

**MANCHESTER HISTORIC BUILDINGS TRUST**

**(A company limited by guarantee)**

**ANNUAL REPORT**

**AND**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED OCTOBER 31 2020**

**Company number:** 3578992

**Charity number:** 1080606

**MANCHESTER HISTORIC BUILDINGS TRUST  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED OCTOBER 31 2020**

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**MANCHESTER HISTORIC BUILDINGS TRUST  
ADMINISTRATIVE INFORMATION  
FOR THE YEAR ENDED OCTOBER 31 2020**

<b>PRESIDENT</b>	J R Allan	
<b>DIRECTORS AND TRUSTEES</b>	F P Galvin (Chair) F Drainey (Treasurer) A Higgins (Secretary) L Collins (Vice Chair) J Baxter R Ellul (resigned 23/01/2020) N Eyre A Mapplebeck (appointed 19/09/2020) A O'Brien M Pearce (resigned 19/09/2020) V Watson E Williams	
<b>COMPANY SECRETARY</b>	Anne Higgins	
<b>PRINCIPAL STAFF</b>		
<b>Part of key management:</b>	Sally Jastrzebski-Lloyd	House Manager
<b>Other members of staff:</b>	Rachel Sills Dympna Gould Ellie Algieri	Events Coordinator House Assistant Wedding & Conference Coordinator until 30/9/2020
<b>REGISTERED OFFICE</b>	20 Market Street Altrincham Cheshire WA14 1PF	
<b>PRINCIPAL PLACE OF BUSINESS</b>	84 Plymouth Grove Manchester M13 9LW	
<b>ACCOUNTANTS &amp; INDEPENDENT EXAMINERS</b>	Chittenden Horley Ltd Chartered Accountants 456 Chester Road Old Trafford Manchester M16 9HD	
<b>BANKERS</b>	Royal Bank of Scotland CAF Bank	
<b>SOLICITORS</b>	DTM Legal LLP The Plaza 100 Old Hall Street Liverpool L3 9QJ	

**MANCHESTER HISTORIC BUILDINGS TRUST  
TRUSTEES' AND DIRECTORS' ANNUAL REPORT  
FOR THE YEAR ENDED OCTOBER 31 2020**

The trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary company for the year ended October 31 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies act purposes.

**REPORTING FRAMEWORK**

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) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

**OBJECTIVES**

**Charitable objects**

The objectives of the Charity, for the majority of the year were:

“to preserve for the benefit of the townspeople of the ten districts which form the County of Greater Manchester, and of the nation at large, whatever of historical, architectural and constructional heritage may exist in and around the ten Districts of Greater Manchester aforesaid in the form of buildings of beauty or historical, architectural or constructional interest and to advance the education of the public in the said heritage and to undertake such other charitable activities as may benefit the people of or visitors to the said county of Greater Manchester.”

However, these were amended by special resolution dated September 19 2020, to read as follows:

“The objects of the Charity are:

To preserve for the benefit of the people of the townspeople of the ten districts which form the County of Greater Manchester and of the Nation, the historical, architectural and constructional heritage associated with 84 Plymouth Grove, Manchester ('The House') the former home of William and Elizabeth Gaskell (including any structure or erection, and any part of the building as so defined) and to advance the education of the public in the said heritage and to undertake such other charitable activities as may benefit the people of or visitors to the said County of Greater Manchester.

To acquire, preserve, document, interpret and make accessible exhibits, objects and collections relating to the literary, social and historical impact and influence of Elizabeth Gaskell and her family and to the history of the House through provision of a museum service for the purpose of educating and informing the public.”

**Activities**

The Charity fulfils its objectives through the restoration of Gaskell House and its operation as a museum and visitor attraction.

Elizabeth Gaskell's House is a restored Grade II\* regency style historic House in Manchester, home to the Victorian author Elizabeth Gaskell and her family. This house is important because of its association with the writer who lived here from 1850-65, and members of her family who continued to occupy it until 1913. Elizabeth Gaskell was one of the foremost nineteenth century writers whose work has a continuing appeal and is regularly performed on stage, screen and radio and published worldwide in numerous translations. Her husband William, Minister at Manchester's Unitarian Cross Street Chapel, and their daughters were deeply involved in the cultural and educational life of the city, so the individual contributions which they each made are all reflected in the way the house is interpreted.

**MANCHESTER HISTORIC BUILDINGS TRUST  
TRUSTEES' AND DIRECTORS' ANNUAL REPORT  
FOR THE YEAR ENDED OCTOBER 31 2020**

**ACTIVITIES AND ACHIEVEMENTS**

In common with most Heritage Attractions in the UK (and businesses in general) 2020 has been a very difficult year as a result of the restrictions arising from the Covid 19 pandemic. In normal times the house would have been open three days a week to the public and for private tours, room hires, events and weddings on other days. These core activities have been severely impacted by the pandemic.

In summary, and in normal times, the core activities are:

- Protecting and promoting the unique literary and cultural heritage of the House and its visitors
- Playing a key role, as the only Literary House, within Manchester's UNESCO City of Literature partnership
- Being a unique example of a Victorian middle-class House in Manchester
- Celebrating the life and literature of Elizabeth Gaskell and her relevance today
- Valuing and promoting the Gaskell family's role in the history of Manchester and Ardwick
- Being an educational and intellectual Hub, a place of learning and discovery
- Supporting local groups, residents and schools to use and value the House and its heritage

Now in its sixth year of operation the staff, Trustees and volunteers have worked energetically through the pandemic to maintain momentum through a lively programme of on-line talks, which have proved to be very popular and which have increased participation. A wider range of people were able to enjoy these talks than would ordinarily have been able to attend in person. When restrictions were eased in August the house reopened to visitors with comprehensive safety measures in place and with strict adherence to government guidance. Also, between August and December, and once-again following government guidance, eight weddings were hosted in the house which were facilitated by staff and volunteers. Also popular during the Autumn were our monthly second-hand book sales which continued when Museum shops were allowed to reopen. Post-pandemic it is planned to continue the programme of on-line talks, to develop further the number of weddings which are hosted and to promote and expand the book sales.

Average spend in the Tea Room has increased by 50p to £4.50 and additional retail lines have been added over the past 12 months. A new volunteer-led Tea Room development group has also been established who are exploring ways to increase spending whilst maintaining high standards of hygiene and food safety. Level 2 Food Hygiene training has been completed by many volunteers and staff and will be offered to all volunteers from January 2020. During 2019/20 2,132 visitors were welcomed to the House (Nov 19-March 20 and Aug-Oct 20) and 165 people joined online talks in September and October 2020.

**Public benefit**

The Trustees have considered the Charity Commission guidance on public benefit, especially in relation to setting entrance fees and making the services that we offer more accessible. In addition, the Trustees are committed to delivering a comprehensive range of education and outreach activities which were included in the original business plan and will be included in the updated business plan originally planned for early 2020 but now deferred to the summer of 2021. The main thrust of the updated business plan will be directed towards broadening the audience base and generating additional income which will contribute to long term sustainability. A sustainable operation will ensure that the public benefits which the project has generated will continue in future years. Especially important in the post-covid period will be the programme of paid-for on-line talks and smaller weddings which are expected to remain popular.

**Contribution of volunteers**

The house continues to depend upon its loyal team of approximately 60 volunteers for its operation who give their services totally free of charge to enable the house to be opened on public open days when they serve as room guides and staff in the tea-room. They also facilitate tour group visits and events and educational activity and have adapted these activities to be delivered on-line. Established groups include a Housekeeping team, Documentation Group, Research Group, Fundraising group, Learning Programme and Exhibition Project Team.

Volunteers are central to our work and draw on the local community and more widely, from ages between 16 and 93, offering opportunities for people of all ages to develop new skills and friendships. Elizabeth Gaskell's House's location means it attracts students from all over the world looking for experience of working in a heritage venue. The House is proud to say that many ex-volunteers go on to get paid jobs at other cultural venues thanks to volunteering at EGH. Staff and Volunteers are offered a range of opportunities from conservation cleaning to marketing and online tour training. As part of the resilience project there is now an active under 25s volunteer group who are looking at developing initiatives targeting younger audiences.

Annual volunteer surveys report a number of positive outcomes which have resulted from their participation in volunteering, including development of skills and knowledge, development of social support networks, positive feelings associated with their work being appreciated and valued, and practical outcomes including access to training and support into employment. During the Covid 19 pandemic support networks for volunteers have included regular newsletters, WhatsApp groups, Zoom hosted meetings, quizzes and 'catch-up' social events. For Trustees Board Meetings have also been moved successfully on-line and are hosted on Zoom.

**MANCHESTER HISTORIC BUILDINGS TRUST  
TRUSTEES' AND DIRECTORS' ANNUAL REPORT  
FOR THE YEAR ENDED OCTOBER 31 2020**

**FINANCIAL REVIEW**

**Overview**

The group had a surplus on unrestricted general funds, before transfers, for the year of £10,405, after benefitting from the resilience funding from HLF which will help the group continue to work towards a sustainable operating model.

The subsidiary has continued to operate Gaskell House and has borne an appropriate share of the costs, and with appropriate grant support from the Trust to support the charitable work it undertakes on behalf of its parent charity it broke even. It is intended to make surpluses in future which will be gift aided to the charity.

**Risk management**

As part of the Governance Review a task and finish group of two board members and the House manager was set up to create a Risk Register. This was produced and was approved by the board in Jan 2020. Also arising from the Resilient Heritage Funding is the preparation of a new business plan, incorporating a revised strategy, and is being worked on by a working group of board members, the House Manager and the appointed National lottery Heritage Fund mentor. This will be completed by the Summer of 2021. The new business plan will focus on continuing to generate increased income levels to sustain staffing and operational costs and specific post-covid strategies.

**Reserves**

The charity is required to hold financial reserves for the following reasons:

- a) To buffer any short-term volatility in income or expenditure or in working capital requirements;
- b) To provide security to paid staff that the charity will be able to meet all its financial obligations linked to employment (regardless of whether these are provided for in the accounts);
- c) To provide the charity with some means to act strategically, and to prioritise longer-term goals rather than operate entirely on a hand to mouth basis.
- d) To attend to building maintenance issues in a timely manner.

Considering the scale of the charity's operation the Trustees consider that the required level of free reserves (unrestricted funds not invested in fixed assets or otherwise designated), to address a) to c) should be in the region of £60,000 - £80,000, and that a designated fund is required for the building maintenance of £60,000.

The Trustees have formally designated £60,000 of reserves for a Buildings Maintenance Fund, especially important now that it is six years since the House opened to the public and seven years since the exterior of the house was painted. Exterior painting is now required to maintain a smart appearance and to help preserve the building fabric including doors, window frames and guttering and so it is expected that this work, and other essential maintenance will be progressed during the next 12 months.

At October 31 2020 free reserves are £55,590, just below the bottom of the target range.

**Going concern**

The Trust was financially viable before the Covid 19 pandemic as evidenced by our end of year financial performance. The trustees are aware that the current health and business uncertainties caused by the Covid 19 pandemic continue to be a major concern and continues to have a severe negative impact on the global and UK economy.

During the year, and to comply with government directives and to safeguard the health and well-being of staff, volunteers and visitors, the House was closed to visitors and all commercial activities ceased from March 23 2020. During this period of 'lock-down' all staff were placed on furlough leave in order that the charity could avail itself of support from the Government's Job Retention Scheme (JRS) which has paid 80% of all salaries, whilst the Trustees agreed that MHBT would 'top-up' salaries by the remaining 20% until the end of July 2020, when the employer's contribution would become mandatory and would be an increasing burden on our finances through to the end of the JRS.

The Government announcement on 25 June that Museums and Historic Houses could reopen from 4<sup>th</sup> July has allowed the Trustees to bring all staff back from furlough leave from 1 August 2020 in preparation for reopening the House on 12 August with timed tickets, cashless payments and social distancing. Weddings, an important source of income for the House, were also able to resume from 4<sup>th</sup> July.

To summarise the central Government support already received and which will offset the negative effects on income of the Covid 19 pandemic, are: -

- Job Retention Scheme payments (March to July) £19,876
- Small Business Grant payment £25,000
- Rates Relief 'holiday' £4,045

In addition, we also made a successful application to the National Lottery Heritage Fund's Emergency Fund and received a NLHF Emergency Fund grant of £50,000.

Collectively these sources of support total £98,921.

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Given these additional sources of support the Trustees are confident that the Charity is a Going Concern.

Over the winter months of 20/21 we have also benefitted from Local Restrictions Support Grants totalling £15,000 (ongoing) and VAT reduction to 5% on entrance fees and refreshments.

We also made a successful application to the Culture Recovery Fund (Round 1) and received a grant of £49,700 to cover staffing and overheads for the months of December 2020 to March 2021.

A further application has now been made to the Culture Recovery Fund (Round 2) for a sum of £34,600 which will cover staffing costs and overheads for the months of April to June 2021, and a decision is expected before the end of March 2021.

As the public health context has developed and changed, we have adapted our plans by taking the opportunity to open the house to visitors and wedding guests when it was possible to do so (and within guidance), and will do so once again when regulations allow.

## **FUTURE PLANS**

After all sources of Covid grants have been spent (by June 2021), we will also be able to reactivate an unspent portion of the Resilient Heritage Funding (already secured) which will sustain some staffing costs for a further 5 months. We will also redouble our efforts to use our resources (financial and HR) wisely to enhance the existing offer and to generate new activity. We are keen to diversify income streams and extend our reach into more commercial areas. The main potential for this increased activity is in the areas of weddings where we have already established ourselves as a venue specialising in smaller weddings. This appeals to a wide diversity of customers including Muslim, and same sex couples who comment that the staff and volunteers are very welcoming and help to create a relaxed, informal and non-intimidating atmosphere.

We also pride ourselves on being an affordable option. We feel that we could encourage further development of this side of the business if greater resources (including sustained staff input) could be found to invest in this through attendance at wedding fairs (when these can resume), new marketing activity through inclusion in press and wedding sector publications and through wider marketing of what the house has to offer as a unique venue. We also believe that there will be increased demand for weddings as restrictions are eased and wedding couples resume their plans.

During the pandemic we have also increased the frequency and variety of our on-line activities, especially the talks programme which routinely now generate approximately £300 per talk with an expected income from virtual on-line tours of £250 per tour. We hope to expand this activity further. We are hopeful that from April onwards visitors will return but anticipate that it will take quite some time for numbers to return to pre-pandemic levels and are realistic in our expectations and projections. We also plan to work to improve our on-line educational content for families and on-line engagement activities.

In the year after the various grants end, we will also concentrate our fundraising, planning and delivery efforts to achieve a number of other capital projects which include; the reconstruction and launch of Elizabeth Gaskell's Bedroom; a new temporary exhibition on the novel 'Cranford'; the Amazons of Ardwick AIM/BIFFA Project; the progression of our ambition to become an Arts Council Accredited Museum; and the reorganisation of our collection store.

Risks associated with our current plans include the possible surrender of a lease by a Tenant for one large room and one small room which has previously brought in an income of £12,000 pa. The Tenant has not been able to make use of the space because of the pandemic. We hope that the Tenant will not give up the lease but if they do, we intend to use the liberated space constructively to provide new attractions for visitors (enhanced exhibition and interpretation space).

Funding applications and fundraising will take place over the next two years to help fund the development of the first-floor visitor experience and to reinstate the conservatory.

Funding from the Hibbert Trust was secured in Dec 2019 which has funded the installation of a Time-line and The Family Tree. and additional training on the influence of Unitarianism on Elizabeth's life and works. Throughout 2020 fundraising efforts were concentrated on raising funds for the reconstruction of Elizabeth Gaskell's Bedroom and over £20,000 was raised. Work is progressing well with a view to opening the room as a new attraction after Easter 2021.

Planning will also start this year on a proposal to reinstate the conservatory and to create an audio-visual tour of the garden with a view to work starting in 2022.

Other risks are more difficult to mitigate since they rely on the general/national progress towards normality which is so difficult to predict at this point in time. If the recovery from the pandemic is slow, and if the Government's Job Retention Scheme is extended, we do have the option to furlough staff again, though we are reluctant to do this as there is much work needed behind the scenes to prepare for a sustained recovery and we do not wish to lose momentum. If this was necessary, we would ask Trustees to step in to perform essential duties which could save up to £1,000 per month.

Amongst other plans is increased marketing of the House as a wedding venue, more on-line sales (talks and retail), and the opening of a new period room on the top floor (Elizabeth Gaskell's Bedroom) which should prove popular, and an extra incentive to visit, for both new and returning visitors.

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Future income and fundraising plans will contribute to our sustained recovery and longer-term sustainability by contributing directly to our Revenue budget and through Capital projects that will encourage more visitors (and repeat visitors) by providing an enhanced visitor offer.

We already have good financial controls and regular monitoring and reporting processes in place and have during this past year established an extra regular bi-monthly 'Management & Finance' meeting which meets before the meeting of the main Board of Trustees and reports to it with any recommendations or actions that are required (both meeting cycles on Zoom currently).

The costs of admission to the House were increased in November 2019 by 50p. Increases to wedding charges, events and external speakers will also be introduced in the next 12 months, with a review of group tour costs in 2021. Prices in the Tea Room were also reviewed and increased in Nov 19 in line with increased expenditure.

The House will be applying for Museum Accreditation in 2021 which if successful will provide greater funding and training opportunities for volunteers and staff, and give the House more scope for loans of artefacts, and for national recognition. A VAQAS (Visitor Attractions Quality Accreditation) award was granted to the House in March 2020 which will create stronger links with Visit England and offer new marketing opportunities as well as supporting the museum accreditation application.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated June 10 1998, as amended by special resolution dated September 19 2020. It is registered as a charity with the Charity Commission.

### **Members of the company**

Those eligible for membership of the company are the original subscribers to the Memorandum and Articles of Association and "such other persons or corporations as may desire to be admitted to membership and who are elected by the Governing Body". There are currently 170 members of the company, none of which are corporations, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up.

### **Appointment of Directors and Trustees – The Governing Body**

The Directors, who are the Trustees, are collectively known as the Governing Body. They are appointed either by the Governing Body or by the members in general meeting.

One third of the Trustees retire by rotation each year, being the longest in office and are eligible for re-election. Only those retiring by rotation or those nominated by the Governing Body are eligible for election, unless a member gives not less than fourteen and not more than sixty days written notice (delivered to the Company's registered office) of their intention to stand or propose someone else for election (who has also confirmed in writing their willingness to be elected).

### **Trustee recruitment, induction and training**

Trustees are recruited for their individual skills, experience and expertise and usually have an interest in the Gaskells, either through Elizabeth's writings or William's religious and social work (in which he was supported by the rest of the family) and/or an interest in promoting the house as a community, arts and cultural venue. The recent Governance review also included a skills audit of the board and the decision has been made to recruit for two new posts with specific skills in 2021.

Trustees are made aware of the resources available on the Charity Commission website.

### **Organisation**

The Governing Body, which must be not be less than five members or more than fifteen, administers the Charity and meets as necessary, now bi-monthly. Responsibility for day to day management is delegated to the House Manager.

### **Related parties**

Details of related party transactions are given in the notes to the financial statements.

### **Co-operation with other organisations/charities**

Elizabeth Gaskell's House is part of an effective network of small heritage attractions across Manchester. The Hidden 8 work together to market their venues and cross-promote events and group tours.

Elizabeth Gaskell's House has also hosted events as part of Manchester Literature Festival and is a part of the consortium of organisations developing Manchester's UNESCO City of Literature activities.

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TRUSTEES' AND DIRECTORS' ANNUAL REPORT  
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**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) (second edition – October 2019);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

**SMALL COMPANY PROVISIONS AND APPROVAL**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Trustees and signed on its behalf by:

Frank Galvin - Chair

Date:

**INDEPENDENT EXAMINERS' REPORT  
TO THE TRUSTEES OF MANCHESTER HISTORIC BUILDINGS TRUST  
FOR THE YEAR ENDED OCTOBER 31 2020**

I report to the charity trustees on my examination of the consolidated accounts of the Group comprising Manchester Historic Buildings Trust (the company/charity) and its subsidiary for the year ended October 31 2020 which are set out on pages 9 to 25.

**Responsibilities and basis of report**

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and you have chosen to prepare consolidated accounts for the Group. You are satisfied that the accounts of both the Charity and the Group are not required by charity law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your consolidated accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**Peter Smith BA FCA DChA**

For and on behalf of:  
Chittenden Horley Limited  
Chartered Accountants  
456 Chester Road  
Old Trafford  
Manchester M16 9HD

Date:



**MANCHESTER HISTORIC BUILDINGS TRUST  
GROUP STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)  
FOR THE YEAR ENDED OCTOBER 31 2020**

	Notes	Unrestricted funds		Restricted	Total	Total
		General	Designated	Funds	2020	2019
		£	£	£	£	£
<b>Incoming resources from generated funds:</b>						
Donations	2	48,856	-	102,932	<b>151,788</b>	72,657
Charitable activities	3	14,504	-	-	<b>14,504</b>	60,744
Other trading activities	4	24,829	-	-	<b>24,829</b>	58,641
Investment income - bank interest		464	-	-	<b>464</b>	199
<b>TOTAL INCOME</b>		<u>88,653</u>	<u>-</u>	<u>102,932</u>	<b><u>191,585</u></b>	<u>192,241</u>
<b>EXPENDITURE</b>						
Raising funds	6	18,054	-	-	<b>18,054</b>	27,655
Charitable activities	7	60,194	1,163	82,438	<b>143,795</b>	141,733
<b>TOTAL EXPENDITURE</b>		<u>78,248</u>	<u>1,163</u>	<u>82,438</u>	<b><u>161,849</u></b>	<u>169,388</u>
<b>NET INCOME/(EXPENDITURE)</b>						
<b>BEFORE TRANSFERS</b>	9	10,405	(1,163)	20,494	<b>29,736</b>	22,853
Transfers between funds	16	<u>(60,000)</u>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>	16	<u>(49,595)</u>	<u>58,837</u>	<u>20,494</u>	<b><u>29,736</u></b>	<u>22,853</u>
<b>FUNDS BROUGHT FORWARD</b>	16	<u>121,455</u>	<u>2,113</u>	<u>2,642,814</u>	<b><u>2,766,382</u></b>	<u>2,743,529</u>
<b>FUNDS CARRIED FORWARD</b>	16	<u><u>71,860</u></u>	<u><u>60,950</u></u>	<u><u>2,663,308</u></u>	<b><u><u>2,796,118</u></u></b>	<u><u>2,766,382</u></u>

The notes on pages 14 to 25 form part of these financial statements.

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**CHARITY STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)**  
**FOR THE YEAR ENDED OCTOBER 31 2020**

	Notes	Unrestricted funds		Restricted	Total	Total
		General	Designated	Funds	2020	2019
		£	£	£	£	£
<b>Incoming resources from generated funds:</b>						
Donations	2	48,856		102,932	<b>151,788</b>	72,657
Charitable activities	3	-	-	-	-	27,246
Other trading activities	4	9,590		-	<b>9,590</b>	24,694
Investment income - bank interest		464	-	-	<b>464</b>	199
<b>TOTAL INCOME</b>		<u>58,910</u>	<u>-</u>	<u>102,932</u>	<b><u>161,842</u></b>	<u>124,796</u>
<b>EXPENDITURE</b>						
Raising funds	6	2,467	-	-	<b>2,467</b>	1,842
Charitable activities	7	46,038	1,163	82,438	<b>129,639</b>	100,101
<b>TOTAL EXPENDITURE</b>		<u>48,505</u>	<u>1,163</u>	<u>82,438</u>	<b><u>132,106</u></b>	<u>101,943</u>
<b>NET INCOME/(EXPENDITURE)</b>						
<b>BEFORE TRANSFERS</b>	9	10,405	(1,163)	20,494	<b>29,736</b>	22,853
Transfers between funds	16	<u>(60,000)</u>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>	16	<u>(49,595)</u>	<u>58,837</u>	<u>20,494</u>	<b><u>29,736</u></b>	<u>22,853</u>
<b>FUNDS BROUGHT FORWARD</b>	16	<u>121,455</u>	<u>2,113</u>	<u>2,642,814</u>	<b><u>2,766,382</u></b>	<u>2,743,529</u>
<b>FUNDS CARRIED FORWARD</b>	16	<u><u>71,860</u></u>	<u><u>60,950</u></u>	<u><u>2,663,308</u></u>	<b><u><u>2,796,118</u></u></b>	<u><u>2,766,382</u></u>

The notes on pages 14 to 25 form part of these financial statements.

**MANCHESTER HISTORIC BUILDINGS TRUST  
GROUP BALANCE SHEET  
AS AT OCTOBER 31 2020**

	Notes	2020 £	2020 £	2019 £	2019 £
<b>FIXED ASSETS</b>					
Tangible Assets - functional	11		100,113		111,547
Tangible Assets - heritage	12		<u>2,509,755</u>		<u>2,509,755</u>
			<b>2,609,868</b>		<b>2,621,302</b>
<b>CURRENT ASSETS</b>					
Stock		9,317		8,305	
Debtors	14	19,940		13,007	
Cash at Bank and in Hand		<u>186,251</u>		<u>150,871</u>	
		<b>215,508</b>		<b>172,183</b>	
<b>CREDITORS</b>					
Amounts falling due in one year	15		<u>29,258</u>		<u>27,103</u>
<b>NET CURRENT ASSETS</b>					
			<u>186,250</u>		<u>145,080</u>
<b>NET ASSETS</b>					
			<u>2,796,118</u>		<u>2,766,382</u>
<b>FUNDS</b>					
Unrestricted	16		132,810		123,568
Restricted	16		<u>2,663,308</u>		<u>2,642,814</u>
<b>TOTAL FUNDS</b>			<u>2,796,118</u>		<u>2,766,382</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending October 31 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under section 476 requiring the company to obtain an audit of its accounts for the year in question.

**Directors' responsibilities**

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 14 to 25 form part of these financial statements.

**Approved by the Board and authorised for issue on:**

**And signed on their behalf by:**

**Frank Galvin - Director**

Company registration number 3578992

**MANCHESTER HISTORIC BUILDINGS TRUST  
CHARITY BALANCE SHEET  
AS AT OCTOBER 31 2020**

	Notes	2020 £	2020 £	2019 £	2019 £
<b>FIXED ASSETS</b>					
Tangible Assets - functional	11		100,113		111,547
Tangible Assets - heritage	12		2,509,755		2,509,755
Investments	13		10		10
			<u>2,609,878</u>		<u>2,621,312</u>
<b>CURRENT ASSETS</b>					
Debtors	14	67,144		21,190	
Cash at Bank and in Hand		<u>144,023</u>		<u>146,639</u>	
		<u>211,167</u>		<u>167,829</u>	
<b>CREDITORS</b>					
Amounts falling due in one year	15		<u>24,927</u>		<u>22,759</u>
<b>NET CURRENT ASSETS</b>					
			<u>186,240</u>		<u>145,070</u>
<b>NET ASSETS</b>					
			<u>2,796,118</u>		<u>2,766,382</u>
<b>FUNDS</b>					
Unrestricted	16		132,810		123,568
Restricted	16		<u>2,663,308</u>		<u>2,642,814</u>
<b>TOTAL FUNDS</b>			<u>2,796,118</u>		<u>2,766,382</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending October 31 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under section 476 requiring the company to obtain an audit of its accounts for the year in question.

**Directors' responsibilities**

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 14 to 25 form part of these financial statements.

**Approved by the Board and authorised for issue on:**

**And signed on their behalf by:**

**Frank Galvin - Director**

Company registration number 3578992

**MANCHESTER HISTORIC BUILDINGS TRUST  
GROUP AND CHARITY STATEMENTS OF CASH FLOWS  
AS AT OCTOBER 31 2020**

	notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Cash used in operating activities</b>	21	<b>34,915</b>	<b>40,923</b>	<b>(3,081)</b>	<b>43,006</b>
<b>Cashflows from investing activities</b>					
Interest and dividends		464	199	464	199
Purchase of tangible fixed assets		1	(1,000)	1	(1,000)
<b>Cash provided by/(used in) investing activities</b>		<b>465</b>	<b>(801)</b>	<b>465</b>	<b>(801)</b>
<b>Cashflows from financing activities</b>					
Proceeds from new borrowings		-	-	-	-
Repayment of borrowing		-	-	-	-
<b>Cash used in financing activities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase/(decrease) in cash &amp; cash equivalents in the year</b>		<b>35,380</b>	<b>40,122</b>	<b>(2,616)</b>	<b>42,205</b>
<b>Cash and cash equivalents brought forward</b>		<b>150,871</b>	<b>110,749</b>	<b>146,639</b>	<b>104,434</b>
<b>Cash and cash equivalents carried forward</b>		<b>186,251</b>	<b>150,871</b>	<b>144,023</b>	<b>146,639</b>
<b>Cash and cash equivalents consist of:</b>					
Cash at bank and in hand		186,251	150,871	144,023	146,639
		<b>186,251</b>	<b>150,871</b>	<b>144,023</b>	<b>146,639</b>

The notes on pages 14 to 25 form part of these financial statements.

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared: under the historic cost convention; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling, which is the functional currency of the Group.

The accounts have been prepared on the going concern basis, and the trustees believe that this remains appropriate. They are aware of the potential impact of Covid 19, and comment as follows in their report:

“The Trust was financially viable before the Covid 19 pandemic as evidenced by our end of year financial performance. The trustees are aware that the current health and business uncertainties caused by the Covid 19 pandemic continue to be a major concern and continues to have a severe negative impact on the global and UK economy.

During the year, and to comply with government directives and to safeguard the health and well-being of staff, volunteers and visitors, the House was closed to visitors and all commercial activities ceased from March 23 2020. During this period of ‘lock-down’ all staff were placed on furlough leave in order that the charity could avail itself of support from the Government’s Job Retention Scheme (JRS) which has paid 80% of all salaries, whilst the Trustees agreed that MHBT would ‘top-up’ salaries by the remaining 20% until the end of July 2020, when the employer’s contribution would become mandatory and would be an increasing burden on our finances through to the end of the JRS.

The Government announcement on 25 June that Museums and Historic Houses could reopen from 4<sup>th</sup> July has allowed the Trustees to bring all staff back from furlough leave from 1 August 2020 in preparation for reopening the House on 12 August with timed tickets, cashless payments and social distancing. Weddings, an important source of income for the House, were also able to resume from 4<sup>th</sup> July.

To summarise the central Government support already received and which will offset the negative effects on income of the Covid 19 pandemic, are: -

- Job Retention Scheme payments (March to July) £19,876
- Small Business Grant payment £25,000
- Rates Relief ‘holiday’ £4,045

In addition, we also made a successful application to the National Lottery Heritage Fund’s Emergency Fund and received a NLHF Emergency Fund grant of £50,000.

Collectively these sources of support total £98,921.

Given these additional sources of support the Trustees are confident that the Charity is a Going Concern.”

**Income recognition**

All income is recognised once the charity 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 applies to particular types of income:

**Grants**, whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

**Donations** from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

**Earned income** is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

**Deferred income**

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**1 ACCOUNTING POLICIES (continued)**

**Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds	including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.
Charitable activities	costs of undertaking the work of the charity.

The Group is registered for VAT and has elected to tax on its property Gaskell House. It is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT where charged and irrecoverable VAT is included as a separate charge either within direct costs or support costs as appropriate.

**Allocation of support costs**

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include property costs, back office functions, circularisation costs, security and maintenance costs and professional fees. The basis of allocations is set out in note 8.

**Functional tangible fixed assets and depreciation**

Individual functional fixed assets costing more than £1,000 are capitalised at cost and are depreciated, after taking account of residual values, over their estimated useful lives on a straight line basis as set out below.

Depreciation rates are as follows:

Fixtures and fittings	25%
Display and interpretation	over 15 years

**Heritage Assets**

Assets held for their historical or artistic importance to advance preservation, conservation and public access to the nation's culture and education are classified as heritage assets in the accounts. The Trust capitalises heritage properties at their purchase price plus any restoration costs to restore them to their former condition and bring them back into use. Any further preservation costs are charged to the statement of financial activities when carried out. The Trust owns the freehold property Gaskell House the former home of the Elizabeth and William Gaskell and their daughters and during the year commenced the final stage of the restoration through work on the Coach House.

Items acquired for exhibition are included at their purchase price or if donated at their estimated value on acquisition.

No depreciation is charged on heritage assets as the trustees believe that they have an indefinite life. The trustees consider annually whether any heritage assets have been impaired and adjust the carrying value accordingly. There have been no impairments to the assets.

**Debtors**

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes 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.

**Creditors and provisions**

Creditors and provisions are recognised where the charity 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.

**Financial instruments**

The charity has only basic financial instruments which are initially recorded at cost, and subsequently measured at their settlement value.

**Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary, The Gaskell's House Trading Ltd on a line by line basis.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b>2 DONATIONS</b>						
HLF resilience funding	-	31,560	<b>31,560</b>	-	39,450	<b>39,450</b>
HLF Covid Emergency funding	-	50,000	<b>50,000</b>	-	-	-
The Hibbert Trust	-	6,000	<b>6,000</b>	-	-	-
MCC Business support	25,000	-	<b>25,000</b>	-	-	-
HMRC CJRS grant	19,876	-	<b>19,876</b>	-	-	-
Membership	2,412	-	<b>2,412</b>	2,588	-	<b>2,588</b>
Donations - individuals	1,568	-	<b>1,568</b>	10,541	-	<b>10,541</b>
Donations - bedroom	-	15,372	<b>15,372</b>	-	20,000	<b>20,000</b>
Donations - garden	-	-	-	-	78	<b>78</b>
<b>Group income</b>	<b>48,856</b>	<b>102,932</b>	<b>151,788</b>	<b>13,129</b>	<b>59,528</b>	<b>72,657</b>
Gaskell's House Trading Ltd	-	-	-	-	-	-
<b>Charity income</b>	<b>48,856</b>	<b>102,932</b>	<b>151,788</b>	<b>13,129</b>	<b>59,528</b>	<b>72,657</b>
<b>3 INCOME FROM CHARITABLE ACTIVITIES</b>						
ACE - servants stories	-	-	-	-	14,900	<b>14,900</b>
Granada Foundation - servants stories	-	-	-	-	1,000	<b>1,000</b>
Duchy of Lancaster - servants stories	-	-	-	-	800	<b>800</b>
Heritage Fund - sharing Ruskin legacy	-	-	-	-	9,700	<b>9,700</b>
Viridor Credits - garden	-	-	-	-	846	<b>846</b>
<b>Charity income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,246</b>	<b>27,246</b>
<b>Earned income</b>						
<b>Subsidiary income</b>						
Admissions	8,937	-	<b>8,937</b>	23,395	-	<b>23,395</b>
Guide books	492	-	<b>492</b>	1,644	-	<b>1,644</b>
Events	5,075	-	<b>5,075</b>	8,459	-	<b>8,459</b>
	<b>14,504</b>	<b>-</b>	<b>14,504</b>	<b>33,498</b>	<b>-</b>	<b>33,498</b>
<b>Group income</b>	<b>14,504</b>	<b>-</b>	<b>14,504</b>	<b>33,498</b>	<b>27,246</b>	<b>60,744</b>
<b>4 OTHER TRADING INCOME</b>						
Events, raffles and other	90	-	<b>90</b>	540	-	<b>540</b>
Rent and room hire	9,500	-	<b>9,500</b>	24,154	-	<b>24,154</b>
<b>Charity income</b>	<b>9,590</b>	<b>-</b>	<b>9,590</b>	<b>24,694</b>	<b>-</b>	<b>24,694</b>
<b>Subsidiary income</b>						
Tea rooms	5,053	-	<b>5,053</b>	11,793	-	<b>11,793</b>
Books and gifts	6,558	-	<b>6,558</b>	12,845	-	<b>12,845</b>
Room hire	9,878	-	<b>9,878</b>	19,309	-	<b>19,309</b>
	<b>21,489</b>	<b>-</b>	<b>21,489</b>	<b>43,947</b>	<b>-</b>	<b>43,947</b>
<b>less eliminated on consolidation:</b>						
Rent charged to subsidiary	(6,250)	-	<b>(6,250)</b>	(10,000)	-	<b>(10,000)</b>
<b>Group income</b>	<b>24,829</b>	<b>-</b>	<b>24,829</b>	<b>58,641</b>	<b>-</b>	<b>58,641</b>

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**5 TRADING SUBSIDIARY - The Gaskells' House Trading Ltd**

	2020	2019
	£	£
Turnover	35,993	77,445
Cost of sales	<u>(8,955)</u>	<u>(19,290)</u>
<b>Gross profit</b>	<b>27,038</b>	<b>58,155</b>
Administration costs	<b>(61,929)</b>	<b>(86,389)</b>
Other income (grant from MHBT, eliminated on consolidation)	<b>34,891</b>	<b>28,234</b>
<b>Net profit before taxation</b>	<b>-</b>	<b>-</b>
Taxation	<u>-</u>	<u>-</u>
<b>Net profit after taxation</b>	<u><u>-</u></u>	<u><u>-</u></u>

Total assets	<b>54,075</b>	<b>17,712</b>
Total liabilities	<u><b>(54,065)</b></u>	<u><b>(17,702)</b></u>
Net funds	<u><u><b>10</b></u></u>	<u><u><b>10</b></u></u>

**Subsidiary costs included in Group accounts**

Cost of sales	<b>8,955</b>	<b>19,290</b>
Administration costs	<b>61,929</b>	<b>86,389</b>
Less eliminated on consolidation - rent	<u><b>(6,250)</b></u>	<u><b>(10,000)</b></u>
	<u><u><b>64,634</b></u></u>	<u><u><b>95,679</b></u></u>

**Subsidiary income and costs included on consolidation are analysed as follows:**

	Charitable		2020	Charitable		2019
	activities	Fundraising	Total	activities	Fundraising	Total
	£	£	£	£	£	£
<b>INCOME</b>						
Tea rooms	-	5,053	<b>5,053</b>	-	11,793	<b>11,793</b>
Books and gifts	-	6,558	<b>6,558</b>	-	12,845	<b>12,845</b>
Room hire	-	9,878	<b>9,878</b>	-	19,309	<b>19,309</b>
Admissions	8,937	-	<b>8,937</b>	23,395	-	<b>23,395</b>
Guide books	492	-	<b>492</b>	1,644	-	<b>1,644</b>
Events	5,075	-	<b>5,075</b>	8,459	-	<b>8,459</b>
	<u>14,504</u>	<u>21,489</u>	<u><b>35,993</b></u>	<u>33,498</u>	<u>43,947</u>	<u><b>77,445</b></u>
<b>EXPENDITURE</b>						
Staff costs	29,155	5,145	<b>34,300</b>	37,188	6,563	<b>43,750</b>
Direct costs tea rooms	-	5,458	<b>5,458</b>	-	9,187	<b>9,187</b>
Goods for resale	-	1,777	<b>1,777</b>	-	5,168	<b>5,168</b>
Ticketing, event and other costs	1,720	-	<b>1,720</b>	4,935	-	<b>4,935</b>
Advertising and publicity	3,188	563	<b>3,750</b>	4,457	786	<b>5,243</b>
Premises & insurance costs	10,540	1,860	<b>12,400</b>	17,085	3,015	<b>20,100</b>
Overheads	4,445	784	<b>5,229</b>	6,202	1,094	<b>7,296</b>
	<u>49,047</u>	<u>15,587</u>	<u><b>64,634</b></u>	<u>69,866</u>	<u>25,813</u>	<u><b>95,679</b></u>

Rent charged by the charity of £6,250 (2019 - £10,000) is eliminated on consolidation, as is the grant to the subsidiary from the charity of £34,891 (2019 - £28,234).

Premises, insurance and overheads are allocated on an estimate of resources used.

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
<b>6 COSTS OF RAISING FUNDS</b>	£	£	£	£	£	£
Support costs	2,467	-	2,467	1,842	-	1,842
<b>Charity costs</b>	<b>2,467</b>	<b>-</b>	<b>2,467</b>	<b>1,842</b>	<b>-</b>	<b>1,842</b>
<b>Subsidiary costs</b>						
Staff costs	5,145	-	5,145	6,563	-	6,563
Direct costs tea room	5,458	-	5,458	9,187	-	9,187
Goods for resale	1,777	-	1,777	5,168	-	5,168
Advertising & marketing	563	-	563	786	-	786
Premises, insurance & overheads	2,644	-	2,644	4,109	-	4,109
	15,587	-	15,587	25,813	-	25,813
<b>Group costs</b>	<b>18,054</b>	<b>-</b>	<b>18,054</b>	<b>27,655</b>	<b>-</b>	<b>27,655</b>

**7 EXPENDITURE ON CHARITABLE ACTIVITIES**

<b>Charity</b>						
Grant paid to subsidiary	34,891	-	34,891	28,234	-	28,234
Staff costs	39,874	-	39,874	15,373	-	15,373
Other direct costs	20,113	-	20,113	24,942	-	24,942
Depreciation	11,433	-	11,433	12,376	-	12,376
Support costs	23,328	-	23,328	19,176	-	19,176
Charged to restricted funds	(82,438)	82,438	-	(71,934)	71,934	-
<b>Total for charity company</b>	<b>47,201</b>	<b>82,438</b>	<b>129,639</b>	<b>28,167</b>	<b>71,934</b>	<b>100,101</b>
<b>Subsidiary</b>						
<b>Direct costs</b>						
Staff costs	29,155	-	29,155	37,188	-	37,188
Ticketing, event and other costs	1,720	-	1,720	4,935	-	4,935
Premises & insurance costs	10,540	-	10,540	17,085	-	17,085
<b>Support costs with subsidiary:</b>						
Advertising & marketing	3,188	-	3,188	4,457	-	4,457
Overheads	4,445	-	4,445	6,202	-	6,202
	49,047	-	49,047	69,866	-	69,866
Grant eliminated on consolidation	(34,891)	-	(34,891)	(28,234)	-	(28,234)
<b>Total for group</b>	<b>61,357</b>	<b>82,438</b>	<b>143,795</b>	<b>69,799</b>	<b>71,934</b>	<b>141,733</b>

Total costs of £1,163 (charitable) have been charged to designated funds (2019 - £23,071).

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**8 SUPPORT & GOVERNANCE COSTS**

	2020			2019		
	Fundraising	Charitable	Total	Fundraising	Charitable	Total
<b>Support costs</b>	£	£	£	£	£	£
Premises & insurance	718	6,464	<b>7,182</b>	508	4,573	<b>5,081</b>
Office costs & other costs	590	5,305	<b>5,895</b>	126	1,138	<b>1,264</b>
Circularisation	-	2,348	<b>2,348</b>	-	2,478	<b>2,478</b>
Advertising & promotion	-	3,263	<b>3,263</b>	-	6,907	<b>6,907</b>
Security & maintenance	100	898	<b>998</b>	79	713	<b>792</b>
Management accounts	1,059	-	<b>1,059</b>	1,129	-	<b>1,129</b>
Bank charges	-	1,150	<b>1,150</b>	-	1,270	<b>1,270</b>
	<u>2,467</u>	<u>19,428</u>	<u><b>21,895</b></u>	<u>1,842</u>	<u>17,079</u>	<u><b>18,921</b></u>
<b>Governance costs</b>						
Legal, professional & accountancy	-	3,900	<b>3,900</b>	-	2,097	<b>2,097</b>
	<u>-</u>	<u>3,900</u>	<u><b>3,900</b></u>	<u>-</u>	<u>2,097</u>	<u><b>2,097</b></u>
<b>Total support costs</b>	<u>2,467</u>	<u>23,328</u>	<u><b>25,795</b></u>	<u>1,842</u>	<u>19,176</u>	<u><b>21,018</b></u>

Costs that can be wholly attributed to either support or governance are allocated directly to those functions, and other costs are allocated either on the basis of the estimation of time spent (staff costs) or consumption of resources (office costs).

**9 GROUP NET INCOMING RESOURCES AFTER TRANSFERS**

	2020	2019
This is stated after charging/(crediting):	£	£
Accountant/Independent examiner's fees		
Report	<b>970</b>	<b>970</b>
Accountancy and advice	<b>1,315</b>	<b>1,127</b>
Depreciation charged on fixed assets	<b>11,433</b>	<b>12,376</b>
Directors' remuneration & trustees' expenses	<u>-</u>	<u>-</u>

**10 STAFF INFORMATION**

**a Staff costs**

Salaries and benefits	<b>71,230</b>	57,073
Employer's pension contributions (defined contribution scheme)	<b>1,312</b>	990
Employer's NI contributions (net of employer's allowance)	<b>1,632</b>	1,060
	<u><b>74,174</b></u>	<u>59,123</u>

No employees earned more than £60,000 pa in either year

**b Key management personal**

The key management personal comprise the trustees and principle staff as set out on page 1. The trustees do not receive any remuneration for their services.

Employment benefits principle staff	<u><b>34,352</b></u>	<u>31,096</u>
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**c Average number of employees**

The average number of employees was as follows:-

	Average number	Average number
	<u>5</u>	<u>5</u>
	<u>5</u>	<u>5</u>

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**11 TANGIBLE FIXED ASSETS - FUNCTIONAL**

Group and charity	Display & Interpretation	Fixtures fittings & equipment £	Total £
<b>Cost</b>			
As at November 1 2019	159,388	21,446	180,834
As at October 31 2020	<u>159,387</u>	<u>21,446</u>	<u>180,833</u>
<b>Depreciation</b>			
As at November 1 2019	50,144	19,143	69,287
Provided	<u>10,626</u>	<u>807</u>	<u>11,433</u>
As at October 31 2020	<u>60,770</u>	<u>19,950</u>	<u>80,720</u>
<b>Net Book Value</b>			
As at October 31 2020	<u><u>98,617</u></u>	<u><u>1,496</u></u>	<u><u>100,113</u></u>
As at October 31 2019	<u>109,244</u>	<u>2,303</u>	<u>111,547</u>

**12 TANGIBLE FIXED ASSETS - HERITAGE ASSETS**

Group and charity	Freehold property	Exhibits £	Total £
<b>Cost</b>			
As at November 1 2019	2,458,597	51,158	2,509,755
As at October 31 2020	<u>2,458,597</u>	<u>51,158</u>	<u>2,509,755</u>
<b>Depreciation</b>			
As at November 1 2019	-	-	-
As at October 31 2020	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Book Value</b>			
As at October 31 2020	<u><u>2,458,597</u></u>	<u><u>51,158</u></u>	<u><u>2,509,755</u></u>
As at October 31 2019	<u>2,458,597</u>	<u>51,158</u>	<u>2,509,755</u>

The freehold property is subject to a first charge in favour of the Heritage lottery Memorial fund entered into on October 10 2014 as a condition of the award of a grant of c£1.8m towards phase 2 of the restoration.

The above assets are all included at cost.

The five year financial summary of heritage asset transactions is as follows;

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Building acquisition/restoration	145,067	30,784	3,812	-	-
Exhibits (furniture, fittings & fixtures)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>

Exhibits include furniture, fittings and fixtures acquired by the Trust in order to furnish the house in an authentic style consistent with the Gaskell Family's occupation of the property.

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**13 FIXED ASSETS INVESTMENTS**

The charity has owns 100% of the issued share capital of the following company

Name	Activity	Investment		Company no.
		2020	2019	
		£	£	
The Gaskells' House Trading Ltd	running Gaskell House as a visitor attraction and café	10	10	7364259

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£	£	£	£
<b>14 DEBTORS</b>				
Income receivable	6,120	7,422	3,590	2,245
Amount due from group company	-	-	49,734	13,360
VAT reclaimable	2,865	-	2,865	-
Prepayments & other debtors	<u>10,955</u>	<u>5,585</u>	<u>10,955</u>	<u>5,585</u>
	<u>19,940</u>	<u>13,007</u>	<u>67,144</u>	<u>21,190</u>

**15 CREDITORS falling due within one year**

Trade creditors	8,858	4,260	4,753	574
Accruals	17,595	16,838	17,595	16,838
Other taxation and social security	1,132	4,229	906	3,571
Pension contributions	173	276	173	276
Funds in trust	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
	<u>29,258</u>	<u>27,103</u>	<u>24,927</u>	<u>22,759</u>

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**16 STATEMENT OF FUNDS**

Group	2019/19				bf and c/f 31/10/2019 01/11/2019 £	2019/20			
	01/11/2018 £	Income £	Expenditure £	Transfers £		Income £	Expenditure £	Transfers £	31/10/2020 £
<b>Unrestricted Funds:</b>									
General fund	112,279	105,467	(96,291)	-	121,455	(78,248)	(60,000)	71,860	
Designated funds	3,276	-	(1,163)	-	2,113	(1,163)	60,000	60,950	
	<u>115,555</u>	<u>105,467</u>	<u>(97,454)</u>	<u>-</u>	<u>123,568</u>	<u>(79,411)</u>	<u>-</u>	<u>132,810</u>	
<b>Restricted Funds:</b>									
As below	2,627,974	86,774	(71,934)	-	2,642,814	(82,438)	-	2,663,308	
	<u>2,627,974</u>	<u>86,774</u>	<u>(71,934)</u>	<u>-</u>	<u>2,642,814</u>	<u>(82,438)</u>	<u>-</u>	<u>2,663,308</u>	
<b>Total funds</b>	<u>2,743,529</u>	<u>192,241</u>	<u>(169,388)</u>	<u>-</u>	<u>2,766,382</u>	<u>(161,849)</u>	<u>-</u>	<u>2,796,118</u>	

**Unrestricted fund totals are analysed as follows:**

Charitable funds	115,555	132,810
Non charitable trading funds	-	-
	<u>115,555</u>	<u>132,810</u>

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**16 STATEMENT OF FUNDS (continued)**

Charity	2019/19				b/f and c/f		2019/20			
	01/11/2018	Income	Expenditure	Transfers	31/10/2019	01/11/2019	Income	Expenditure	Transfers	31/10/2020
	£	£	£	£	£	£	£	£	£	£
<b>Unrestricted Funds:</b>										
General fund	112,279	38,022	(28,846)	-	121,455	58,910	(48,505)	(60,000)		71,860
<b>Designated funds:</b>										
Building maintenance										
Phase 2 completion	3,276	-	(1,163)	-	2,113	-	(1,163)	-		950
	115,555	38,022	(30,009)	-	123,568	58,910	(49,668)	-		132,810
<b>Restricted Funds:</b>										
HLF Resilience funding	-	39,450	(27,607)	-	11,843	31,560	(20,430)	-		22,973
HLF Covid Emergency funding	-	-	-	-	-	50,000	(38,101)	-		11,899
The Hibbert Trust	-	-	-	-	-	6,000	(2,851)	-		3,149
Donations - William's study	2,406	-	-	-	2,406	-	(13)	-		2,393
Donations - Bedroom	-	20,000	-	-	20,000	15,372	(8,906)	-		26,466
Donations - volunteer coordinator	3,000	-	(3,000)	-	-	-	-	-		-
Donations/grant - garden	253	78	(205)	(106)	20	-	-	-		20
Other Phase 2	2,800	-	-	-	2,800	-	-	-		2,800
Servants stories	-	16,700	(16,700)	-	-	-	-	-		-
Sharing Ruskin legacy	-	9,700	(8,996)	-	704	-	(704)	-		-
Viridor Credits - garden	-	846	(952)	106	-	-	-	-		-
<b>Capital grants expended</b>										
Grants expended and asset capitalised	2,619,515	-	(14,474)	-	2,605,041	-	(11,433)	-		2,593,608
	2,627,974	86,774	(71,934)	-	2,642,814	102,932	(82,438)	-		2,663,308
<b>Total funds</b>	2,743,529	124,796	(101,943)	-	2,766,382	161,842	(132,106)	-		2,796,118

To represent the investment of capital project monies in costs which have been prepaid.

**Designated Fund**

**Restricted funds**

To ensure the economic viability of the charity.

For the restoration and furnishing of William Gaskell's study

For the upkeep of the garden

Amounts invested in fixed assets where there are continuing restrictions over their use. Depreciation is charged to this fund.

To support explanation of the Unitarian faith on the work of the Gaskell family.

**Designated and asset capitalised**

Hibbert Trust

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**17 ANALYSIS OF COMPANY NET ASSETS BETWEEN FUNDS**

	Unrestricted funds		Restricted	Total
	General	Designated	Funds	
<i>Fund balances at October 31 2020 are represented by:-</i>	£	£	£	£
Tangible fixed assets	16,260	-	2,593,608	<b>2,609,868</b>
Investments	10	-	-	<b>10</b>
Net current assets	<u>55,590</u>	<u>60,950</u>	<u>69,700</u>	<b>186,240</b>
	<u>71,860</u>	<u>60,950</u>	<u>2,663,308</u>	<b>2,796,118</b>
<i>Fund balances at October 31 2019 are represented by:-</i>				
Tangible fixed assets	16,261	-	2,605,041	2,621,302
Investments	10	-	-	10
Net current assets	<u>117,027</u>	<u>2,113</u>	<u>25,930</u>	<b>145,070</b>
	<u>133,298</u>	<u>2,113</u>	<u>2,630,971</u>	<b>2,766,382</b>

**18 CONSTITUTION**

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up the members are committed to contributing £1 each.

**19 TAXATION**

The Company is a registered charity and is entitled to claim annual exemption from UK corporation tax.

**20 CAPITAL COMMITMENTS**

There were no capital commitments authorised and contracted for at the end of the year (2019 £Nil).

**21 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£	£	£	£
Net income/(expenditure)	<b>29,736</b>	22,853	<b>29,736</b>	22,853
Add back depreciation	<b>11,433</b>	12,376	<b>11,433</b>	12,376
Adjustment HLF Phase 2 funding	-	-	-	-
Deduct interest income shown in investing activities	<b>(464)</b>	(199)	<b>(464)</b>	(199)
Deduct profit/add back losses on disposals of FA	-	-	-	-
Decrease/(increase) in stocks	<b>(1,012)</b>	368	-	-
Decrease/(increase) in debtors	<b>(6,933)</b>	1,192	<b>(45,954)</b>	4,829
Increase/(decrease) in creditors	<b>2,155</b>	4,333	<b>2,168</b>	3,147
<b>Net cash generated from/(used in) operating activities</b>	<b>34,915</b>	<b>40,923</b>	<b>(3,081)</b>	<b>43,006</b>

**MANCHESTER HISTORIC BUILDINGS TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31 2020**

**22 RELATED PARTY TRANSACTIONS**

Details of the trading between the charity and its subsidiary company are shown in the notes to the financial statements.

In the year the charity contracted with Mrs V Watson, a trustee, to provide book keeping services for which it paid her £900, (2019 – £1,000) and there was a balance of £2,900 outstanding at 31/10/20 (2019 – £2,000). Mrs Watson had played no part in the decision to engage her services.

There were no other related party transactions.

**23 NON ADJUSTING POST BALANCE SHEET EVENTS**

In common with other visitor attractions the Group has been affected by the measures taken by the Government since the year end to combat the pandemic, which led to the closure of the house and the tea rooms, with the consequential loss in income. The Group has taken advantage of technology to provide online talks which are income generating, and has continued to sell goods online. The Group is exploring offering online virtual tours of the house. In addition, the charity has secured Cultural Recovery Funding for Heritage of £49,700.

**24 CONTINGENT LIABILITIES**

The charity has received grant support for the restoration of Gaskell House from a number of different funders, which have continuing restrictions over the disposal of the property.

**Heritage Lottery Fund (HLF) - £190,935 (phase 1) and £1,430,877 (phase 2 – excluding revenue support)**

The Charity cannot dispose of the property by sale or lease for a period of twenty five years from June 2012 without the written consent of HLF, and if let or sold at a full market rate HLF may require that a proportion of the net proceeds are paid to them in accordance with their standard grant conditions. The charity is also obliged to open the property to the public and to advertise the opening times.

**English Heritage - £297,911 (Phase 1) and £86,849 (Phase 2)**

The Charity cannot dispose of the property by sale or lease for a period of ten years after the final payment of the grant (effectively from March 2013) without the written consent of English Heritage, which consent will only be given after any grant already paid has been recovered in full. The charity is also obliged to open the property to the public and to advertise the opening times.

**Biffa - £50,000**

If the charity disposes of the property, RSWT (the grantor) is entitled to some of the proceeds in proportion to their contribution, unless otherwise agreed.

There are no contingent liabilities attaching to the funding from other sources.

None of the above contingent liabilities are expected to crystallise.

**25 ULTIMATE CONTROL**

The company has been under the collective control of its directors, appointed by the members, throughout this and the preceding year. No director or member (taking account of any associates) has a controlling interest in the company.