

COMPANY NUMBER 31105  
CHARITY NUMBER 210558



**BLACKFRIARS SETTLEMENT**

**(LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2019**

**BLACKFRIARS SETTLEMENT  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JULY 2019**

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**BLACKFRIARS SETTLEMENT  
REPORT FROM THE CHAIR  
FOR THE YEAR ENDED 31 JULY 2019**

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**REPORT FROM THE CHAIR**

Following the merger with Mary Ward Settlement in May 2018 this year has been one of consolidation. The Board of Trustees and staff have worked hard to bring Blackfriars and Mary Ward Settlements together on governance, finance, operational and cultural levels.

The merger has led to a strengthening of the service delivery at Blackfriars Settlement, creating useful and effective pathways between different parts of the group and making accessing services easier for members and service users. The existing services have continued to develop in response to local needs in the north of Southwark and each has grown in the volume of service being delivered.

Our Positive Ageing Service has grown, both in the numbers of people coming to use the service, and in the complexity of need of those people.

The Mental Health and Wellbeing Service continues to achieve targets and receive very positive feedback from members. There is no shortage of referrals.

Adult Education has diversified and expanded and has consequently seen a huge increase in enrolments during this period.

In April of this year we were delighted to start work on a 12 month project with the Ministry for Housing, Communities and Local Government, focusing on building social integration. Primarily using our café and atrium, we are running a series of pop-up events in 'The Orb Space', reaching out to different sections of the local community to draw people into the building, bring people together, break down barriers and build friendships.

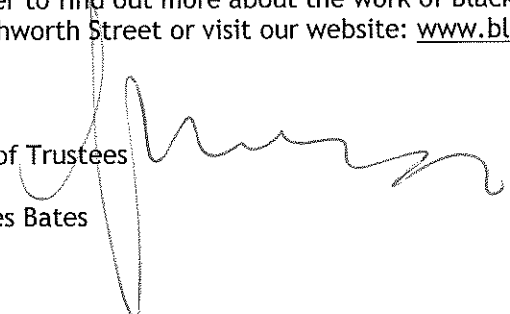
Blackfriars Settlement continues to be a hub attracting members of the local community who come to use the services and to use the free computers available in the atrium. Digital exclusion remains a significant problem within Southwark, and Blackfriars Settlement believes it has a role to play in enabling local people to access the information and online services they need in order to be able to look after themselves and their families and play a full part in their local community.

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 Blackfriars Settlement and the services we provide, please visit us at Rushworth Street or visit our website: [www.blackfriars-settlement.org.uk](http://www.blackfriars-settlement.org.uk)

Chair of Trustees

Frances Bates



## BLACKFRIARS SETTLEMENT

### REFERENCE AND ADMINISTRATIVE DETAILS

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#### REFERENCE DETAILS

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

#### KEY MANAGEMENT PERSONNEL

Key management personnel are defined as members of the Settlement's Senior Management Team and were represented by the following in 2018-19:

Suzanna Jackson	Chief Executive
Allister Duncan	Deputy Chief Executive
Juliet Woodford	Head of Finance and Resources
Elizabeth Ranger	Director of Blackfriars Settlement

#### BOARD OF TRUSTEES

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

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

#### PROFESSIONAL ADVISORS

FINANCIAL STATEMENTS AUDITOR AND REPORTING ACCOUNTANTS	Buzzacott LLP 130 Wood Street London, EC2V 6DL
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INTERNAL AUDITOR	Haines Watts 30 Camp Road Farnborough Hants GU14 6EW
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BANKERS	The Co-operative Bank plc 3 <sup>rd</sup> floor, St Paul's House 10 Warwick Lane London EC4M 7BP
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DEPOSIT FUNDS	CAF Bank Ltd 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ COIF Charity Funds 85 Queen Victoria Street, London EC4V 4ET
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SOLICITORS	Winckworth Sherwood 5 Montague Close London SE1 9BB
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STAKEHOLDER PENSION PLAN PROVIDERS:	Aviva PO Box 1550, Milford, Salisbury, SP1 2TW
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# BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2019

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## REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees (“the Board”) is pleased to present its Annual Report together with the Financial Statements of Blackfriars Settlement (“the Settlement”) for the year ended 31<sup>st</sup> July 2019. This report is also prepared to meet the requirements of a Directors’ Report and Financial Statements for Companies Act purposes.

## NATURE, OBJECTIVES AND STRATEGIES

### LEGAL STATUS

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

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

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

### THE PURPOSE OF THE SETTLEMENT

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

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

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

The Settlement’s portfolio of service activities include:

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

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

### CORE VALUES AND OBJECTIVES

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

#### Core Values

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

# BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2019

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## CORE VALUES AND OBJECTIVES (CONTINUED)

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

## ACHIEVEMENTS AND PERFORMANCE

### KEY ACHIEVEMENTS

#### Positive Ageing

Older people's services have been running at BFS since 1950. Many of our members have been attending for a number of years and we are an integral part of their lives.

Demand is steadily increasing despite very little active promotion of the service. During the last year the number of people supported has increased by 1% on the previous year, to 262 but the number of attendances increased by over 9% to 7,295. We have an estimated 100 additional people p.a. who use our services but who choose not to become a member.

For the befriending service we have seen a 7% increase in referrals to 60, but a 44% increase in support (from 93 to 145). On average we have 22 people waiting for befriending support, and we are aware that this is an area we need to expand to meet need.

The team are finding more of their time is spent working one-to-one with members who have a range of needs, and who ask for help to be able to access the services or information that they need. Additionally they are noticing an increase in the numbers of older people being referred who have early stages of dementia.

#### Adult Education

We continued to provide learning and development classes on behalf of Southwark Adult Education but have greatly increased this offer with a range of other education opportunities provided through Mary Ward Centre. During the last year the number of enrolments at the Settlement has increased by 127% to 716.

#### Mental Health and Wellbeing

In the period under review the Mental Health and Wellbeing (MHWB) service continued the successful 'Well Connected' project, delivered in partnership with Three C's, focusing on skills development for members. One to one support also continued through the 'Focus With' programme paid for through members' personal budgets.

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

- Art2Print, our Social Enterprise Design Studio, continued to provide opportunities for members to learn skills in graphic design in partnership with professional design studio, the Plant.
- Continued support from Lloyds Bank volunteers provided individually tailored IT training sessions.
- The service has once again hosted an Art Therapy student on placement with us from the University of Roehampton, who has run sessions which members have found very beneficial.
- User involvement and volunteering opportunities for members to move forward have increased with 2 members co-facilitating a weekly creative writing group, running the weekly members meeting, taking on exhibiting artwork in the building and helping run presentations and stalls at a number of local festivals and art events, volunteering with the ORB project, and quite a few enrolling on courses with Mary Ward and other colleges.

**BLACKFRIARS SETTLEMENT  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2019**

**ACHIEVEMENTS AND PERFORMANCE (CONTINUED)**

- A number of group outings/day trips took place over the summer.
- A pilot women's support discussion group took place for 4 months in the spring and feedback from participants is that they would like it to run regularly as it was a very valuable safe and supportive space.

**The Orb Space**

The first four months of this project has seen a new Project Coordinator join the team and a launch attended by Lord Bourne of Aberystwyth. Members of the MHWB service have been recruited as a steering group and are taking a lead on delivering some of the sessions. The project drawing on ideas coming from members of the settlement and through conversations with people outside, leading to a plan for a diverse and creative programme of events over the rest of the year.

**PERFORMANCE INDICATORS**

Key Performance Indicator	Target 2018-19	Achieved 2018-19	Target 2017-18	Achieved 2017-18
Older people supported through the Positive Ageing service	-	407	-	325
No of members supported through the MHWB project	45	72	45	69
Student enrolments	-	716	-	316

**FINANCIAL REVIEW**

The year ended 31<sup>st</sup> July 2019 was the first full year for the Settlement following the merger with Mary Ward Settlement, whose financial year runs from 1<sup>st</sup> August to 31<sup>st</sup> July. Consequently the Financial Statements have been prepared for the 12 months ending 31<sup>st</sup> July 2019; however the comparatives shown are for the 3 months immediately following the merger, from 1<sup>st</sup> May to 31<sup>st</sup> July 2018.

The period ended 31<sup>st</sup> July 2019 continued to be challenging for the Settlement as the new Senior Management Team focused on stabilising key activities, building relationships with existing funders and seeking new and/or renewed sources of funding as it seeks to build a more secure future for its clients and other partners. The Settlement has sought to maintain activities with the elderly and with people suffering from mental health issues. Reduced levels of income had impacted our ability to maintain good quality administrative and back office support in the period; however following the merger, a significant part of the responsibility for administrative, back office and senior management support for the Settlement was taken on by Mary Ward Settlement. This support has developed over the year under review, with the appointment of a new, dedicated Settlement Director, and minor changes to the existing administrative staff team which resulted in one redundancy in the period.

Whilst the financial environment continues to be challenging, with a reported deficit of £42,806 for the period ended 31<sup>st</sup> July 2019 (3 months to 31<sup>st</sup> July 2018: deficit £40,582), 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. Results for the period under review compare favourably with the pre-merger period and the post-merger expectations of the Senior Management Team.

The Settlement continued to let space at Rushworth Street, but the demand for its own service activities has increased its own use of the building with a consequent reduction in rental income. The problems with credit control reported in pre-merger financial periods have been addressed and it has not proved necessary to make further provision for irrecoverable debts.

# BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2019

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## FINANCIAL REVIEW (CONTINUED)

### Income

Income for the Settlement's charitable purposes was £694,315 for the period which, though lower than the pro-rata comparative for the previous period (3 months to 31<sup>st</sup> July 2018: £186,460), reflects the continued support from existing funders at similar levels including the London Borough of Southwark through the COPSINS Partnership, their Community Support Link and the Big Lottery. The lower level of reported income for the period reflects a lower contribution from Learning and Development Funding, a significant part of which had previously been received from Mary Ward Settlement as part of a sub-contracting arrangement. This arrangement ended with effect from 1<sup>st</sup> August 2018.

### Income in kind

The value of the services for the purposes of our accounts for the period was £51,089 excluding VAT, (3 months to 31<sup>st</sup> July 2018: £372).

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 period under review, expenditure on charitable activities was £729,811 which is approximately 22% lower on a pro rata basis than the previous period (3 months to 31<sup>st</sup> July 2018: £233,040).

## TREASURY MANAGEMENT

The Board maintained a policy of holding the majority of funds on cash deposit. Together with the portfolio of shares and unit trusts, this policy resulted in bank and investment income of £2,810 in the period under review (3 months to 31<sup>st</sup> July 2018: £1,596).

## RESERVES POLICY

The Settlement aims to hold reserves equivalent to 6 months' expenditure so that it can continue to provide a service in the event of unexpected financial crisis. At 31<sup>st</sup> July 2019 unrestricted but designated reserves amounted to £3,064,638 (31<sup>st</sup> July 2018: £3,128,342).

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 £3,016,189 (31<sup>st</sup> July 2018: £3,083,692) and is held as a reserve for future depreciation of the Settlement's property at 1 Rushworth Street, London SE1.

The Settlement also held two further unrestricted, but designated, funds as part of the reserves during the period under review, a reserve for future depreciation of fixed assets of £46,992 (31<sup>st</sup> July 2018: £43,193) and a designated bursary fund to support ESOL students of £1,457 (31<sup>st</sup> July 2018: £1,457). It also held a general unrestricted fund which, at 31<sup>st</sup> July 2019, had a deficit of £100,549 (31<sup>st</sup> July 2018: deficit £121,447).

We aim to replenish the Settlement's unrestricted/general reserves and our future plans with Mary Ward Settlement should help in this regard. The expectation is that there will be a small but steady improvement in reserves in the coming years but that 3-4 months of unrestricted expenditure is a more realistic target over the life of the next Strategic Plan to 2023.



**BLACKFRIARS SETTLEMENT  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2019**

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**CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE**

**STRATEGIC PLAN 2018 - 2022**

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

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

The Strategic Plan of Mary Ward Settlement includes the relocation of Mary Ward Settlement to a new site in Stratford in the London Borough of Newham which is likely to happen 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.

**FUNDRAISING**

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

During 2018-19, the Settlement received no complaints about its fundraising activities.

# BLACKFRIARS SETTLEMENT REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2019

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## STRUCTURE, GOVERNANCE AND MANAGEMENT

The following statement is provided to enable readers of the Annual Report and Financial Statements of the Settlement to obtain a better understanding of its governance and legal structure. The statement covers the period from 1<sup>st</sup> August 2018 to 31<sup>st</sup> July 2019 and up to the date of the approval of the Annual Report and Financial Statements.

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

## THE BOARD

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

Frances Bates	Chair
Rachel Brain	Appointed 1/10/2019
Nadine Cartner	
Brian Chandler	Resigned 11/11/2019
Graham Collins	
Kim Duong	Treasurer
Heather Heathfield	
Alex Horsup	
Beatriz Montoya	
Jessica Northend	Resigned 3/6/2019
Andrew Peck	
Margaret Wheeler	Vice Chair
Emma Wyatt	

Company Secretary: Suzanna Jackson

Kim Duong was on maternity leave between June and October 2019.

Brian Chandler was not active as a trustee due to ill health, throughout the period under review.

## APPOINTMENTS TO THE BOARD

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

## TRUSTEE INDUCTION AND TRAINING

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

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

**BLACKFRIARS SETTLEMENT  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2019**

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**ORGANISATION**

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

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

**RELATED PARTIES AND CO-OPERATION WITH OTHER ORGANISATIONS**

None of the trustees receive remuneration or other benefit from their work with the Settlement, unless they are separately employed by the Settlement as a member of staff. For the year under review, no trustee received remuneration in the year for their role as a trustee. There were no expenses and no related party transactions for the year ended 31<sup>st</sup> July 2019 (2017-18: none).

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

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

**PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

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

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

**RISK MANAGEMENT**

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

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

**BLACKFRIARS SETTLEMENT  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2019**

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**RISK MANAGEMENT** (continued)

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;
- Increasing demands being placed on staff and a consequent failure to deliver quality services to users. In mitigation, the Settlement successfully recruited a Director of Services for the Settlement, who joined the Senior Management Team in January 2019. This position has boosted capacity within the Settlement and provides dedicated leadership and direction for Settlement staff.

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

**BLACKFRIARS SETTLEMENT  
STATEMENT OF RESPONSIBILITIES OF THE BOARD OF TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2019**

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**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

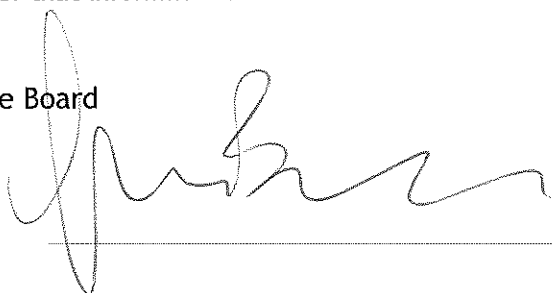
**STATEMENT AS TO THE DISCLOSURE TO OUR AUDITORS**

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

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

By order of the Board

Frances Bates  
Chair



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## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BLACKFRIARS SETTLEMENT

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### Opinion

We have audited the financial statements of Blackfriars Settlement (the 'charitable company') for the year ended 31 July 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 July 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

**Other information (continued)**

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



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

19 December 2019



**BLACKFRIARS SETTLEMENT**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 JULY 2019**

	Notes	Unrestricted Funds Year ended 31 July 2019 £	Restricted Funds Year ended 31 July 2019 £	Total Funds Year ended 31 July 2019 £	Total Funds 3 month period to 31 July 2018 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies		89,606	-	89,606	8,831
<b>Charitable activities</b>					
Grants, contracts, donations, fees for:					
Community Buildings		292,021	-	292,021	57,404
Community Anchor		-	5,793	5,793	1,577
Community Care		-	215,277	215,277	63,723
Learning and Development		-	30,000	30,000	45,525
<b>Other trading activities</b>					
Fundraising Activities		53,550	-	53,550	7,804
Investments		2,810	-	2,810	1,596
Other		5,258	-	5,258	-
<b>TOTAL INCOME</b>	4	443,245	251,070	694,315	186,460
<b>EXPENDITURE ON:</b>					
Raising funds		7,639	360	7,999	7,418
<b>Charitable activities</b>					
Community Buildings		78,155	209,534	287,689	96,029
Community Anchor		-	-	-	-
Community Care		144	410,338	410,482	113,202
Learning and Development		-	23,641	23,641	16,391
<b>TOTAL EXPENDITURE</b>	2	85,938	643,873	729,811	233,040
(Loss)/gains on investments		(7,310)	-	(7,310)	5,998
<b>NET INCOME (EXPENDITURE)</b>		349,997	(392,803)	(42,806)	(40,582)
Transfers between funds		(392,803)	392,803	-	
<b>NET MOVEMENT IN FUNDS</b>		(42,806)	-	(42,806)	(40,582)
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		3,006,895	-	3,006,895	3,047,477
<b>Total funds carried forward</b>		2,964,089	-	2,964,089	3,006,895

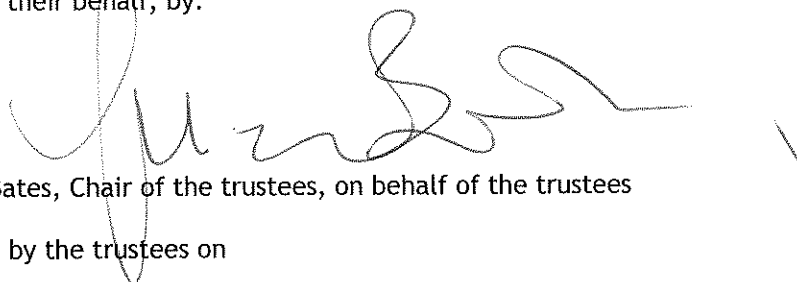
All income and expenditure derive from continuing activities.  
The charitable company has no recognised gains or losses other than those shown above.  
A full comparative statement of financial activities is included in note 24.  
The notes on pages 19 to 33 form part of these accounts.

**BLACKFRIARS SETTLEMENT**  
**BALANCE SHEET (COMPANY NUMBER 31105)**  
**AS AT 31 JULY 2019**

	Notes	31 July 2019		31 July 2018	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		3,063,181		3,126,885
Investments - listed investments	6		24,752		127,006
			<u>3,087,933</u>		<u>3,253,891</u>
<b>CURRENT ASSETS</b>					
Debtors	7	71,912		61,284	
Cash on deposit		4,119		3,718	
Cash at bank and in hand		109,836		90,188	
		<u>185,867</u>		<u>155,190</u>	
<b>CREDITORS: amounts falling due within one year</b>	8	(173,130)		(241,752)	
<b>NET CURRENT ASSETS (LIABILITIES)</b>			<u>12,737</u>		<u>(86,562)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,100,670		3,167,329
<b>CREDITORS: amounts falling due after one year</b>	9		(136,581)		(160,434)
<b>NET ASSETS</b>			<u>2,964,089</u>		<u>3,006,895</u>
<b>FUNDS OF THE SETTLEMENT</b>					
Unrestricted funds					
- Designated Reserves	12	3,064,638		3,128,342	
- General reserves		(100,549)		(121,447)	
		<u>2,964,089</u>		<u>3,006,895</u>	
Restricted funds	11		-		-
<b>MEMBERS' FUNDS</b>	13		<u>2,964,089</u>		<u>3,006,895</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 10<sup>th</sup> December 2019 and signed on their behalf, by:



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

Approved by the trustees on

Company registration no. 31105

**BLACKFRIARS SETTLEMENT**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**STATEMENT OF CASH FLOWS**

	Notes	Year ended 31 July 2019 £	3 month period to 31 July 2018 £
<b>Cash Flows for operating activities:</b>			
Net cash (used in) / provided by operating activities	19	(32,436)	17,493
<b>Cash flow from investing activities:</b>			
Dividends, interest and rent from investments		2,810	1,596
Disposal of non-current asset investments		94,944	-
Payments made to acquire fixed assets		(13,207)	-
Net cash provided by investing activities		<u>84,547</u>	<u>1,596</u>
<b>Cash flows from financing activities:</b>			
Interest paid		(6,685)	-
Repayment of borrowings		(25,377)	-
Net cash used in financing activities		<u>(32,062)</u>	<u>-</u>
Change in cash and cash equivalents in the year		20,049	19,089
Card and cash equivalents at the beginning of the period	20	<u>93,906</u>	<u>74,817</u>
Cash and cash equivalents at the end of the period	20	<u>113,955</u>	<u>93,906</u>

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

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**1. ACCOUNTING POLICIES**

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

**(a) Basis of preparation**

The Financial Statements have been prepared for the year to 31<sup>st</sup> July 2019. They have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the accounting policies below or the Notes to these Financial Statements. They have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

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

**(c) Estimation uncertainty**

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

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

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

**(d) Tangible fixed assets and depreciation**

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

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

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

**(e) Investments**

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

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**1. ACCOUNTING POLICIES (continued)**

**(f) Financial instruments**

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

**(g) Debtors**

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

**(h) Cash at bank and in hand**

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

**(i) Creditors and provisions**

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

**(j) Income**

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

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

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

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

**(k) Donated services**

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

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

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**1. ACCOUNTING POLICIES (continued)**

**(k) Donated services (continued)**

In the period to July 2019, the following donated goods or services were included in the accounts:

Cash donations	£ 92,067	(2018: £16,635)
Gifts in kind	<u>£ 51,089</u>	(2018: £372)
Total	£ 143,156	(2018: £17,007)

**(l) Operating Lease Commitments**

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

**(m) Expenditure**

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

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

**(n) Allocation of Expenditure**

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

**(o) Fund accounting**

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

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

	Direct costs £	Support Costs £	3 month period to 31 July 2018 £
<i>Raising funds:</i>			
<i>Fundraising costs</i>	7,418	-	7,418
<i>Charitable activities</i>			
<i>Community Buildings</i>	68,203	27,826	96,029
<i>Community Care</i>	57,552	55,650	113,202
<i>Learning and Development</i>	16,391	-	16,391
	<u>149,564</u>	<u>83,476</u>	<u>233,040</u>
<i>Total 3 month period to 31<sup>st</sup> July 2018</i>			

Support costs are broken down as follows:

	Total Year ended 31 July 2019 £	Total 3 month period to 31 July 2018 £
Wages and salaries	194,876	39,895
Other costs	114,713	43,581
	<u>309,589</u>	<u>83,476</u>
<b>Total</b>		

All of the above expenditure is restricted.

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**BY FUNCTION**

	Comty Buildings £	Comty Care £	Total 2019 £	Comty Buildings £	Comty Care £	Total 2018 £	Basis
Strategic & HR Management	85,840	171,681	257,521	22,470	44,940	67,410	By staff hours
Finance	3,200	6,399	9,599	1,007	2,014	3,021	By staff hours
IT	14,156	28,313	42,469	4,348	8,697	13,045	By staff hours
<b>Totals</b>	<b>103,196</b>	<b>206,393</b>	<b>309,589</b>	<b>27,825</b>	<b>55,651</b>	<b>83,476</b>	

Governance costs included within support costs consist of:

	Total Year ended 31 July 2019 £	Total 3 month period to 31 July 2018 £
Audit fees	5,360	4,730
Legal fees (related to governance)/insurance	-	6,008
<b>Total year ended 31<sup>st</sup> July 2019</b>	<b>5,360</b>	<b>10,738</b>

All of the above expenditure is restricted.

**3. INCOME AND EXPENDITURE AGAINST SOME SPECIFIC GRANTS**

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

	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total 2019 Exp £
Grants from the London Borough of Southwark					
Core	5,793	-	-	-	5,793
Older Peoples - Community Support	12,639	1,315	-	2,975	16,929
Older Peoples - COPSINS Partnership	41,097	8,484	-	19,198	68,779
MHWB Personal Support	12,333	551	6,586	5,758	25,228

	Salary & Other staff Costs £	Materials Activities Equipment £	Premises Costs £	Running Costs £	Total 2018 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



**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**4. INCOME ANALYSIS - BY SOURCE**

	Unrestricted	Restricted	Total Year ended 31 July 2019
	£	£	£
Public authority grants	-	196,487	196,487
Public authority contracts	-	30,000	30,000
Other grants and contracts	-	24,583	24,583
Donations and subscriptions	73,267	-	73,267
Fees, sales and service charges	29,180	-	29,180
Rental income	292,021	-	292,021
Activities to generate income	40,709	-	40,709
Bank and investment income	2,810	-	2,810
Other income	5,258	-	5,258
<b>Total year ended to 31<sup>st</sup> July 2019</b>	<b>443,245</b>	<b>251,070</b>	<b>694,315</b>
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total 3 month period to 31 July 2018</i>
	£	£	£
<i>Public authority grants</i>	-	42,691	42,691
<i>Public authority contracts</i>	-	45,155	45,155
<i>Other grants and contracts</i>	-	22,609	22,609
<i>Donations and subscriptions</i>	3,425	-	3,425
<i>Fees, sales and service charges</i>	6,695	-	6,695
<i>Rental income</i>	57,404	-	57,404
<i>Activities to generate income</i>	6,885	-	6,885
<i>Bank and investment income</i>	1,596	-	1,596
<i>Other income</i>	-	-	-
<b>Totals 3 month period to 31<sup>st</sup> July 2018</b>	<b>76,005</b>	<b>110,455</b>	<b>186,460</b>

**5. TANGIBLE FIXED ASSETS**

	Leasehold building £	Furniture, Fittings and equipment £	Total £
<b>Cost or valuation</b>			
At 31 <sup>st</sup> July 2018	3,375,116	95,446	3,470,562
Additions	-	13,207	13,207
At 31 <sup>st</sup> July 2019	3,375,116	108,653	3,483,769
<b>Depreciation</b>			
At 31 <sup>st</sup> July 2018	291,424	52,253	343,677
Charge for the period	67,503	9,408	76,911
At 31 <sup>st</sup> July 2019	358,927	61,661	420,588
<b>Net Book Value</b>			
At 31 <sup>st</sup> July 2019	3,016,189	46,992	3,063,181
At 31 <sup>st</sup> July 2018	3,083,692	43,193	3,126,885

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

6. INVESTMENTS	Listed	
	31 July 2019 £	31 July 2018 £
<b>Market Value</b>		
At 31 <sup>st</sup> July 2018	127,006	121,008
Disposal proceeds	(94,944)	-
Loss on disposal	(7,310)	-
Gain on revaluation	-	5,998
	<u>24,752</u>	<u>127,006</u>
Securities listed on UK Stock Exchange	24,122	126,376
Unlisted securities	630	630
	<u>24,752</u>	<u>127,006</u>
Historical cost of investments	<u>3,216</u>	<u>43,660</u>
Included above at 31 <sup>st</sup> July are investments valued at more than 5% of the total value:		
HSBC	-	37,563
JPMF Global Financial Accs	-	44,454
M&G Charity Fund - Income	-	20,237
COIF Charities Investment Fund - Income	24,122	24,122
	<u>24,122</u>	<u>126,376</u>
<b>7. DEBTORS</b>	<b>31 July 2019 £</b>	<b>31 July 2018 £</b>
Grant and contract payments receivable	29,965	37,870
Other debtors	1,620	1,620
VAT recoverable	4,780	8,426
Prepayments and accrued income	35,547	13,368
	<u>71,912</u>	<u>61,284</u>

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

	31 July 2019	31 July 2018
	£	£
<b>8. CREDITORS: amounts falling due within one year</b>		
Trade payables	324	65,260
Other taxes and social security	9,427	8,517
Secured loans (note 16)	24,574	26,098
Other creditors	8,275	10,488
Accruals and deferred income	78,900	131,389
Amounts owed to group undertakings	51,630	-
	<u>173,130</u>	<u>241,752</u>

Deferred Income movements:

Opening balance at 1<sup>st</sup> August 2018

41,181

Additions

32,333

Transfers out

(41,181)

Closing Balance at 31<sup>st</sup> July 2019

32,333

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

	31 July 2019	31 July 2018
	£	£
<b>9. CREDITORS: amounts falling due after one year</b>		
Loans	136,581	160,434
	<u>136,581</u>	<u>160,434</u>

**10. LEASE OBLIGATIONS**

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

	31 July 2019	31 July 2018
	£	£
<b>Equipment</b>		
Not later than one year	3,120	-
Later than one year	6,240	-
Later than five years	-	-
	<u>9,360</u>	<u>-</u>

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

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

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

Blackfriars Settlement managed 9 (2019: 12) separate restricted funds in this financial period. Funds with balances or movements during the year in excess of £10,000 have been listed separately above. Smaller funds have been consolidated, where possible, into an "other funds" category, by service or combined where they are to achieve a common purpose. If this has not been possible because of their purpose, they have been shown separately.

**Restricted Funds Purpose:**

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

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

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

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

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

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

<i>RESTRICTED FUNDS 2018</i>	30 April 2018	Income	Expenditure	Transfers	31 July 2018
	£	£	£	£	£
<i>United St. Saviours</i>	4,000	3,332	(10,075)	2,742	-
<i>MH&amp;WBS-Well Connected-Big Lottery</i>	29,026	-	(39,874)	10,849	-
<i>LB Southwark Adult Learning</i>	-	10,000	(13,738)	3,738	-
<i>LB Southwark COPSIN Grant</i>	-	18,855	(25,902)	7,047	-
<i>Weathering and Well</i>	-	10,000	(13,738)	3,738	-
<i>Mary Ward ESOL Contract</i>	-	35,156	(48,295)	13,139	-
<i>Other Funds</i>	5,360	33,112	(52,850)	14,378	-
	38,386	110,455	(204,472)	55,631	-

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

12. DESIGNATED FUNDS	Balance at 31 July 2018 £	Income £	Expenditure £	Inter fund transfers £	Balance at 31 July 2019 £
Buildings assets reserve	3,083,692	-	(67,503)	-	3,016,189
Designated Bursary Fund	1,457	-	-	-	1,457
Fixed asset reserve	43,193	-	(9,408)	13,207	46,992
<b>Total Year ended 31<sup>st</sup> July 2019</b>	<b>3,128,342</b>	<b>-</b>	<b>(76,911)</b>	<b>13,207</b>	<b>3,064,638</b>
<b>Total 3 months to 31<sup>st</sup> July 2018</b>	<b>3,147,425</b>	<b>-</b>	<b>(19,083)</b>	<b>-</b>	<b>3,128,342</b>

**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.

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

**13. UNRESTRICTED FUNDS**

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

<b>13.</b>	<b>UNRESTRICTED FUNDS 2018</b>	<i>Balance at 30 April 2018</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Inter fund transfers</i> £	<i>Balance at 31 July 2018</i> £
	<i>Designated funds</i>	3,147,425	-	(19,083)	-	3,128,342
	<i>General fund</i>	(138,334)	82,003	(9,485)	(55,631)	(121,447)
	<i>Total 3 month period 31<sup>st</sup> July 2018</i>	<u>3,009,091</u>	<u>82,003</u>	<u>(28,568)</u>	<u>(55,631)</u>	<u>3,006,895</u>
	<i>Totals 13 month period to 30<sup>th</sup> April 2018</i>	<u>3,207,475</u>	<u>440,334</u>	<u>(674,238)</u>	<u>35,520</u>	<u>3,009,091</u>
<b>14.</b>	<b>ANALYSIS OF NET ASSETS</b>					
		<i>Tangible Fixed assets</i> £	<i>Investments</i> £	<i>Long term Liabilities</i> £	<i>Net Current Assets</i> £	<i>2019 Total</i> £
	<i>Restricted funds</i>	-	-	-	-	-
	<i>Unrestricted funds</i>	3,063,181	24,752	(136,581)	12,737	2,964,089
	<b>Total at 31<sup>st</sup> July 2019</b>	<u>3,063,181</u>	<u>24,752</u>	<u>(136,581)</u>	<u>12,737</u>	<u>2,964,089</u>
		<i>Tangible Fixed assets</i> £	<i>Investments</i> £	<i>Long term Liabilities</i> £	<i>Net Current Assets</i> £	<i>2018 Total</i> £
	<i>Restricted funds</i>	-	-	-	-	-
	<i>Unrestricted funds</i>	3,126,885	127,006	(160,434)	(86,562)	3,006,895
	<b>Totals at 31<sup>st</sup> July 2018</b>	<u>3,126,885</u>	<u>127,006</u>	<u>(160,434)</u>	<u>(86,562)</u>	<u>3,006,895</u>
<b>15.</b>	<b>OPERATING (DEFICIT)</b>			<b>Year ended 31 July 2019</b> £	<b>3 month period to 31 July 2018</b> £	
	Operating deficit is stated after crediting/(charging)					
	Investment income - listed			2,766	1,587	
	- non listed			-	-	
	Depreciation			76,911	19,083	
	Operating lease rentals			930	-	
	Auditors' remuneration - audit services			5,360	4,730	
<b>16.</b>	<b>INTEREST PAYABLE AND SIMILAR CHARGES</b>			<b>Year ended 31 July 2019</b> £	<b>3 month period to 31 July 2018</b> £	
	Bank charges and interest			6,887	2,341	

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**17. STAFF NUMBERS AND COSTS**

	Year ended 31 July 2019 £	3 month period to 31 July 2018 £
<b>The aggregate costs of staff were:</b>		
Salaries and wages	313,406	69,241
Social security costs	25,085	5,151
Pension costs	10,645	1,598
	349,136	75,990
	349,136	75,990

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

	Year ended 31 July 2019 No.	3 month period to 31 July 2018 No.
<b>Staff numbers:</b>		
Community Buildings	1	1
Community Care	6	6
Education and Training	2	2
Shared Services	3	3
	12	12
	12	12

The average number of employees, full and part-time, during the period was 12 (2018 - 12)

The key management personnel during the period under review comprised members of the Senior Management Team of Mary Ward Settlement who provided services to Blackfriars Settlement as part of their role for the Mary Ward Settlement. These members of staff did not receive any additional remuneration for their work on behalf of Blackfriars Settlement, however, a portion of their costs were recharged by the Mary Ward Settlement. Total recharged costs from the Mary Ward Settlement for recharged staff was £146,015 (2018: £7,063), of which £51,185 (2018: £2,883) related to the Senior Management Team, and included the cost of the Director of Blackfriars Settlement.

Termination payments of £9,525 were made in the period (2018: £1,537).

No trustee received remuneration during the year (2018: none). No staff member was paid in excess of £60,000 (2018-19: none). Enil travel or incidental expenses were reimbursed to trustees during the period (2018 - Enil).

**18. 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 31<sup>st</sup> July 2019 was £10,645 (3 months to 31<sup>st</sup> July 2018: £998). At 31<sup>st</sup> July 2019, the Settlement was holding £8,250 (31<sup>st</sup> July 2018: - £9,464) 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 2019, and backdated contributions for 10 staff members who were in the process of being auto-enrolled at the period end date.

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**19. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FOR OPERATING ACTIVITIES**

	Year ended 31 July 2019 £	<i>3 month period to 31 July 2018</i> £
Net (expenditure) for the year per the Statement of Financial Activities	(42,806)	(40,582)
Adjustments for:		
Depreciation charges	76,911	19,083
Loss/(gain) on investments	7,310	(5,998)
Dividends, interest and rents from investments	(2,810)	(1,596)
Loan interest payable	6,685	-
Increase in debtors	(10,628)	(24,688)
(Decrease)/ increase in creditors	(67,098)	71,274
	<u>(32,436)</u>	<u>17,493</u>

**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Year ended 31 July 2019 £	<i>3 month period to 31 July 2018</i> £
Cash deposits	4,119	3,718
Bank accounts	109,836	90,188
	<u>113,955</u>	<u>93,906</u>



**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2019**

**21. CONTINGENT LIABILITY**

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

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

**22. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS**

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

There were no other related party transactions in the year (2018: none).

**23. FINANCIAL INSTRUMENTS**

	Year ended 31 July 2019 £	<i>3 month period to 31 July 2018 £</i>
Financial assets measured at fair value	<u>24,752</u>	<u>127,006</u>
Financial assets measured at amortised cost	<u>31,585</u>	<u>39,490</u>
Financial liabilities measured at amortised cost	<u>186,825</u>	<u>262,280</u>

Financial assets measured at fair value include investments.

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

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

**BLACKFRIARS SETTLEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**24. FINANCIAL INFORMATION 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 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
Donations and legacies		8,831	-	8,831
<b>Charitable activities</b>				
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		-	-	-
<b>Other trading activities</b>				
Fundraising Activities		7,804	-	7,804
Investments		1,596	-	1,596
Other		-	-	-
<b>TOTAL</b>	<b>4</b>	<b>76,005</b>	<b>110,455</b>	<b>186,460</b>
<b>EXPENDITURE ON:</b>				
Raising funds		7,418	-	7,418
<b>Charitable activities</b>				
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		-	-	-
<b>TOTAL</b>	<b>2</b>	<b>28,568</b>	<b>204,472</b>	<b>233,040</b>
Unrealised gains on investments		5,998	-	5,998
<b>NET INCOME (EXPENDITURE)</b>		<b>53,435</b>	<b>(94,017)</b>	<b>(40,582)</b>
Transfers between funds		(55,631)	55,631	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(2,196)</b>	<b>(38,386)</b>	<b>(40,582)</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		3,009,091	38,386	3,047,477
Total funds carried forward		3,006,895	-	3,006,895

**MANAGEMENT INFORMATION ONLY**

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

**BLACKFRIARS SETTLEMENT**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2019**

INCOME			Year ended 31 July 2019 Totals £			3 month period to 31 July 2018 Totals £
	Unrestricted £	Restricted £		Unrestricted	Restricted	
<b>PUBLIC AUTHORITY GRANTS</b>						
<b>Community Anchor</b>						
London Borough of Southwark/Community Support Link	-	5,793	5,793	-	1,577	1,577
<b>Community Care</b>						
London Borough of Southwark/- COPSINS Partnership	-	58,550	58,550	-	18,855	18,855
London Borough of Southwark Other	-	9,073	9,074	-	-	-
London Borough of Southwark Personal Accounts Grants	-	25,228	25,228	-	7,331	7,331
Bankside and Walworth Community Council	-	-	-	-	4,928	4,928
London Borough of Southwark Common Purpose Grant	-	6,000	6,000			
Big Lottery - Weathering Well Project	-	69,728	69,728	-	10,000	10,000
MHCLH Communities Innovation Grant	-	22,115	22,115			
				-	-	-
				-	-	-
<b>TOTAL PUBLIC AUTHORITY GRANTS</b>	-	<b>196,487</b>	<b>196,487</b>	-	<b>42,691</b>	<b>42,691</b>
<b>PUBLIC AUTHORITY CONTRACTS</b>						
<b>Learning and Development</b>						
Mary Ward Settlement	-	-	-	-	35,155	35,155
London Borough of Southwark - Adult Training contracts	-	30,000	30,000	-	10,000	10,000
						-
<b>TOTAL PUBLIC AUTHORITY CONTRACTS</b>	-	<b>30,000</b>	<b>30,000</b>	-	<b>45,155</b>	<b>45,155</b>

**BLACKFRIARS SETTLEMENT**  
**INCOME AND EXPENDITURE ACCOUNT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2019**

	Year ended 31 July 2019		3 month period to 31 July 2018	
	£	£	£	£
<b>INCOME</b>				
Income		694,315		186,460
		-----		-----
<b>EXPENDITURE</b>				
Salaries and wages	303,881		67,703	
National insurance	25,085		5,152	
Pension costs	10,645		1,598	
Staff training and development & travel	158		5	
Redundancies costs	9,525		1,537	
Direct project expenses	72,872		33,579	
Rent, rates and service charges	20,966		11,536	
Insurance	10,769		1,097	
Audit fee	12,351		8,530	
Bank charges and interest	6,887		4,766	
Light, heat and power	8,130		10,862	
Repairs and maintenance	27,223		13,353	
Cleaning and caretaking	45,400		10,616	
Telephone and postage	4,568		1,323	
Printing and stationery	8,094		1,934	
Legal and professional	67,220		6,008	
Website and publicity	1,192		741	
IT costs	11,466		5,931	
Trusteeship costs	-		-	
Depreciation	76,911		19,085	
Other redevelopment expenditure	-		-	
Fundraising expenditure	576		314	
Cost of generating income	7,423		7,104	
Bad debt provisions	-		5,418	
Post-merger write-offs	-		9,911	
Sundry expenses	5,779		(1,061)	
		-----		-----
		737,121		227,042
		-----		-----
<b>DEFICIT FOR THE YEAR</b>		<b>(42,806)</b>		<b>(40,582)</b>
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