to the public provided by the Settlement, we have reviewed the work of each of our services over the last 3 months, in the paragraphs below under the heading 'Achievements and Performance'.

The principal purpose of the Settlement is to deliver services that support individual, families and communities in need in the area of Southwark. The Settlement seeks to support individuals to overcome the barriers that prevent them from achieving their aspirations.

The Objects of the Settlement as set out in its Memorandum of Association are to:

(a) promote the welfare of individual persons/families and communities in London and elsewhere by all practicable means and in particular (but without prejudice to the generality of the foregoing) by the provision and maintenance of a residential or other centre or centres in Southwark or elsewhere and the fostering of community activities

(b) to promote and carry out research into social problems.

Activities

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

ACHIEVEMENTS AND PERFORMANCE

Positive Ageing

874 older people made use of the clubs and activities available during the 3 month period under review. People came together to share company and food, and a team of staff and volunteers served over 400 lunches to many older people who live alone and who welcome a hot meal and friendly face. We have continued to run our dementia and memory loss clinic, working with volunteers and a social enterprise group who facilitate activities, and have worked with a clinician from a research team of City University in London which is currently exploring strategies in memory recall. We ran a number of trips, including a holiday break to Weston -super- Mare and wide range of activities include physical exercise, scam awareness, laughter sessions and many more. The Nightingales continue to sing at many locations across Southwark and the befriending service continues to grow offering a lifeline to those who are unable to get out.

Learning and Development

We continued to provide learning and development classes on behalf of Southwark Adult Education and Mary Ward Settlement. Approximately 25 individuals in the period benefitted from our adult education service with classes in ESOL, and a range of vocational and training activities to support them into work.

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Mental Health and Wellbeing

In the period under review, the Mental Health and Wellbeing (“MHWB”) service supported 63 people with a range of groups and activities including digital skills, self-confidence building, mindfulness and relaxation, creative and therapeutic groups and one to one support with action plans and goal setting.

18 members of the MHWB groups took part in a community gardening project funded by United St Saviours and with support from Bankside Open Spaces Trust. Others took part in Tree of Life workshops, gallery visits including the Nelson Mandela exhibition at the Southbank, and a printmaking workshop at the RA. An evaluation feedback session with participants took place in July, giving members the opportunity to discuss the progress of the MHWB programme.

A 20 week drama project, Acting Up, in partnership with Three Cs, began preparing for a performance at Southwark playhouse this Autumn. 14 members went on an away-week holiday to Portland Bill in Dorset.

Art2Print, our Social Enterprise Design Studio, continued to provide opportunities for members to learn skills in graphic design with an exciting new partnership with professional design studio, the Plant. Fundraising raised £2,400 towards new apple computers for the project. Our continued support from Lloyds Bank volunteers provided individually tailored IT training sessions and a monthly pop up advice and guidance sessions in partnership with Southwark Wellbeing Hub, part of the nationwide charity, Together.

Financial Review

The 3 month period ended 31st July 2018 was the first period following the merger of the Settlement with Mary Ward Settlement, whose financial year runs from 1st August to 31st July, and consequently the financial statements have been prepared for the short period to co-incide with the reporting date of Mary Ward Settlement.

The period ended 31st July 2018 continued to be challenging for the Settlement as we have continued to see falling grant levels whilst aiming to maintain essential front line activity. Following the cessation of the Children and Young Peoples’ Services (“CYPS”) during the period ending 30th April 2018, we sought to maintain activities with the elderly and with people suffering from mental health issues. Reduced levels of income had impacted our ability to maintain good quality administrative and back office support during the previous period ending 30th April 2018, and, following the merger, a significant part of the responsibility for administrative, back office and senior management support for the Settlement was taken on by the management team of Mary Ward Settlement. Following redundancies and other staff reductions in previous periods, there was limited need for further staff reductions and following the merger, one further redundancy was made.

Whilst the financial environment continues to be challenging, with a reported a deficit of £40,582 for the 3 month period (13 months to 30th April 2018: deficit £305,904), systems are now being put in place to re-build the income stream and control costs whilst continuing to deliver the activities of the Settlement.

We continued to let space at Rushworth Street, but the cost of operating the building and maintaining front line activity has meant that there has been limited scope to raise unrestricted funds. The problems with credit control reported in the previous 2 financial periods have been addressed; however a further provision of £5,000 for irrecoverable debts was necessary in the 3 months ended 31st July 2018, following a review of the debtors ledger in the immediate post-merger period.

Income

Income for the Settlement’s charitable purposes was £186,460 for the period which, on a pro rata basis is slightly higher than for the previous period (13 months to 30th April 2018: £690,103; 3 months pro rata: £159,254). This reflects the continued support from the London Borough of Southwark COPSINS partnership, their Community Support link, from adult education contracts directly with Southwark and from adult education contracts commissioned by Mary Ward Settlement.

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FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

Income in kind

The value of the services for the purposes of our accounts for the period was £372 excluding VAT, (13 months to 30th April 2018: £207,353).

Local traders have contributed with generous discounts. Teams have appeared from corporate partners offering their time for tasks ranging from serving dinners to befriending isolated older people.

Expenditure

Our cost base has reduced significantly in response to the reduction in income over the past 2 financial periods. For the 3 months under review, expenditure on charitable activities was £233,040 which is broadly the same on a pro rata basis as for the previous period (13 months to 30th April 2018: £1,003,353; 3 months pro rata £231,461).

Reserves policy

The Settlement holds reserves for the provision of specified services (restricted reserves). We aim to replenish the Settlement's unrestricted/general reserves and our future plans with Mary Ward Settlement should help in this regard. It also holds unrestricted but designated reserves amounting to £3,128,342 (30th April 2018: £3,147,425).

The principal reserve represents the value of the leasehold premises in Rushworth Street and is therefore not currently available as a source of funds for use in our charitable activities. At the period end, it amounted to £3,083,692 (30th April 2018: £3,100,565) and is held as a reserve for future depreciation of the Settlement's property at 1 Rushworth Street, London SE1.

The Settlement also held two further unrestricted, but designated, funds as part of the reserves during the period under review, a reserve for future depreciation of fixed assets (£43,193) and a designated bursary fund to support ESOL students (£1,457). It also held a general unrestricted fund which, at 31st July 2018, had a deficit of £121,447 (30th April 2018: deficit £138,334).

The Settlement does not have a formal reserves policy or target, but recognises the importance of reserves in the financial stability of the organisation. It is expected that the merger with Mary Ward Settlement will improve the financial stability and sustainability of Blackfriars Settlement, and over the next few years it is expected that the deficit in the unrestricted general reserve will begin to fall.

Investment Policy

The trustees maintained a policy of holding the majority of funds on cash deposit. Together with the portfolio of shares and unit trusts, this policy resulted in bank and investment income of £1,596 in the period under review (13 months to 30th April 2018: £3,802).

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

PLANS FOR FUTURE PERIODS

Strategic Plan 2018 - 2022

Mary Ward Settlement group agreed a new, group wide Strategic Plan in June 2018 covering the period 2018-2022, which, for the Settlement, encompasses the following strategic aims:

- To maintain and develop the range of activities currently offered to the local community by the Settlement - primarily for the elderly and for people experiencing mental health issues
- To develop a wider range of activities aimed at improving mental and physical health and wellbeing, for people of all ages, with particular needs, or none, for example, through exercise, music and other group activities
- To partner Mary Ward Adult Education Centre in hosting adult education classes at the Rushworth Street premises
- To partner Mary Ward Legal Centre in hosting Legal Advice clinics and drop-in services at the Rushworth Street premises

The Strategic Plan of Mary Ward Settlement includes the relocation of Mary Ward Settlement to a new site in Stratford in the London Borough of Newham which is likely to happen sometime between September 2020 and September 2022. It is envisaged that the Settlement will continue to operate from its property at Rushworth Street but will be able to extend the range of its community services to the new site, operating a variety of activities in both the Boroughs of Newham and Southwark, alongside the wider offering of Mary Ward Settlement.

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

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FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

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

Chair:	Margaret, Baroness Wheeler of Blackfriars - until 1 st May 2018	
2018	Frances Bates	Appointed as a trustee and as chair, 1 st May
Treasurer:	Brian Chandler	until 1 st May 2018
2018	Alexine Horsup	Appointed as a trustee and treasurer, 1 st May
Trustees:	Michael Bukola	Resigned 1 st May 2018
	Vanessa Dowling	Resigned 1 st May 2018
	Paul Callaghan	Resigned 1 st May 2018
	Nashiru Momori	Resigned 1 st May 2018
	Graham Collins	
	Cllr Cleo Soanes	Resigned 1 st May 2018
	Dr Heather Heathfield	
	Jessica Northend	
	Alice Pilia	Resigned 1 st May 2018
	Nadine Cartner	Appointed 1 st May 2018
	Kim Dao Duong	Appointed 1 st May 2018
	Beatriz Montoya Blanco	Appointed 1 st May 2018
	Andrew Peck	Appointed 1 st May 2018
	Emma Wyatt	Appointed 1 st May 2018
Charity Registration Number:	210558	
Company Registration Number:	31105	
Registered Office:	1 Rushworth Street London SE1 0RB	
Auditors:	Buzzacott LLP 130 Wood Street London, EC2V 6DL	
Bankers:	Lloyds TSB plc 69/73 Borough High Street London SE1 1NQ	
Deposit Funds:	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ COIF Charity Funds, 85 Queen Victoria Street, London EC4V 4ET	
Solicitors:	Winckworth Sherwood 5 Montague Close London SE1 9BB	

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Stakeholder Pension

Plan Providers: Friends Life, Pixham End, Dorking, Surrey RH4 1QA

KEY MANAGEMENT PERSONNEL

The Settlement's key management personnel:

Suzanna Jackson	Chief Executive
Allister Duncan	Deputy Chief Executive
Juliet Woodford	Head of Finance and Resources
Susan Craggs	Head of Adult and Community Learning
Paula Twigg	Director of the Mary Ward Legal Centre

APPOINTMENT OF TRUSTEES

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

TRUSTEE INDUCTION AND TRAINING

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

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

ORGANISATION

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

Day-to-day operational management of the Settlement is delegated to the Chief Executive who is supported by a small management team primarily consisting of the Head of Adult Education and Community Learning, the Director of the Legal Centre, the Assistant Chief Executive and the Head of Finance and Resources.

The Chief Executive and her management team oversee the smooth running of the Settlement's staff who are divided into teams in accordance with Settlement activities and projects.

RELATED PARTIES AND CO-OPERATION WITH OTHER ORGANISATIONS

None of the trustees receive remuneration or other benefit from their work with the Settlement, unless they are separately employed by the Settlement as a member of staff. Any connection between a trustee or senior manager of the Settlement and any organisation associated with the Settlement must be disclosed to the Board of trustees in the same way as any contractual relationship with a related party. In the current year no such related party transactions were reported.

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

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

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Settlement's trustees (who constitute the Board of Directors), and the Senior Management Team comprise the key management personnel of the Settlement in charge of directing and controlling, running and operating the Settlement on a day to day basis. All trustees give their time freely, unless employed by the Settlement in some other capacity than as a trustee. No director received remuneration in the year for their role as a trustee. There were no expenses and no related party transactions for the year ended 31st July 2018 (2016/17: none).

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

RISK MANAGEMENT

The trustees have a risk management strategy which comprises the following:

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

The major risks facing the Settlement are:

- Sustainability following recent reduction in funding levels. In mitigation the Settlement is making applications for new funding, with Senior Management Team support. In addition, the Settlement is looking to reduce expenditure by integrating administrative functions and sharing resources across the Mary Ward Settlement group where feasible;
- Non-compliance with statutory regulation by the Settlement. In mitigation, the Settlement continues to review policies and procedures to ensure they are up to date, and, for example, the Settlement has recently reviewed data handling practices and policies following the implementation of GDPR in May 2018
- Increasing demands being placed on staff and a consequent failure to deliver quality services to users. In mitigation, the Settlement is currently seeking to recruit a Head of Services for the Settlement who will join the Senior Management Team of Mary Ward Settlement. This position will boost capacity within the Settlement and provide dedicated leadership and direction for Settlement staff.

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Settlement will continue in operation.

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

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

FUNDRAISING

The Settlement aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells or shares data, and ensures that communication preferences can be changed at any time. The Settlement manages its own fundraising activities and, following the departure during 2017-18 of its fundraising manager, has worked closely with a seconded employee from a professional fundraising organisation who provides hands-on expertise and operational input. The Settlement undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2017-18, the Settlement received no complaints about its fundraising activities.

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

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FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

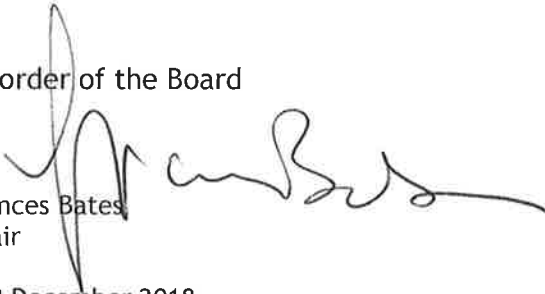
STATEMENT AS TO THE DISCLOSURE TO OUR AUDITORS

In so far as the trustees are aware at the time of approving our trustees' annual report:

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

By order of the Board

Frances Bates
Chair

A handwritten signature in black ink, appearing to read 'Frances Bates', written over a vertical line that extends from the text 'By order of the Board'.

11th December 2018

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT

Opinion

We have audited the financial statements of Blackfriars Settlement for the period ended 31 July 2018 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2018 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Settlement 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT (Continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' Annual Report. 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' Annual Report (which includes the strategic report and 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 strategic report and the directors' report included within the trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' Annual Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Use of our report

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



Avnish Savjani (Senior statutory auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 21 December 2018

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE 3 MONTHS ENDED 30 JULY 2018

	Notes	Unrestricted Funds 3 month period to 31 July 2018 £	Restricted Funds 3 month period to 31 July 2018 £	Total Funds 3 month period to 31 July 2018 £	Total Funds 13 month period to 31 March 2018 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies		8,831	-	8,831	12,894
Charitable activities					
Grants, contracts, donations, fees for:					
Community Buildings		57,404		57,404	217,980
Community Anchor			1,577	1,577	17,378
Community Care			63,723	63,723	265,744
Learning and Development		370	45,155	45,525	111,020
Children and Young People's Services		-	-	-	44,909
Other trading activities					
Fundraising Activities		7,804		7,804	15,862
Investments		1,596	-	1,596	3,802
Other		-	-	-	514
TOTAL	4	<u>76,005</u>	<u>110,455</u>	<u>186,460</u>	<u>690,103</u>
EXPENDITURE ON:					
Raising funds		7,418	-	7,418	138,826
Charitable activities					
Community Buildings		21,114	74,915	96,029	367,361
Community Anchor		-	-	-	8,825
Community Care		36	113,166	113,202	327,239
Learning and Development		-	16,391	16,391	97,286
Children and Young People's Services		-	-	-	63,816
TOTAL	2	<u>28,568</u>	<u>204,472</u>	<u>233,040</u>	<u>1,003,353</u>
Unrealised gains on investments		5,998	-	5,998	7,346
NET INCOME (EXPENDITURE)		<u>53,435</u>	<u>(94,017)</u>	<u>(40,582)</u>	<u>(305,904)</u>
Transfers between funds		(55,631)	55,631	-	-
NET MOVEMENT IN FUNDS		<u>(2,196)</u>	<u>(38,386)</u>	<u>(40,582)</u>	<u>(305,904)</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		3,009,091	38,386	3,047,477	3,353,381
Total funds carried forward		<u>3,006,895</u>	<u>-</u>	<u>3,006,895</u>	<u>3,047,477</u>

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

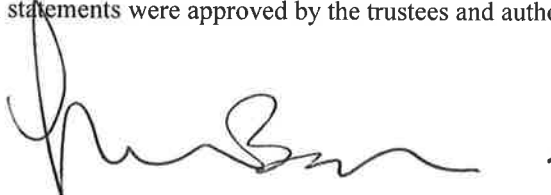
BALANCE SHEET (COMPANY NUMBER 31105)

AS AT 31 JULY 2018

	Notes	31 July 2018		30 April 2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5		3,126,885		3,145,968
Investments - listed investments	6		127,006		121,008
			<u>3,253,891</u>		<u>3,266,976</u>
CURRENT ASSETS					
Debtors	7	61,284		36,596	
Cash on deposit		3,718		3,507	
Cash at bank and in hand		90,188		71,310	
			<u>155,190</u>		<u>111,413</u>
CREDITORS: amounts falling due within one year	8	(241,752)		(161,906)	
NET CURRENT LIABILITIES			<u>(86,562)</u>		<u>(50,493)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,167,329		3,216,483
CREDITORS: amounts falling due after one year	8A		(160,434)		(169,006)
NET ASSETS			<u>3,006,895</u>		<u>3,047,477</u>
FUNDS OF THE SETTLEMENT					
Unrestricted funds					
- Designated Reserves	10	3,128,342		3,147,425	
- General reserves		(121,447)		(138,334)	
			<u>3,006,895</u>		<u>3,009,091</u>
Restricted funds	9		-		38,386
MEMBERS' FUNDS	11		<u>3,006,895</u>		<u>3,047,477</u>

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

The financial statements were approved by the trustees and authorised for issue on 11th December 2018 and signed on their behalf, by:



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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS

FOR THE 3 MONTH PERIOD ENDED 31 JULY 2018

STATEMENT OF CASH FLOWS

		3 month period to 31 July 2018 £	13 month period to 30 April 2018 £
Cash Flows for operating activities:			
Net cash provided by/ (used in) operating activities	(Note 17)	17,493	(87,054)
Cash flow from investing activities:			
Dividends, interest and rent from investments		1,596	3,802
Net cash provided by investing activities		1,596	3,802
Cash flows from financing activities:			
Repayment of borrowings		-	(21,054)
Net cash used in financing activities		-	(21,054)
Change in cash and cash equivalents in the year		19,089	(104,306)
Card and cash equivalents at the beginning of the period (note 18)		74,817	179,123
Cash and cash equivalents at the end of the period (note 18)		93,906	74,817

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JULY 2018

1. ACCOUNTING POLICIES

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 to the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Blackfriars Settlement meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

Having considered future plans and cash flows, the trustees confirm that they are not aware of any material uncertainties with regard to the Settlement's ability to continue as a going concern for the foreseeable future and therefore have prepared the accounts on a going concern basis.

(b) Estimation uncertainty

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

(c) Tangible fixed assets and depreciation

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

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

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

(d) Investments

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JULY 2018

1. ACCOUNTING POLICIES (continued)

(e) Financial instruments

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

(f) Debtors

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

(g) Cash at bank and in hand

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

(h) Creditors and provisions

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

(i) Income

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

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

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

Gifts in Kind are included at estimated market value. Donated goods and services are recognised in the financial statements where they are provided by the donor as part of their trade or profession for a fee. The value placed on these resources is the estimated value the Settlement would pay in the open market for equivalent goods and services matched with equivalent expenditure. Accordingly, volunteer help is not recognised in the financial statements but is described in the trustees' annual report. In the period to July 2018, the following donated services were included in the accounts:

Cash donations	£ 16,635
Gifts in kind	<u>£ 372</u>
Total	£ 17,007

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JULY 2018

1. ACCOUNTING POLICIES (continued)

(j) Operating Lease Commitments

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

(k) Expenditure

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

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

(l) Allocation of Expenditure

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

(m) Fund accounting

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

2. ANALYSIS OF TOTAL EXPENDITURE

	Direct costs £	Support Costs £	Total 3 month period to 31 July 2018 £	Total 13 month period to 30 April 2018 £
Raising funds:				
Fundraising costs	7,418	-	7,418	138,826
Charitable activities				
Community Buildings	68,203	27,826	96,029	367,361
Community Anchor	-	-	-	8,825
Community Care	57,552	55,650	113,202	327,239
Learning and Development	16,391	-	16,391	97,286
Children & Young People's Services	-	-	-	63,816
Total 3 month period to 31st July 2018	149,564	83,476	233,040	1,003,353
Total 13 month period to 30th April 2018	694,727	308,626	1,003,353	

Support costs are broken down as follows:

	Unrestricted £	Restricted £	Total 3 month period to 31 July 2018 £	Total 13 month period to 30 April 2018 £
Wages and salaries	-	39,895	39,895	140,463
Other costs	-	43,581	43,581	168,163
Total	-	83,476	83,476	308,626

BY FUNCTION

	Fund- raising £	Comty Buildings £	Comty Anchor £	Comty Care £	Learning And Development £	C&YPS £	Total £	Basis
Strategic & HR Management	-	22,470	-	44,940	-	-	67,410	By staff hours
Finance	-	1,007	-	2,014	-	-	3,021	By staff hours
IT	-	4,348	-	8,697	-	-	13,045	By staff hours
Totals	-	27,825	-	55,651	-	-	83,476	

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

Governance costs included within support costs consist of:

	Unrestricted	Restricted	Total 3 month period to 31 July 2018	Total 13 month period to 30 April 2018
	£	£	£	£
Audit fees	-	8,530	8,530	8,461
Legal fees (related to governance)/Insurance	-	6,008	6,008	23,122
Meeting costs	-	-	-	114
Staff costs	-	-	-	32,748
Office/meeting space	-	-	-	3,673
Support costs	-	-	-	-
Total 3 month period to 31st July 2018	-	14,538	14,538	68,118
Totals 13 month period to 30th April 2018	43,596	24,522	68,118	-

3. INCOME AND EXPENDITURE AGAINST SOME SPECIFIC GRANTS

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

	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total Exp £
Grants from the London Borough of Southwark					
Core	6,577	-	5,000	-	11,577
Older Peoples - Community Support	4,861	346	-	4,188	9,395
Older Peoples – COPSINS Partnership	10,582	751	-	9,117	20,450

4. INCOME ANALYSIS – BY SOURCE

	Unrestricted	Restricted	Total 3 month period to 31 July 2018	Total 13 month period to 30 April 2018
	£	£	£	£
Public authority grants	-	42,691	42,691	116,036
Public authority contracts	-	45,155	45,155	107,993
Other grants and contracts	-	22,609	22,609	130,683
Donations and subscriptions	3,425	-	3,425	11,894
Fees, sales and service charges	6,695	-	6,695	105,224
Rental income	57,404	-	57,404	198,094
Activities to generate income	6,885	-	6,885	15,862
Bank and investment income	1,596	-	1,596	3,802
Other income	-	-	-	515
Total 3 month period to 31st July 2018	76,005	110,455	186,460	690,103
Totals 13 month period to 30th April 2018	440,334	249,769	690,103	-

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

5. TANGIBLE FIXED ASSETS	Leasehold building £	Furniture, Fittings and equipment £	Total £
Cost or valuation			
At 30 th April 2018	3,375,116	95,446	3,470,562
At 31 st July 2018	<u>3,375,116</u>	<u>95,446</u>	<u>3,470,562</u>
Depreciation			
At 30 th April 2018	274,551	50,043	324,594
Charge for the period	16,873	2,210	19,083
At 31 st July 2018	<u>291,424</u>	<u>52,253</u>	<u>343,677</u>
Net Book Value			
At 31 st July 2018	<u><u>3,083,692</u></u>	<u><u>43,193</u></u>	<u><u>3,126,885</u></u>
At 30 th April 2018	<u><u>3,100,565</u></u>	<u><u>45,403</u></u>	<u><u>3,145,968</u></u>
6. INVESTMENTS		Listed	
		31 July 2018 £	30 April 2018 £
Market Value			
At 30 th April 2018 and At 31 st July 2018		121,008	113,662
Net gain on revaluation		5,998	7,346
Market value at 31st July 2018		<u>127,006</u>	<u>121,008</u>
Securities listed on UK Stock Exchange		126,376	120,378
Unlisted securities		630	630
		<u>127,006</u>	<u>121,008</u>
Historical cost of investments		<u>43,660</u>	<u>43,660</u>
Included above at 31 st July 2018 are investments valued at more than 5% of the total value:			
HSBC		37,562	37,301
JPMF Global Financial Accs		44,454	40,492
M&G Charity Fund – Income		20,237	20,073
COIF Charities Investment Fund – Income		24,123	22,512

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

7. DEBTORS	31 July 2018	30 April 2018
	£	£
Grants and contract payments receivable	-	20,597
Other debtors	39,490	3,681
VAT recoverable	8,426	11,140
Prepayments and accrued income	13,368	1,178
	<u>61,284</u>	<u>36,596</u>

There were no debtors due after more than one year (2018: none) included above.

8. CREDITORS: amounts falling due within one year	31 July 2018	30 April 2018
	£	£
Other creditors	75,748	53,575
Other taxes and social security	8,517	5,423
Secured loans	26,098	23,203
Accruals and deferred income	131,389	79,705
	<u>241,752</u>	<u>161,906</u>

Deferred Income movements:

Opening balance at 1 st May 2018	19,786
Additions	41,181
Transfers out	(19,786)
	<u>41,181</u>

Closing Balance at 31st July 2018

41,181

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

8A. CREDITORS: amounts falling due after one year	31 July 2018	30 April 2018
	£	£
Loans	160,434	169,006
	<u>160,434</u>	<u>169,006</u>

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

9. RESTRICTED FUNDS	30 April 2018	Income	Expenditure	Transfers	31 July 2018
	£	£	£	£	£
United St. Saviours	4,000	3,333	(10,074)	2,741	-
MH&WBS-Well Connected-Big Lottery	29,026	-	(39,874)	10,849	-
LB Southwark Adult Learning	-	10,000	(13,738)	3,738	-
LB Southwark COPSIN Grant	-	18,855	(25,902)	7,047	-
Weathering and Well	-	10,000	(13,738)	3,738	-
Mary Ward ESOL Contract	-	35,155	(48,295)	13,139	-
Other Funds	5,360	33,112	(52,850)	14,378	-
	<u>38,386</u>	<u>110,455</u>	<u>(204,472)</u>	<u>55,631</u>	<u>-</u>

Blackfriars Settlement managed 12 (2018: 29) separate restricted funds in this financial period. Funds with balances or movements during the year in excess of £1,000 have been listed separately above. Smaller funds have been consolidated, where possible, into an "other funds" category, by service or combined where they are to achieve a common purpose. If this has not been possible because of their purpose, they have been shown separately.

Restricted Funds Purpose:

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

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

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

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

Weathering and Well Project – Funding contributes to activities provided by the Mental Health and Wellbeing service run by the Settlement.

Mary Ward ESOL Contract – Funding is provided for ESOL courses run on behalf of Mary Ward Settlement.

10. DESIGNATED FUNDS	Balance at 30 April 2018	Income	Expenditure	Inter fund transfers	Balance at 31 July 2018
	£	£	£	£	£
Buildings assets reserve	3,100,565	-	(16,873)	-	3,083,692
Designated Bursary Fund	1,457	-	-	-	1,457
Fixed asset reserve	45,403	-	(2,210)	-	43,193
Total	<u>3,147,425</u>	<u>-</u>	<u>(19,083)</u>	<u>-</u>	<u>3,128,342</u>

Designated Funds Purpose

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

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

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

Summary of unrestricted funds	Balance at 30 April 2018 £	Income £	Expenditure £	Inter fund transfers £	Balance at 31 July 2018 £
Designated funds	3,147,425	-	(19,083)	-	3,128,342
General fund	(138,334)	82,003	(9,485)	(55,631)	(121,447)
Total 3 month period to 31st July 2018	3,009,091	82,003	(28,568)	(55,631)	3,006,895
Totals 13 month period to 30th April 2018	3,207,475	440,334	(674,238)	35,520	3,009,091

11. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS	At 31 July 2018 £	At 30 April 2018 £
Deficit for the financial period	(40,582)	(305,904)
Opening members' funds	3,047,477	3,353,381
Closing members' funds	<u>3,006,895</u>	<u>3,047,477</u>

12. ANALYSIS OF NET ASSETS	Tangible Fixed assets £	Investments £	Long term Liabilities £	Net Current Assets £	Total £
Restricted funds	-	-	-	-	-
Unrestricted funds	3,126,885	127,006	(160,434)	(86,562)	3,006,895
Total at 31st July 2018	3,126,885	127,006	(160,434)	(86,562)	3,006,895
Totals at 30th April 2018	3,145,968	121,008	(169,006)	(50,493)	3,047,477

13. OPERATING (DEFICIT)	3 month period to 31 July 2018 £	13 month period to 30 April 2018 £
Operating deficit is stated after crediting/(charging)		
Investment income - listed	1,587	1,866
- non listed	-	-
Depreciation	19,083	82,402
Auditors' remuneration – audit services	8,530	8,104
Auditors' remuneration – consultancy services	-	3,000

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

14. INTEREST PAYABLE AND SIMILAR CHARGES	3 month period to 31 July 2018 £	13 month period to 30 April 2018 £
Bank charges and interest	2,341	11,576

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

15. STAFF NUMBERS AND COSTS

The average number of staff, excluding trustees, employed by the Settlement during the year was as follows:

	3 month period to 31 July 2018 No.	13 month period to 30 April 2018 No.
Community Buildings	1	1
Community Care	6	9
Education and Training	2	3
Children & Young People's Services	-	4
Shared Services	3	5
	<u>12</u>	<u>22</u>

The aggregate costs of staff were:	3 month period to 31 July 2018 £	13 month period to 30 April 2017 £
Salaries and wages	69,241	462,211
Social security costs	5,151	34,240
Pension costs	1,598	6,711
	<u>75,990</u>	<u>503,162</u>

The average number of employees, full and part-time, during the period was 12 (2017-18 -22)

The key management personnel during the period under review comprised members of the Senior Management Team of Mary Ward Settlement who provided services to Blackfriars Settlement as part of their role for the Mary Ward Settlement. These members of staff did not receive any additional remuneration for their work on behalf of Blackfriars Settlement, however a portion of their costs were recharged by the Mary Ward Settlement. Total recharged costs from the Mary Ward Settlement for recharged staff was £7,063, of which £2,883 related to the Senior Management Team.

Termination payments of £1,537 were made in the period (2017-18 £47,790).

No trustee received remuneration during the year (2017-18: none). No staff member was paid in excess of £60,000 (2017-18: none). No travel or incidental expenses were reimbursed to trustees during the period (2017-18 - Nil).

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

16. PENSIONS

Company Defined Contribution Pension Scheme

A defined contribution scheme is available for staff, managed through Aviva PLC. This scheme is compliant with auto-enrolment legislation and is the vehicle for the Settlement to comply with its obligations under this legislation. In addition to enrolling all eligible workers onto this scheme, staff members choosing to make increased pension contributions are eligible to receive a matching additional contribution from the Settlement to the same plan of up to 3% of gross salary. The cost of this scheme to the Settlement for the period ending 31st July 2018 was £998 (13 months to 30th April 2018: £16,791). At 31st July 2018, the Settlement was holding £9,464 (30th April 2018: - £7,463) of staff and company pension contributions that were due for remittance to Aviva, comprising contributions due on behalf of all enrolled staff for the month of July 2018, and backdated contributions for 10 staff members who were in the process of being auto-enrolled at the period end date.

17. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FOR OPERATING ACTIVITIES

	3 month period to 31 July 2018 £	13 month period to 30 April 2018 £
Net (expenditure) for the year per the Statement of Financial Activities	(40,582)	(305,904)
Adjustments for:		
Depreciation charges	19,083	84,523
(Gains) on investments	(5,998)	(7,346)
Dividends, interest and rents from investments	(1,596)	(3,802)
(Increase) / Decrease in debtors	(24,688)	140,548
Increase in creditors	71,274	4,927
Net cash provided by (used in) operating activities	<u>17,493</u>	<u>(87,054)</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	3 month period to 31 July 2018 £	13 month period to 30 April 2018 £
Cash deposits	3,718	3,507
Bank accounts	90,188	71,310
	<u>93,906</u>	<u>74,817</u>

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 APRIL 2018

19. CONTINGENT LIABILITY

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

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

20. FINANCIAL INSTRUMENTS

	3 month period to 31 July 2018 £	13 month period to 30 April 2018 £
Financial assets measured at fair value	127,006	121,008
Financial assets measured at amortised cost	39,490	24,278
Financial liabilities measured at amortised cost	262,280	245,784

Financial assets measured at fair value include investments.

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

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JULY 2018

21. FINANCIAL INFORMATION 2018

STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	8,831	-	8,831
Charitable activities			
Grants, contracts, donations, fees for:			
Community Buildings	57,404	-	57,404
Community Anchor	-	1,577	1,577
Community Care	-	63,723	63,723
Learning and Development	370	45,155	45,525
Children and Young People's Services	-	-	-
Other trading activities			
Fundraising Activities	7,804	-	7,804
Investments	1,596	-	1,596
Other	-	-	-
TOTAL	<u>76,005</u>	<u>110,455</u>	<u>186,460</u>
EXPENDITURE ON:			
Raising funds	7,418	-	7,418
Charitable activities			
Redevelopment			
Community Buildings	21,114	74,915	96,029
Community Anchor	-	-	-
Community Care	36	113,166	113,202
Learning and Development	-	16,391	16,391
Children and Young People's Services	-	-	-
TOTAL	<u>28,568</u>	<u>204,472</u>	<u>233,040</u>
Unrealised gains/(losses) on investments	5,998	-	5,998
NET INCOME (EXPENDITURE)	53,435	(94,017)	(40,582)
Transfers between funds	(55,631)	55,631	-
NET MOVEMENT IN FUNDS	<u>(2,196)</u>	<u>(38,386)</u>	<u>(40,582)</u>
RECONCILIATION OF FUNDS:			
Total funds brought forward	3,009,091	38,386	3,047,477
Total funds carried forward	<u><u>3,006,895</u></u>	<u><u>-</u></u>	<u><u>3,006,895</u></u>

MANAGEMENT INFORMATION ONLY

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

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 JULY 2018

INCOME			3 month period to 31 July 2018 Totals £	13 month period to 30 April 2018 Totals £
	Unrestricted £	Restricted £		
PUBLIC AUTHORITY GRANTS				
Community Anchor				
London Borough of Southwark/Community Support Link	-	1,577	1,577	17,378
Community Care				
London Borough of Southwark/- COPSINS Partnership	-	18,855	18,855	58,550
London Borough of Southwark Social Inclusion Unit	-	-	-	10,496
London Borough of Southwark Personal Accounts Grants	-	7,331	7,331	-
Bankside and Walworth Community Council	-	4,928	4,928	-
Big Lottery – Weathering Well Project	-	10,000	10,000	-
Children and Young People’s Services				
London Borough of Southwark/Youth Commissioning & IAG	-	-	-	28,363
London Borough of Lambeth-Living Space Youth Activities	-	-	-	1,250
TOTAL PUBLIC AUTHORITY GRANTS	-	42,691	42,691	116,037
 PUBLIC AUTHORITY CONTRACTS				
Learning and Development				
Mary Ward Settlement	-	35,155	35,155	74,998
London Borough of Southwark – Adult Training contracts	-	10,000	10,000	32,995
TOTAL PUBLIC AUTHORITY CONTRACTS	-	45,155	45,155	107,993

BLACKFRIARS SETTLEMENT (LIMITED BY GUARANTEE)**INCOME AND EXPENDITURE ACCOUNT (continued)****FOR THE PERIOD ENDED 31 JULY 2018**

	3 month period to 31 July 2018		13 month period to 30 April 2018	
	£	£	£	£
INCOME				
Income		186,460		690,103
EXPENDITURE				
Salaries and wages	67,703		431,798	
National insurance	5,152		33,232	
Pension costs	1,598		16,791	
Staff training and development & travel	5		4,888	
Redundancies costs	1,537		47,790	
Direct project expenses	33,579		127,561	
Payments made to Partners	-		23,000	
Rent, rates and service charges	11,536		6,353	
Insurance	1,097		11,576	
Audit fee	8,530		8,461	
Bank charges and interest	4,766		12,290	
Light, heat and power	10,862		38,793	
Repairs and maintenance	13,353		18,060	
Cleaning and caretaking	10,616		59,722	
Capital expenditure	-		3,730	
Telephone and postage	1,323		4,599	
Printing and stationery	1,934		6,812	
Legal and professional	6,008		28,802	
Website and publicity	741		1,156	
IT costs	5,931		15,051	
Trusteeship costs	-		114	
Depreciation	19,085		84,523	
Other redevelopment expenditure	-		1,750	
Fundraising expenditure	314		234	
Cost of generating income	7,104		15,093	
Bad debt provisions	5,418		-	
Post merger write-offs	9,911		-	
Sundry expenses	(1,067)		(6,172)	
		227,042		996,007
DEFICIT FOR THE YEAR		(40,582)		(305,904)