

**BLACKBURNE HOUSE**  
**(Company Limited by Guarantee)**

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**

**for the year ended**  
**31 July 2020**

---

**Company Registration Number 2674432**  
**Charity Number 1010546**

# **BLACKBURNE HOUSE**

**Accounts**  
**Year ended 31 July 2020**

---

<b>Contents</b>	<b>Page</b>
Members of the Board and Professional Advisors	<b>1</b>
Trustees' Annual Report	<b>2</b>
Independent Auditor's Report	<b>15</b>
Statement of Financial Activities	<b>18</b>
Comparative Statement of Financial Activities	<b>19</b>
Summary Income and Expenditure Account	<b>20</b>
Balance Sheet	<b>21</b>
Statement of Cash Flows	<b>22</b>
Notes to the Accounts	<b>23</b>

---

# BLACKBURNE HOUSE

## Members of the Board and Professional Advisors Year ended 31 July 2020

---

<b>Registered charity name</b>	Blackburne House
<b>Company number</b>	2674432
<b>Charity number</b>	1010546
<b>The Board of Trustees</b>	Liz Cross (Chair) Maureen Mellor (resigned 29/11/20) Sally-Anne Watkiss Lorna Rogers (resigned 25/02/21) Therese Patten Annette Hennessy Claire Ryan Kate Fox Emma Carey (appointed 29/07/20) Nina Roberts (appointed 29/07/20)
<b>Company secretary</b>	Pauline Phillips (resigned 19/12/19) Dana Nixon (appointed 19/12/19)
<b>Chief executive</b>	Claire Dove OBE, DL (resigned 31/07/20) Anne McColl (appointed 01/08/20)
<b>Registered office</b>	Blackburne House Blackburne Place Off Hope Street Liverpool L8 7PE
<b>Statutory Auditor</b>	Mitchell Charlesworth LLP Chartered Accountants Registered Auditor 3rd Floor 5 Temple Square Temple Street Liverpool L2 5RH
<b>Bankers</b>	National Westminster Bank Plc 2 - 8 Church Street Liverpool L1 3BG
<b>Solicitors</b>	MSB Solicitors Ltd Silkhouse Court Tithebarn Street Liverpool L2 2LZ

# BLACKBURNE HOUSE

## Trustees' Annual Report Year ended 31 July 2020

---

The trustees, who are also directors for the purposes of the Companies Act, present their annual report and the audited accounts of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and accounts of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 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 United Kingdom and Republic of Ireland published October 2019.

### Trustees

The trustees who served the charity during the period were as follows:

Liz Cross	Annette Hennessy
Maureen Mellor (resigned 29/11/20)	Claire Ryan
Sally-Anne Watkiss	Kate Fox
Lorna Rogers (resigned 25/02/21)	Emma Carey (appointed 29/07/20)
Therese Patten	Nina Roberts (appointed 29/07/20)

Trustees are appointed in accordance with the Memorandum and Articles of Association.

None of the trustees receive remuneration or other benefits for their work as trustees of the charity. Any connection between a trustee or senior manager of the charity with a company must be disclosed to the full Board of Trustees in the same way as any contractual relationship with a related party.

### Objectives of the Charity

The charity's objects and its principal activity continue to be to advance education and to relieve need by providing or assisting in the provision of vocational training for women and by providing guidance for such of them, as are in need, calculated to enable them to earn their own living. To promote any charitable purpose and in particular charitable purposes directed to the advancement of women's education and the provision of training facilities for women.

### Public Benefit

When planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and in particular the specific guidance on charities with other purposes currently recognised as charitable and any new charitable purpose which are similar to other charitable purpose.

We are an equal opportunities organisation and are committed to a working environment that is free from any form of discrimination on the grounds of race, ethnicity, sexual orientation or disability.

It is a priority of the organisation that access to our services is not restricted to those who can afford our fees. Our concessionary fee policy contributes to the widening of access to the courses we offer and the facilities we provide.

The trustees have had due regard to the guidance published by the Charity Commission on public benefit and in particular the supplementary guidance on public benefit and fee charging.

### About Blackburne House

Women's Technology Training Limited, our founder and sister company (known as Blackburne House Education) was established in 1983 with the aim of progressing women from disadvantaged backgrounds into employment within technical professions – an area in which, at the time, women were significantly under-represented.

# BLACKBURNES HOUSE

## Trustees' Annual Report [Continued] Year ended 31 July 2020

---

### Strategic Report

The organisation grew quickly and considerably and, in 1991 we moved into new premises in Liverpool's famous Georgian Quarter. More than £4m was raised in order to breathe new life back into Blackburne House and the beautiful, Grade II-listed building that was once the home of the first Girls' School in the country then became our new home.

After more than 30 years' service we received local, national and international recognition for the work that we do in education and in June 2015 were granted Freedom of the City in recognition for our services in Education for Women across Liverpool and the wider Merseyside area.

Today, Blackburne House Education is a vibrant and thriving organisation and one of the country's leading Ofsted Outstanding rated education centres. Over the years, through Blackburne House, we have established a number of successful social enterprises that succeed in supporting our educational aims and provide tangible examples of how new markets can be used to serve local communities.

Attracting thousands of visitors each year, our facilities now includes a bistro, health place, conference and events facilities, a 36-place nursery and a robust project portfolio.

In operating our social businesses, our social purpose and the social value we create is key to all of the activities undertaken at Blackburne House. All of our contributions enable us to deliver outstanding educational and economic opportunities for women from across the city, who view Blackburne House as a safe place to access learning and personal development.

Feedback from our learners and customers has proven that, by offering a range of educational opportunities with a unique wrap around structure, women across the city go on to access higher education and employment, becoming role models for their family and friends. Blackburne House is key to the economic activity of many women and this can only be achieved as our social enterprises generate income, provide real life work experience for our learners as well as creating local employment opportunities and far reaching social impact.

### Our Vision and Values

Our vision is to educate and upskill women so that they can pursue professions in every sector and at every level – including construction, logistics and digital technology, where women are still typically under-represented. We aspire to give confidence to the women we work with, so that they can go on to live independent lives, believe in their dreams and achieve their ambitions. We want to inspire our women to believe that anything is possible, to instil a culture of empathy and understanding; of inclusion and acceptance and to overcome racism, prejudice, discrimination and adversity, creating a positive and holistic environment where women can share, learn and grow.

Our social enterprises provide an enterprising approach to teaching and learning. Enterprise encourages people to learn and develop in a way that meets their needs and develops skills for learning, skills for life and skills for work. The world is changing rapidly, and people need to be prepared. They need to have the skills and attitudes to cope with an unpredictable future, to be able to deal with setbacks and disappointments in a positive way and to continue to learn for the rest of their lives. Whenever possible, we utilise the resources across the whole of Blackburne House to provide our learners with real life opportunities to enhance their development and support them to become more influential in their own lives and that of others.

We have a core set of values that are embedded into everything that we do. Those values are integral to our organisation, helping to define our long-term aims and objectives and influence the way we work.

### Inspiration

We provide the highest possible quality of inspirational education and development – and our teaching and working methods and our services and environment reflect this relentless commitment.

### Transformation

We believe in using creative working methods to develop new and innovative ways of fulfilling and exceeding our financial, social and environmental aims - renewing and transforming our business and helping us to touch and transform the lives of everyone who works with Blackburne House.

# BLACKBURNE HOUSE

Trustees' Annual Report [Continued]  
Year ended 31 July 2020

---

## Strategic Report

### Equality

Blackburne House is and has always been about holistic approaches to improving the lives of women – all women. We constantly build on the diversity and range of our services including support and education services for children and men, where these will contribute to improving the lives of women.

### Independence

As well as helping our students and service users to develop their own independence, our charitable and commercial activities all operate to continuously improving business standards – to deliver the independence of Blackburne House.

### Activities, achievements and performance

The principal activity of Blackburne House is to provide support structures to its sister organisation, Blackburne House Education. Blackburne House has a range of social business areas and each business area is driven by our values. In addition to this, our project portfolio provides unique and bespoke wrap around services to enhance wellness and learning opportunities.

Since the beginning of 2020, the COVID-19 pandemic has severely impacted many local economies around the world. Measures taken by governments to control the spread of the virus have included lockdowns, travel bans, quarantines, social distancing and closing of non-essential services. This has resulted in many businesses like ours having to cease or limit our activities for long or indefinite periods of time as we work to adapt to the economic slowdown. The impact for Blackburne House has been far reaching as we socially trade across multiple sectors that have been directly affected. We have responded quickly and adapted, utilising government grants and support, working with funders and strategic partners that seek to enhance social impact and support sustainability. Given our proven track record, depth and reputation in the local community we are well positioned to continue to serve the women of Liverpool and the local community. The Board continue to review our post Covid-19 recovery plans and shape the business so that we can focus our efforts on mission led, sustainable portfolios that support the vision to empower women.

A summary of the performance of each of these businesses is given below:

### The Bistro

The prime aim of our Bistro is to provide students, staff, conference attendees and a broad range of customers with value for money, nutritional meals in a relaxed and welcoming environment. As a bistro that champions social values our 'Buy Social' agenda is something that we consciously operate within every day and we are proud of the social impact we make in so many ways:

- We serve quality, affordable, healthy and nutritious food, cooked from scratch every day.
- We subsidise the cost of meals to staff and students to ensure our people are never hungry and are fully nourished to enable them to achieve the best possible personal results.
- We use fresh produce each day, of which over 90% is purchased from local suppliers and social enterprises.
- We provide good quality jobs at a fair wage and employment and training opportunities for many women who are furthest from the labour market
- We provide volunteer and employment opportunities for people with learning difficulties and disabilities.
- We use fair trade products and all of our disposables are biodegradable.

We are passionate about the quality of our food and service and the impact we have in the local community. We take pride that all of our actions make a positive impact, not only on the education of women, but to the environment and the lives of people we employ and throughout our supply chain.

# BLACKBURNE HOUSE

## Trustees' Annual Report [Continued] Year ended 31 July 2020

---

The hospitality sector has been one of the hardest hit by the pandemic. Restrictions on trading have significantly impacted turnover as we experienced periods of complete closure and navigated changing rules, restrictions and lockdowns. During the year our sales were 45% down on prior year as the pandemic impacted all of our catering lines across the Bistro, Conference Catering, Outside Catering and Events.

As we moved into the first lockdown the Catering Team voluntarily supported our local community in conjunction with The Bronte Centre to provide much needed hot and nutritious meals to the elderly and vulnerable. We also supported Key Workers at Clatterbridge Cancer Hospital with hot meals during weekend shifts.

We accessed local government funding opportunities and took advantage of government schemes such as VAT reduction and the Coronavirus Job Retentions Scheme. We successfully gained the Liverpool City Council Discretionary Grant of £25k for hospitality industry and commenced discussions with funders who recognised the challenges facing our sector. More specifically, those funders focused on sustainability and who recognised the impact we make as a charity supporting women in education and as a social enterprise supporting the local community.

During the year we worked on the opening of a new social enterprise Café in the new build Liverpool Clatterbridge Cancer Hospital. Providing healthy, nutritious food to patients and staff in a welcoming and relaxing space, with a focus on the quality of food and service. The Trust particularly wanted to work with providers rooted in the Liverpool community, supporting local staff and local suppliers. This provided an opportunity for growth within our Catering Portfolio to ensure we could scale up our hospitality turnover through another outlet, particularly as the hospitality sector continues to be adversely impacted into 2021. The planned opening of May 2020 was delayed due as a result of Covid and we opened the Clatterbridge Café on 9<sup>th</sup> November 2020. It has been a fantastic addition to the Hospital and to the portfolio at Blackburne House in supporting our charitable objectives.

### **The Meeting House Cafe**

As indicated in the prior year report we took the decision in conjunction with The Quakers to cease the partnership and closed the Café on 18 October 2019. This was the sixth and final year of this innovative partnership to create an all vegetarian, social enterprise café in the heart of Liverpool One. The reported turnover of £43k (£177k 2018/19) represents the 3 months trading to closure.

Despite the steady increase in turnover and the great work done to grow this brand-new Café from scratch, in a very challenging market, we were unable to drive the required surplus to make this sustainable. As a social enterprise, we recognise that the conscious, values-based decisions we make have a financial impact on our margins and after a lengthy review period, the partnership took the decision to close. We were able to redeploy all staff across the partnership and within Blackburne House and utilise the experience across our Catering portfolio. We thank The Quakers for working with us and for the invaluable experience gained in this start up and trade up, particularly as we embarked on the set up of the Café in Liverpool Clatterbridge Cancer Hospital.

### **Conference and Events**

Blackburne House offers a variety of refreshing and flexible rooms and spaces to host conferences, events, private functions, exhibitions and development activities. We offer our clients a simple Day Delegate Rate along with specialised bespoke packages tailored to their individual needs. We also partner with similar organisations, providing them with our expertise in running and planning events such as graduations, conferences, training away days and educational activities. We host a number of key cultural events throughout the year separately and in collaboration with our partners in the Hope Street Stakeholder Group and are licensed as a wedding venue. Together with the Hope Street Stakeholder group we hold a national prestigious award for one of the best streets in the UK and collectively we represent on many cultural and regional tourism board.

We are also proud to deliver a strong social impact in this part of the business by supporting local community groups and charities with free and discounted rooms and space. This enables organisations such as The Readers Group, The Writers Group, Drama & Theatre Groups and Liverpool Community Choir to continue to generate significant participation, which drives a strong social impact in supporting the local community and bringing people together.

# BLACKBURNE HOUSE

## Trustees' Annual Report [Continued] Year ended 31 July 2020

---

During the year we completed the Windrush documentary film based on oral histories of those female descendants of some of the 68 men who arrived in Liverpool from the HMS Empire Windrush that settled in Liverpool and went on to marry local women. This demonstrates our representation of the unheard female histories and our commitment to equality and diversity, coupled with our campaigns around Black History Month, International Women's Week and more recently in the wake of Black Lives Matter.

We began to feel the adverse trading impact of the pandemic on our conference and events portfolio early in 2020 when bookings were cancelled as information about the spread of the virus was emerging. We closed the building as instructed by the government in March 2020 and our room hire sales are down by 42% on prior year. To support this portfolio during lockdown we accessed the Coronavirus Job Retention Scheme, but funding for events businesses has been challenging to access. We have been unable to deliver against our cultural events programme, host group events and campaigns and hold weddings withing out Grade II listed building.

We continue to review government guidelines and our space utilisation to flex and adapt to the market as restrictions are relaxed and we can safely engage our community back into the physical space.

### Nursery

Our 36-place nursery, from babies to 5-year olds, provides high quality and innovative childcare that enhances the opportunities and lives of children, parents and families locally. We continue to be a key support structure for our students and the wider community by offering affordable and attainable childcare. We provide early learning interventions for funded 2, 3- and 4-year olds to ensure they have the opportunity to access a childcare environment and support their development to become school ready. We continue to offer the government 30 hours funded places for 3- and 4-year olds, in addition to 15 hours funded places for 2-year olds.

At our last Ofsted inspection in June 2017 we were rated Good and some aspects, particularly in our pre-school room, are outstanding. The inspectors commended our staff and how they use their qualifications, knowledge and skills to assess children's progress and to plan activities that reflect children's stages of development and interests. We were particularly proud that the inspectors commented that our well-qualified staff act as excellent role models who are particularly skilled and sensitive in supporting good behaviour and that our children show wonderful care and compassion towards each other.

We pride ourselves on providing a diverse and rich multicultural environment where our children come from as many as 10 different nationalities. Around 40% of our childcare staff live within a 2 miles radius of where they work and 2 of our staff are multilingual, speaking a range of languages including Polish, Arabic and Romanian. 80% of our childcare staff are qualified to Level 3 or more and one member of staff has Early Years Professional status.

By working in close partnership with parents and carers we ensure all of the child's needs are met and supported. As a charitable social enterprise, we give our children and local families the best possible life chances by:

- Offering subsidised childcare for our students and providing free meals where food poverty impacts a child's ability to learn and develop.
- Delivering a holistic approach to parental and carer advice and support, guiding them through complex issues and concerns.
- Empowering mum`s to go back into work.
- Providing more flexible, short term funded places to support parents and carers in need of respite.
- Delivering children's workshops to develop new experiences and skills e.g. Spanish Lessons.
- Supporting children with special educational needs, which included speech and language therapy, behaviour and sensory support.
- Providing free nursery education places for two- and three-year olds from the most disadvantaged families.
- Holding our 5-year-old graduation ceremonies to celebrate the children's development and school readiness.

## **BLACKBURNE HOUSE**

### **Trustees' Annual Report [Continued] Year ended 31 July 2020**

---

We carefully observed the Pandemic advice and closed the Nursery on 23<sup>rd</sup> March to prevent the spread of Covid-19 and in line with government advice and guidance. We remained closed until 29<sup>th</sup> June 2020 and during lockdown we regularly communicated with our parents, carers and children to ensure they were provided with activity packs, support and parental guidance. Many of our children experience Special Educational Needs (SEN) and we recognised the disruption that lockdown has on family life, so keeping in touch and supporting our families was a priority. The Local Authority continued to pay for childcare places during lockdown and we accessed the Coronavirus Job Retention scheme on a partial basis, aligned to the directive to exclude the proportion of staff covered by government early years funding. During this period, we campaigned for government support, lobbying local MP's and campaigned on the radio to raise awareness of the requirement for further financial support to protect this vital 4<sup>th</sup> Emergency Service.

We partnered with The Steve Morgan Foundation to deliver Wellbeing and Counselling Services to our learners and local women impacted by mental ill-health as a result of the Pandemic. As part of this funding, they recognised the importance of childcare provision and sustaining our Nursery through and beyond the pandemic. They provided core costs support to allow us to reopen in a carefully planned, adapted and safe environment so that we could focus on re-engaging the children without the financial concerns of low occupancy during restart.

As a result of the pandemic, our trading income was impacted by a 25% reduction in sales based on prior year. Since reopening, we have continued to deliver our Nursery service and occupancy rates have risen to pre Covid levels, against the challenge of enhanced delivery costs as we carefully manage space and staffing to ensure we remain a safe environment for all.

#### **Health Place**

The Health Place is a sanctuary within Blackburne House aimed to support women to improve their health, confidence, and resilience and to address health inequalities. We use a holistic approach and seek to support physical, mental, emotional, social and economic wellbeing through our range of services and programmes. We also work closely with the education team, providing work experience placements for our students, enhancing and adding value to their learning experience.

As a consequence of the pandemic, coupled with prolonged lockdowns, and the Black Lives Matter campaign manifesting key triggers, we identified a significant mental health decline amongst local women. We recognised the urgent need to scale up our wellbeing and counselling interventions and with the support of a number of funders through our sister company, we have been able to increase and sub contract our services internally to respond to this demand. Since scaling up our service we have supported in excess of 2000 women and we plan to grow this service to ensure we are able to continue to provide interventions that address the complex needs that are emerging.

As we move forward with the health place and recognise the significant and continued impact of Covid-19 through 2020/21, we will be repositioning the space to provide on-site counselling services to our women learners and community when it is safe to do so. We are working closely with our Education Team who deliver counselling qualifications to create counselling roles, particularly for BAME learners, so that service users can access support from professionals from their own community and culture. This is a unique offer that has made a significant social impact and is a vital part of our broader portfolio

#### **Safeguarding**

We are committed to safeguarding and promoting the welfare of our students and expect all of our staff, trustees and volunteers to share this commitment. Safeguarding of children, young people and vulnerable adults continue to be important to the organisation, and we take seriously our duty to comply with the Safeguarding Act 2015. The Board of Trustees and staff have undertaken training in this area and continually review our performance and ability to adapt and respond, particularly with the additional challenges brought about by Covid and delivery of services online. Our Board and the Education & Quality Committee closely monitor our policies and procedures and the organisation has an appointed Designated Safeguarding Officer. We have continued to adapt our safeguarding policies in light of Covid19 impacts around digital and online safety and are providing additional support for mental health and wellness through our Counselling portfolio.

# BLACKBURNE HOUSE

Trustees' Annual Report (Continued)  
Year ended 31 July 2020

---

## Projects and Business Development

Developing new contracts to build on our strategic aims is an important part of the sustainability of our organisation. As a charity and social enterprise operating in a Grade II listed building, and in this current year, battling the challenges of Covid, the revenue we gain through projects and grant funding is essential. This provides sustainability whilst our ability to trade at prior year levels is adversely impacted and helps contribute towards our core costs whilst delivering strong social impacts to our recipients and partners. We are active in developing our products and services that enrich our portfolio and are aligned to our strategic aims and values and we operate within the following arenas:

1. **Health & Wellbeing** – Female Health, Mental Health, Loneliness & Social Isolation, Wellbeing & Resilience programmes for women and families.
2. **Environmental & Cultural** - A blend of programmes focused on positive environmental outcomes to enhance the green economy, local biodiversity, and the adverse effects of climate change, in addition to cultural programmes including inclusion and equality and maintaining the integrity of our historical asset and archives.
3. **Education & Employment** - Career support, Access to Work, Personal Development, Lifestyle Courses, Apprenticeships and non-accredited courses.
4. **Business** - Business and personal development for Entrepreneurship, Leadership, Coaching and Mentoring and business start-up and scale up.

The global Covid-19 pandemic has presented us with strategic partnership opportunities we had not anticipated. Funders are favouring investment in organisations that are delivering social value through their day to day trading operations and activities, rather than through one off projects. As Blackburne House is a long-established social business with a track record of delivering social impact through trading, we are strongly positioned to partner with funders who are aligned to our vision and values

The development of our strategic relationships and contracting portfolio is being supported through Capacity Lab who have provided free consultancy support to drive our bidding capacity to those funders who are most aligned to our vision and aims. We have been successful in securing support specifically to strengthen our Catering and Wellness Portfolio and our conversion rate and pipeline of contracts is more successful through Covid than in previous years

The Board continues to review our Covid-19 recovery plans to shape the business so that we can focus our efforts on mission led, sustainable portfolios that support the vision to empower women. The budget projections for 2020/21 show that we can shift from a trading organisation into one that can achieve sustainability through a blend of strategic partnerships that seek to enhance social impact and trading for good. As an organisation with such proven track record, depth and reputation in the local community, with a blend of services that have been able to adapt to local priorities, we are well positioned to strengthen our position through Covid-19 to continue to serve the women of Liverpool and the local community.

## The Building

One of the trustees' prime responsibility is the upkeep of the Grade II listed building by way of ongoing repairs and renewals. The trustees' decisions are made to enable the building to be kept at a standard in line with the requirements of both Liverpool City Council and The Charities Commission.

The building is in trust to Blackburne House and in order to protect the investment of Liverpool City Region Combined Authority, Blackburne House agreed that it was in the best interests of the company, the property and the beneficiaries of the charity to appoint WTEC as a co-trustee of the Blackburne House Charity and to grant WTEC an interest in the property. A Deed of Appointment of Trustee and a Declaration of Trust between WTEC and Blackburne House was signed on 2 September 2016.

We completed the programme of capital investment granted through Liverpool City Region - Single Investment Fund (Capital Investment) (via Women's Technology Training Limited) in 2018/19 which enhanced the learner environment and supported a more resource efficient footprint to reduce running costs and increase accessibility of our current grade two listed building

# BLACKBURNES HOUSE

Trustees' Annual Report (Continued)  
Year ended 31 July 2020

---

## Our plans for the future

Blackburne House has a portfolio of businesses and projects that are diverse and yet complimentary to our core values in supporting the advancement of education and vocational training for women. Our strength is in our diversity as this means we have a variety of great assets and opportunities to maximise our full potential.

As a result of Covid-19 our day-to-day activities that provide much needed services in support of our charitable aims to educate women and drive social and economic advancement, have emerged as more valuable than previously recognised by funders. During this pandemic, we have strengthened our work within our community as we are directly aligned to those who need us most. Through new strategic partnerships, we are able to provide responsive and bespoke support to women, families and the BAME community that are more impactful and immediate. This will enable us to drive our trading and contracted services to a repositioned place of strength and sustainability for future scale and much needed social and economic impact.

Going forward we plan to focus our plans and strategic development on:

- Developing our Wellness and Counselling programmes to ensure we can continue to provide much needed support to tackle mental ill-health in our local community. This has been a lifeline to our learners and has been strongly supported by the National Lottery, The Steve Morgan Foundation, Barclays100x100 and the Merseyside PCC. As we move forward, we will be repositioning the Health Place into a Women's Wellness & Counselling Centre and we are working with additional partners and funders to access finance to support the growth required in this sector to combat female mental health inequalities.
- As part of our catering portfolio, we will scale up our trading activity through our new Café at the Liverpool Clatterbridge Cancer hospital. Following the opening on 9<sup>th</sup> November we are delighted that patients and customers value the opportunity to access fresh, seasonal and nutritious food from a local social enterprise who can continue to tailor and adapt to their needs. Turnover has exceeded expectations and we are encouraged that this model delivers significant benefits for both the Trust and Blackburne House
- Continuing to deliver our vital Nursery service which restarted in June 2020 after the first national lockdown and has remained open during subsequent lockdowns. This continuity of service is vital for local families and we are grateful for the support of The Steve Morgan Foundation who recognised our Nursery provision is a critical component to family support and economic recovery.
- Reviewing how we utilise the space in the building to pivot income streams in light of ongoing Covid restrictions and working with Government guidance to reopen our spaces and create Conference and Events that provide a safe and unique experience for our service users
- Enhancing our digital presence and our e-commerce capability to engage with a broader audience remotely to support our trade up agenda

The Board will continue to review our post Covid-19 recovery plans and shape the business so that we can focus our efforts on mission led, sustainable portfolios that support the vision to empower women. As an organisation with such proven track record, depth and reputation in the local community, with a blend of services that have been able to adapt to local priorities, we are well positioned to strengthen our organisation and we emerge from Covid-19 and continue to serve the women of Liverpool and the local community.

# BLACKBURNE HOUSE

## Trustees' Annual Report [Continued] Year ended 31 July 2020

---

### Financial review

The trustees' financial responsibilities include the solvency of the organisation, safeguarding the assets of the organisation and approving the annual budget to set financial objectives, which are quantifiable targets against which we can measure achievement. To assist us in achieving these objectives monthly management accounts are produced and discussed at Executive Leadership Team meetings. A formal cycle of reporting of management accounts has been established and includes bi-monthly meetings with both the Finance & Resources Committee and the trustees. The Finance & Resources Committee continually reviews the reporting mechanisms in place to ensure risk management and financial planning is developed and enhances the opportunities of the organisation. The Finance & Resources Committee, under powers delegated to it by the trustees, regulate and control the finances of the organisation.

As we began to understand the potential financial impacts of Covid -19 we responded quickly and set up a Finance Contingency Planning Task & Finish, reporting monthly into the Finance & Resources Committee to ensure we managed and mitigated the emerging risk of the Pandemic. During this early period, we instigated the following actions:

- Engaged more frequently with our bankers Natwest and Lenders, First Ark to ensure they were fully aware of the impacts of Covid and our response and actions
- Enhanced cashflow management and reporting to review weekly along with extend forecasting
- Instigated finance repayment holidays for loan and lease repayments
- Accessed HMRC PAYE/NI and VAT payment deferral scheme, agreeing repayment plans with HMRC
- Drew down a £50,000 Bounce Back Loan facility through Natwest
- Accessed the Government Coronavirus Job Retention Scheme where applicable
- Accessed Local Authority Grant funding to support Hospitality and Leisure lockdowns
- Commenced a staffing review in light of National Restriction impacts and changes to future trading capability
- Worked with our existing funders to agree certainty and draw down of funds
- Worked with Capacity Lab who provided free consultancy support to engage with grant funders and strategic partners to explore further grants and contracts

Our Financial Performance has been significantly impacted by our inability to trade through national Lockdowns. Our trading income is down by 40% on prior year and this reflects the impact across all of our social enterprise business areas as we were unable to access the physical space in the building to generate income.

Working closely with the trustees and carrying out the actions within the Finance Contingency Plan enabled the organisation to navigate through these challenging times. In utilising the furlough scheme, accessing grants, working with strategic partners and carefully managing cashflow, we mitigated the losses and during the financial year to 2019/20 are reporting an operating deficit of (£41,358) (before depreciation and endowment release).

We continue to review our strategic plans in light of Covid-19 and the longer term impacts on our trading ability, focusing on sustainability and mission. The financial projections for 2020/21 and 2021/22 have been prepared, taking into account the impact of Covid-19 and the opportunities to strengthen our offer through strategic partnerships commenced during 2019/20. They reflect our ability to adapt to the landscape in a strong and progressive manner in support of our learners and community. The trustees are confident that we have an ongoing viable business model and they remain optimistic about the future and our ability to navigate the short term challenges and trade back up to sustainable levels in the longer term.

# BLACKBURNE HOUSE

Trustees' Annual Report [Continued]  
Year ended 31 July 2020

---

## Remuneration of key management personnel

The trustees consider the Chief Executive and the Senior Management Team to be the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

It is the charity's policy to pay staff at rates reflecting the local market and in line with similar organisations.

## Reserves policy

The organisation's reserve policy has been reviewed in line with guidance from the Charity Commission. It is the policy of the organisation to maintain unrestricted funds, which are the free reserves of the organisation at a level, which equates to three months liquidity requirements. The trustees have reviewed the value of reserves required and have set the desired value of the reserves at £150,000 (2019 £150,000) to reflect current level of overheads as the business grows. This provides sufficient funds to cover management, administration and support costs for the development of our principal activities to enable us to provide a high-quality service to our stakeholders.

The organisation has not been able to achieve a surplus this year to improve the reserves position but is committed to continual improvement to reverse the negative reserves in future years. The trustees recognise that our negative unrestricted reserves position reflects the fact that we are a trading business rather than grant funded. We have invested our traded income into jobs, services and strategic aims consistently over our many years in existence, responding to our communities needs and adapting to strengthen our social impact and services. The trustees continue to monitor the situation and have reviewed and agreed the strategy and priorities that align to this objective as we move forward.

## Risk policy

The trustees are responsible for overseeing the risks faced by the organisation. Detailed considerations of risks are delegated to the Senior Management Team. Risks are identified and controls established throughout the year. All significant activities undertaken are subject to a risk review. Systems have been established to mitigate the risks and the Senior Management Team regularly reviews the risks and takes any action identified.

## Investment powers and restrictions

Under the Memorandum and Articles of Association, the charity has the power, to invest or deposit funds in any manner only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification.

The trustees, having regard to the liquidity requirements of operating the charity and to the reserves policy, do not consider it necessary to invest in a portfolio of investments, but instead have operated a policy of keeping available funds in an interest-bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail price index.

Invested funds are held on deposit in a high interest savings account for use as and when necessary.

## Environmental policy

The Board of Trustees and senior managers of Blackburne House are committed to the objectives of sustainable development and to achieving environmental best practice through all business activities, wherever practical to do so. We accept an active and practical leadership in respect of environmental management is a business function and that a concerted approach must be adopted to prevent pollution minimise waste and achieve continual improvement in environmental performance.

# BLACKBURNE HOUSE

## Trustees' Annual Report [Continued] Year ended 31 July 2020

---

Blackburne House is committed to a structured approach to the management of its activities, ensuring it complies with or exceeds applicable environmental legal requirements and all other relevant requirements and recognised best practices which are related to our environmental aspects.

### Structure, governance and management

#### Governing document

Blackburne House is a charitable company limited by guarantee (No. 2674432), incorporated in England on 30 December 1991 and registered as a charity (No. 1010546) on 15 April 1992. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. On winding up of the company each member will contribute £1.

#### Organisation

Each of the organisation's business areas and social enterprises has been organised to support our learners they financially contribute to and facilitate the growth and development of the organisation's resources.

The Board of Trustees administer the charity. The Board meets bi-monthly and there are sub-committees covering Finance & Resources and Education & Quality.

A Chief Executive (CEO) is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and to provide strategic direction for Blackburne House ensuring that its policies, systems, products and services are continually focused on achieving the organisation's mission, including social, environmental and commercial objectives. The CEO leads business planning for all aspects of the service provision ensuring it fits with the strategic direction, local priorities and to champion high performance in line with the organisations values to ensure the sustainability of the group.

Blackburne House runs a number of award-winning social enterprises and currently holds a National Social Enterprise Mark which recognises that our businesses are values based and committed to having a positive social and environmental impact on the communities we serve.

#### The Management Team

Day to day management of the charity is delegated to the senior managers. The current team is:-

- C Dove - Chief Executive (retired 31/7/20)
- A Rushton - Director of Projects & Business Development
- A Deary - Director of Strategy, Planning & Business Support

#### Trustee appointment, induction and training

The Board adopt a strategic approach to trustee recruitment and when appropriate all vacancies are advertised within the community to attract trustees to serve on its board and also invite trustees to nominate prior to the AGM.

All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirements for any specialist skillset and competency needed that would enhance the organisations ability to deliver on its strategic goals. Board members come from a variety of backgrounds and it is this variety that adds value to the organisation. However, we recognise that our expectations are high and the demands we place on the Board are considerable, therefore we feel that it is important to support all Board Members with the training and development they need to complement and supplement their current skills and competencies.

# BLACKBURNE HOUSE

## Trustees' Annual Report [Continued] Year ended 31 July 2020

---

The induction programme aims to give the new member an understanding of the work of Blackburne House Education and to help recognise how they can make a significant contribution to the organisation during their term of office. New trustees undergo an orientation programme to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making processes and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events and internal training and briefings where these will facilitate the undertaking of their role.

### Related Charities

Blackburne House is related to Women's Technology Training Limited by virtue of common directors, influence and shared resources.

### Statement of Trustees' responsibilities

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

Company law requires the trustees to prepare accounts for each financial year, give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these accounts, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

### Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware:-

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# BLACKBURNE HOUSE

Trustees' Annual Report (Continued)  
Year ended 31 July 2020

---

## Auditors

A resolution for the re-appointment of Mitchell Charlesworth LLP will be proposed at the forthcoming Annual General Meeting.

## Approval

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein in our capacity as company directors.

Registered office:  
Blackburne House  
Blackburne Place  
Off Hope Street  
Liverpool L8 7PE

SIGNED BY ORDER OF THE TRUSTEES



Dana Nixon  
COMPANY SECRETARY

Approved by the trustees on 30 March 2021

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

## BLACKBURNE HOUSE

### Independent Auditor's Report to the Members of Blackburne House for the year ended 31 July 2020

---

#### Opinion

We have audited the accounts of Blackburne House (the 'charity') for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of its incoming resources and application of resources, including 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 and the Charities Act 2011.

#### 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

#### Material uncertainty related to going concern

We draw attention to note 1(q) in the financial statements, which highlights the fact that there is a net current liability position of £293,443 and a deficit on unrestricted funds of £348,407. Whilst these conditions indicate that a material uncertainty exists that may cast doubt on the charitable company's ability to continue as a going concern, note 1(q) provides a full explanation of the circumstances surrounding this. Our opinion is not qualified in respect of this matter.

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

## BLACKBURNE HOUSE

### Independent Auditor's Report to the Members of Blackburne House for the year ended 31 July 2020 [Continued]

---

#### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report, which includes the directors' report for the financial year for which the accounts are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities act 2011 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustee' 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.

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

## BLACKBURNE HOUSE

### Independent Auditor's Report to the Members of Blackburne House for the year ended 31 July 2020 [Continued]

---

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <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 charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Philip Griffiths**  
Senior Statutory Auditor

30 March 2021

**On behalf of Mitchell Charlesworth LLP**  
Statutory Auditor

3rd Floor  
5 Temple Square  
Temple Street  
Liverpool  
Merseyside  
L2 5RH

# BLACKBURNE HOUSE

## Statement of Financial Activities Year ended 31 July 2020

Income from:	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations and legacies	2	166,440	-	-	166,440	721
Charitable activities	3	783,241	-	-	783,241	1,420,828
Investments	4	9	-	-	9	4
<b>Total income</b>		<b>949,690</b>	<b>-</b>	<b>-</b>	<b>949,690</b>	<b>1,421,553</b>
<b>Expenditure on:</b>						
Charitable activities	5	(1,007,731)	(24,706)	(38,057)	(1,070,494)	1,285,712
<b>Total expenditure</b>		<b>(1,007,731)</b>	<b>(24,706)</b>	<b>(38,057)</b>	<b>(1,070,494)</b>	<b>1,285,712</b>
<b>Net (expenditure)/income for the year</b>	10	<b>(58,041)</b>	<b>(24,706)</b>	<b>(38,057)</b>	<b>(120,804)</b>	<b>135,841</b>
Total funds brought forward		(290,366)	2,285,881	2,790,875	4,786,390	4,650,549
<b>Total funds carried forward</b>		<b>(348,407)</b>	<b>2,261,175</b>	<b>2,752,818</b>	<b>4,665,586</b>	<b>4,786,390</b>

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing

The notes on pages 23 to 36 form part of these accounts.

# BLACKBURNE HOUSE

## Statement of Financial Activities Year ended 31 July 2020

### Comparative information for the year ended 31 July 2019

Income from:	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
Donations and legacies	2	721	-	-	721	1,885
Charitable activities	3	1,060,881	359,947	-	1,420,828	2,686,192
Investments	4	4	-	-	4	7
<b>Total income</b>		<b>1,061,606</b>	<b>359,947</b>	<b>-</b>	<b>1,421,553</b>	<b>2,688,084</b>
<b>Expenditure on:</b>						
Charitable activities	5	(1,206,123)	(41,532)	(38,057)	(1,285,712)	1,204,112
<b>Total expenditure</b>		<b>(1,206,123)</b>	<b>(41,532)</b>	<b>(38,057)</b>	<b>(1,285,712)</b>	<b>1,204,112</b>
<b>Net income/(expenditure) for the year</b>	10	<b>(144,517)</b>	<b>318,415</b>	<b>(38,057)</b>	<b>135,841</b>	<b>1,483,972</b>
Total funds brought forward		(145,849)	1,967,466	2,828,932	4,650,549	3,166,577
<b>Total funds carried forward</b>		<b>(290,366)</b>	<b>2,285,881</b>	<b>2,790,875</b>	<b>4,786,390</b>	<b>4,650,549</b>

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing

The notes on pages 23 to 36 form part of these accounts.

## BLACKBURNE HOUSE

### Summary Income and Expenditure Account Year ended 31 July 2020

---

		2020	2019
	Notes	£	£
Income		949,681	1,421,549
Interest and investment income	4	9	4
<b>Gross income</b>		<u>949,690</u>	<u>1,421,553</u>
Expenditure		986,748	1,218,840
Interest payable		4,300	8,826
Depreciation		41,389	19,989
<b>Total expenditure</b>		<u>1,032,437</u>	<u>1,247,655</u>
<b>Net (expenditure)/income</b>		<u>(82,747)</u>	<u>173,898</u>

All of the activities of the charity are classed as continuing.

The notes on pages 23 to 36 form part of these accounts.

# BLACKBURNE HOUSE

## Balance Sheet 31st July 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		5,063,667		5,141,298
<b>Current assets</b>					
Stocks	13	3,243		5,336	
Debtors	14	91,178		66,841	
Cash at bank and in hand		88,502		29,344	
		182,923		101,521	
<b>Creditors: Amounts falling due within one year</b>	15	<u>(476,366)</u>		<u>(387,160)</u>	
<b>Net current (liabilities)</b>			<u>(293,443)</u>		<u>(285,639)</u>
<b>Total assets less current liabilities</b>			4,770,224		4,855,659
Creditors: Amounts falling due after more than one year	16		<u>(104,638)</u>		<u>(69,269)</u>
<b>Net assets</b>			4,665,586		4,786,390
<b>The funds of the Charity</b>					
Endowment	19		2,752,818		2,790,875
Restricted	20		2,261,175		2,285,881
Unrestricted	21		<u>(348,407)</u>		<u>(290,366)</u>
<b>Total funds</b>	22		4,665,586		4,786,390

These accounts were approved by the trustees and authorised for issue on 30 March 2021 and are signed on their behalf by:



Sally-Anne Watkiss  
Trustee

Company Registration Number: 2674432

The notes on pages 23 to 36 form part of these accounts.

# BLACKBURNE HOUSE

## Statement of Cash Flows Year ended 31 July 2020

	2020		2019	
	£	£	£	£
<b>Cash flow from operating activities</b>		28,442		55,726
<b>Cash flow from investing activities</b>				
Payments to acquire tangible fixed assets	(7,583)		(341,236)	
Proceeds of disposal of tangible fixed assets	5,768		-	
Capital grants received	-		323,952	
Net cash flow from investing activities		(1,815)		(17,284)
		26,627		38,442
<b>Cash flow from financing activities</b>				
New borrowings	50,000		-	
Repayment of loans	(13,169)		(21,120)	
Interest paid	(4,300)		(8,826)	
Net cash flow from financing activities		32,531		(29,946)
<b>Net increase/(decrease) in cash and cash equivalents</b>		59,158		8,496
Cash and cash equivalents at 1 August 2019		29,344		20,848
<b>Cash and cash equivalents as at 31 July 2020</b>		88,502		29,344
<b>Reconciliation of net (expenditure) to net cash flow from operating activities</b>				
Net (expenditure)/income for the year	(120,804)		135,841	
Capital grants	-		(323,952)	
Interest payable	4,300		8,826	
Depreciation of tangible fixed assets	79,446		58,046	
Decrease/(increase) in stock	2,093		(378)	
(Increase)/decrease in debtors	(24,337)		64,822	
Increase in creditors	87,744		112,521	
Net cash flow from operating activities		28,442		55,726
Cash and cash equivalent consists of:				
Cash at bank		85,335		20,816
Cash in hand		3,167		8,528
		88,502		29,344

The notes on pages 23 to 36 form part of these accounts.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

---

### 1. Summary of accounting policies

#### (a) General information and basis of preparation

Blackburne House is a company limited by guarantee and a registered charity incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity 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.

The property fund is treated as a permanent endowment on the basis that the original building is not owned by the charity and the building alterations that have been carried out form a capital fund with which the charity has now power to convert the capital into income.

#### I Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

---

### 1. Summary of accounting policies [Continued]

#### I Income recognition [Continued]

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

#### (d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes costs associated with the charity including support costs as appropriate.
- Other expenditure represents those items not falling into the category above.

#### I Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the charity's registered office. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 6.

#### (f) Capital grants

Grants received to cover the cost of building alterations and fixtures and fittings are included as restricted income and will be credited to the Statement of Financial Activities on a basis consistent with the depreciation policy.

#### (g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Capital expenditure on equipment is written off in the period in which it is incurred if purchased from grant income. Individual assets are capitalised on the balance sheet where their cost exceeds £100.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

---

### 1. Summary of accounting policies [Continued]

#### (g) Tangible fixed assets [Continued]

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Building alterations & additions	1 - 10% per annum
Computers	10 - 33% per annum
Fixtures & fittings	10 - 20% per annum
Equipment	10 - 20% per annum

Whilst historically building alterations have been depreciated at 1%, additions are not considered to have the same life and so are depreciated over 10 years.

#### (h) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other cost incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### (i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### (j) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

#### (k) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

---

### 1. Summary of accounting policies [Continued]

#### (k) Financial instruments [Continued]

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### (l) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### (m) Operating leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

#### (n) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

#### (o) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and before it meets the definition of a charitable company for UK corporation tax purposes.

#### (p) VAT

The charity is partially exempt for VAT purposes. VAT for partial exemption which is not allowed in the year is written off to the Statement of Financial Activities.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

### 1. Summary of accounting policies [Continued]

#### (q) Going concern

The financial statements have been prepared on a going concern basis as the future outlook reflects the opportunities that have arisen as a result of our ability to support the communities we serve as we emerge from Covid19. Whilst the Trustees acknowledge the net current liabilities position of £285,639 is a challenging basis on which to enter into post Covid19 recovery, we are confident that our core business can respond to the transitioning period, bolstered by our embedded social impacts in action.

Our day to day activities that provide much needed services in support of our charitable aims to educate women and drive social and economic advancement have emerged as more valuable than previously recognised. During this pandemic, we have strengthened our work within our community as we are directly aligned to those who need us most. We are able to provide responsive and bespoke support to women, families and the BAME community that are impactful and immediate and funders are investing in organisations that are delivering social value through their day to day trading operations, activities and interventions, rather than through one off projects.

Funders have seen the value of organisations working with particular communities during Covid-19. We are rooted in the local community and have access to people who have been disadvantaged through this pandemic. Our learners and employees, a high proportion of which are women, part of the BAME community and those who experience social deprivation are even more at risk of mental ill health and cultural inequalities. Blackburne House have responded at speed with interventions that reach those people most in need and provided funders with the networks and reach to make a difference. We have successfully contracted to provide that support post Covid19 and we anticipate this will translate into long term, substantial contracts with significant interventions.

The trustees have reviewed the plans and consider that the budgeted income and expenditure is sufficient for the charity to be able to continue as a going concern and remain confident that core business is sustainable in the long term.

2. Income from donations and legacies	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Donations	645	-	-	645	721
Grants receivable	165,795	-	-	165,795	-
	166,440	-	-	166,440	721

All of the above income in 2019 was attributable to unrestricted funds.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

3. Income from charitable activities	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Nursery income	256,085	-	-	256,085	337,100
Health Place income	25,054	-	-	25,054	12,019
Café Bar income	163,355	-	-	163,355	303,882
Rent receivable	161,983	-	-	161,983	118,996
Project and business development	5,043	-	-	5,043	3,134
Events	61,092	-	-	61,092	79,313
Car park income	10,945	-	-	10,945	16,006
Post and photocopying	10,837	-	-	10,837	10,451
Meeting House café	43,441	-	-	43,441	177,704
Other	3,275	-	-	3,275	2,276
Liverpool City Region - Single Investment Fund (Capital Investment)	-	-	-	-	323,952
National Lottery Awards for All	-	-	-	-	9,800
DW Foundation	-	-	-	-	2,000
Church Urban Fund - Windrush	-	-	-	-	12,000
Liverpool City Council - Windrush	-	-	-	-	3,000
Liverpool City Council - Headstrong Programme	15,000	-	-	15,000	-
Steve Morgan Foundation	24,131	-	-	24,131	-
Add: Deferred income released	3,000	-	-	3,000	12,195
Less: Deferred income	-	-	-	-	(3,000)
	<u>783,241</u>	<u>-</u>	<u>-</u>	<u>783,241</u>	<u>1,420,828</u>

£359,947 of the above income for 2019 was attributed to restricted funds and £1,060,881 of the above income in 2019 was attributable to unrestricted funds.

4. Income from investments	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Interest received on cash deposits	9	-	-	9	4
	<u>9</u>	<u>-</u>	<u>-</u>	<u>9</u>	<u>4</u>

All of the above income in 2019 was attributable to unrestricted funds.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

5. Analysis of expenditure on charitable activities	Activities undertaken directly £	Support costs £	Total 2020 £	Total 2019 £
Nursery	229,135	82,086	311,221	340,564
Health Place	20,282	9,121	29,403	35,810
Cafe	245,479	51,684	297,163	370,339
Meeting House	61,455	15,201	76,656	248,737
Events	81,627	21,282	102,909	95,106
Projects and Business Development	13,699	6,081	19,780	35,771
Building management	114,793	118,569	233,362	159,385
	<u>766,470</u>	<u>304,024</u>	<u>1,070,494</u>	<u>1,285,712</u>

Of the above costs £1,007,731 (2019 £1,206,123) were attributable to unrestricted funds, £24,706 (2019 £41,532) were attributable to restricted funds, and £38,057 (2019 £38,057) were attributable to endowment funds.

6. Allocation of support costs	2020 £	2019 £
Management salaries	40,306	57,029
Premises costs	100,665	103,573
Office costs	40,165	48,569
Depreciation	79,446	58,046
Professional	26,876	35,466
Other	9,933	19,463
Governance costs (see note 7)	6,633	6,633
	<u>304,024</u>	<u>328,779</u>

7. Governance costs	2020 £	2019 £
Audit and accountancy fees	6,633	6,633

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

<b>8. Staff costs and numbers</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>The aggregate payroll costs were:</b>		
Wages and salaries	657,146	720,961
Social security costs	35,255	37,495
Other pension costs	15,231	13,926
	<u>707,632</u>	<u>772,382</u>
Recharged salaries	(36,297)	-
	<u>671,335</u>	<u>772,382</u>

<b>Particulars of employees:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
The average number of staff employed by the Charity during the financial year amounted to:	49	54
	<u>49</u>	<u>54</u>

There are no employees with emoluments above £60,000.

### 9. Trustees' and key management personnel remuneration and expenses

No remuneration was paid to the trustees during the year for their services as trustees (2019 £Nil) nor were any expenses reimbursed (2019 £Nil).

The total amount of employee remuneration received by key management personnel is £36,228 (2019 £53,474).

The charity considers its key management personnel to comprise the Chief Executive, and the Director of Projects and Business Development.

<b>10. Net income/(expenditure) for the year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>This is stated after charging:</b>		
Staff pension contributions	15,231	13,926
Depreciation	79,446	58,046
Auditors' remuneration - as auditors	5,460	5,460
	<u>100,137</u>	<u>77,432</u>

### 11. Taxation

The company is exempt from corporation tax on its charitable activities.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

12. Tangible fixed assets	Building Alterations £	Equipment £	Fixtures & Fittings £	Computers £	Total £
<b>Cost</b>					
At 1 August 2019	6,139,422	227,125	265,764	58,468	6,690,779
Additions	-	2,829	4,754	-	7,583
Disposal	-	(5,768)	-	-	(5,768)
At 31 July 2020	6,139,422	224,186	270,518	58,468	6,692,594
<b>Depreciation</b>					
At 1 August 2019	1,044,474	199,976	246,563	58,468	1,549,481
Charge for the year	71,840	5,494	2,112	-	79,446
Disposal	-	-	-	-	-
At 31 July 2020	1,116,314	205,470	248,675	58,468	1,628,927
<b>Net book value</b>					
At 31 July 2020	5,023,108	18,716	21,843	-	5,063,667
At 31 July 2019	5,094,948	27,149	19,201	-	5,141,298
<b>13. Stocks</b>				<b>2020</b> £	<b>2019</b> £
Goods for resale				3,243	5,336
<b>14. Debtors</b>				<b>2020</b> £	<b>2019</b> £
Trade debtors				27,611	47,668
Prepayments				15,674	19,173
Other debtors				47,893	-
				91,178	66,841
<b>15. Creditors: Amounts falling due within one year</b>				<b>2020</b> £	<b>2019</b> £
First Ark				24,430	22,967
Trade creditors				63,627	88,165
Social security and other taxes				59,621	28,430
Other creditors				304,519	209,912
Accruals and deferred income				24,169	37,686
				476,366	387,160

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

16. Creditors: Amounts falling due after more than one year	2020 £	2019 £
First Ark	56,992	69,269
Bounce Back Loan	47,646 -	-
	<u>104,638</u>	<u>69,269</u>

The following liabilities disclosed under creditors falling due after more than one year is secured by a debenture with floating charge:

	2020 £	2019 £
First Ark	56,992	69,269
	<u>56,992</u>	<u>69,269</u>

On 29 March 2018 First Ark advanced the charity £120,000 repayable in monthly instalments over 5 years at a rate of interest of 8.5%.

### 17. Creditors - Capital instruments

Creditors include finance capital which is due to be repaid as follows:	2020 £	2019 £
Amounts payable:		
In one year or less or on demand	24,430	22,967
In more than one year but no more than two years	35,674	25,018
In more than two years but not more than five years	61,060	44,251
Over five years	7,904	-
	<u>129,068</u>	<u>92,236</u>

### 18. Commitments under operating leases

At 31 July 2020 the charity had future total commitments under non-cancellable operating leases as follows:

	Assets other than land and buildings	
	2020 £	2019 £
Within one year	10,912	10,912
Between two and five years	8,108	19,020
	<u>19,020</u>	<u>29,932</u>

### 19. Endowment funds

	As at 1 August 2019 £	Income £	Expenditure £	Transfer between funds £	As at 31 July 2020 £
<b>Permanent endowments:</b>					
Property fund	2,790,875	-	(38,057)	-	2,752,818
	<u>2,790,875</u>	<u>-</u>	<u>(38,057)</u>	<u>-</u>	<u>2,752,818</u>

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

### 19. Endowment funds [Continued]

Comparative information in respect of the preceding period is as follows:

	As at 1 August 2018 £	Income £	Expenditure £	Transfer between funds £	As at 31 July 2019 £
<b>Permanent endowments:</b>					
Property fund	2,828,932	-	(38,057)	-	2,790,875

### 20. Restricted funds

	As at 1 August 2019 £	Income £	Expenditure £	Transfer between funds £	As at 31 July 2020 £
Liverpool City Council Nursery capital	3,043	-	(563)	-	2,480
Liverpool City Region - Single Investment Fund (Capital Investment)	2,282,838	-	(24,143)	-	2,258,695
	2,285,881	-	(24,706)	-	2,261,175

Comparative information in respect of the preceding period is as follows:

	As at 1 August 2018 £	Income £	Expenditure £	Transfer between funds £	As at 31 July 2019 £
National Lottery - Award for All	-	9,800	(9,800)	-	-
DWP Foundation	-	2,000	(2,000)	-	-
Liverpool City Council Nursery capital	4,057	-	(1,014)	-	3,043
Church Urban Fund	-	12,000	(12,000)	-	-
Social Investment Business - Reach Fund	-	8,450	(8,450)	-	-
P J Holt	-	3,745	(3,745)	-	-
Liverpool City Region - Single Investment Fund (Capital Investment)	1,963,409	323,952	(4,523)	-	2,282,838
	1,967,466	359,947	(41,532)	-	2,285,881

The restricted fund balances relate to specific projects and events run by the charity and in accordance with the conditions of the grant.

# BLACKBURNE HOUSE

## Notes to the Accounts Year ended 31 July 2020

21. Unrestricted funds	As at 1 August 2019 £	Income £	Expenditure £	Transfer between funds £	As at 31 July 2020 £
General fund	(290,366)	949,690	(1,007,731)	-	(348,407)

Comparative information in respect of the preceding period is as follows:

	As at 1 August 2018 £	Income £	Expenditure £	Transfer between funds £	As at 31 July 2019 £
General fund	(145,849)	1,061,606	(1,206,123)	-	(290,366)

22. Analysis of net assets between funds	Tangible fixed assets £	Net current liabilities £	Creditors due after one year £	Total £
Endowment fund	2,752,818	-	-	2,752,818
Restricted fund	2,261,175	-	-	2,261,175
Unrestricted funds	49,674	(293,443)	(104,638)	(348,407)
	5,063,667	(293,443)	(104,638)	4,665,586

Comparative information in respect of the preceding period is as follows:

	Tangible fixed assets £	Net current liabilities £	Creditors due after one year £	Total £
Endowment fund	2,790,875	-	-	2,790,875
Restricted fund	2,285,881	-	-	2,285,881
Unrestricted funds	64,542	(285,639)	(69,269)	(290,366)
	5,141,298	(285,639)	(69,269)	4,786,390

# BLACKBURNES HOUSE

## Notes to the Accounts Year ended 31 July 2020

### 23. Related party transactions

Blackburne House is related to Women's Technology Training Limited by virtue of common directors and influence. Both these charities operate from the same Registered Office. During the year Blackburne House charged rent and services of £136,194 (2019 £89,600), £5,462 for childcare and related allowances (2019 £14,241) and £117,129 for other administration and project costs (2019 £50,068). During the year Women's Technology Training Limited charged Blackburne House £823 (2019 £1,204) for administration costs.

The above exclude VAT on vatable items.

During the year, the charity carried out capital refurbishment work on the building to the cost of £Nil (2019 £323,952), which was received from Women's Technology Training Limited.

At the year-end Blackburne House owed Women's Technology Training Limited £214,052 (2019 debtor £83,097).

Included in creditors is a loan from Women's Technology Training Limited for £58,710 (2019 £58,710) which is due to be repaid as agreed by the trustees.

### 24. Pension scheme contributions

The charity operates a defined contributions pension scheme for its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions paid by the charity to the defined contribution scheme which amounted to £15,231 (2019 £13,926).

25. Deferred income	Under 1 year £	2020 £	2019 £
At 1 August 2019	6,750	6,750	15,945
Additions	-	-	3,000
Amounts released to income	(3,000)	(3,000)	(12,195)
At 31 July 2020	3,750	3,750	6,750

Income has been deferred when it is received in advance of the period to which it relates or where performance of the activities to which it relates have not yet been undertaken.

### 26. Company limited by guarantee

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

On winding up of the company each member will contribute £1.

### 27. Capital commitments

There are no capital commitments as at 31st July 2020 (2019 £Nil).

## BLACKBURNE HOUSE

### Notes to the Accounts Year ended 31 July 2020

---

28. Analysis of changes in net debt	Balance at 1st August 2019 £	Cashflows £	Non-cash Changes £	Balance at 31st July 2020 £
Long term borrowings	69,269	-	35,369	104,638
Short term borrowings	22,967	36,832	(35,369)	24,430
Total liabilities	92,236	36,832	-	129,068
Cash and cash equivalent	(29,344)	(59,158)	-	(88,502)
Total net debt	62,892	(22,326)	-	40,566

---