

Company Registration No. 01946604 (England and Wales)

THE BIRMINGHAM SETTLEMENT
(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Registered Charity Number 517303)

The Birmingham Settlement

CONTENTS

	Pages
Trustees' Report	3 - 18
Independent Report of the Auditors	19 - 22
Consolidated Statement of Financial Activities	23
Consolidated Summary Income and Expenditure Account	24
Consolidated Balance Sheet	25
Charitable Company Balance Sheet	26
Consolidated Cashflow Statement	27
Notes to the Financial Statement	28 - 44

The Birmingham Settlement

TRUSTEES' REPORT

For the year ended 31 March 2024

The trustees present their report and financial statements for the year ended 31 March 2024.

Reference and Administrative information

Charity registration number: 517303

Company number: 01946604

Trustees

Mr Matthew Gregson	(Chair)
Mr Michael Burgess	
Mr Christopher Etheridge	
Councillor J L B Cotton	(Birmingham City Council nomination)
Rodney Garnes	
Alex Ballinger MP	
Stuart Roberts	
Manisha Sharma	
Mr George Sabharwal	(Resigned 15.5.23)

All trustees were elected by members at an Annual General Meeting and served for the full year except where otherwise indicated.

Chief Executive & Company Secretary

Mr M Holcombe

Registered Office

Birmingham Settlement
Sports & Community Centre
610 Kingstanding Road
Birmingham
B44 9SH

Auditors

Thomas & Young
Carleton House
266-268 Stratford Road
Shirley
Solihull
B90 3BD

Bankers

Lloyds Bank PLC
114-116 Colmore Row
Birmingham
B3 3BD

Structure Governance and Management

Governing document

Established in 1899, Birmingham Settlement is a registered charity under the Charities Act 1960.

Today, Birmingham Settlement is a charitable company limited by guarantee; incorporated on 11 September 1985, having no share capital, granted charitable status on 21 March 1986, it was established under its Memorandum of Association which sets out the objectives and powers of the charitable company and is governed under its Memorandum and Articles of Association.

Recruitment and Appointment of Board of Trustees

The trustees of the charity are also directors for the purposes of company law and referred to collectively as the Board of Trustees and individually as trustees through this report.

The Board of Trustees consists of up to twelve elected, three co-opted and two representative trustees. Trustees are elected at the Annual General Meeting for a term of three years, one third of elected trustees resigning each year and being eligible for re-election. The Board may co-opt up to three trustees to serve for a period defined by the Board up to a maximum three-year term. Birmingham City Council has the right to appoint two representative trustees. Co-opted and representative trustees carry the same duties and responsibilities as elected trustees.

Trustees seek to recruit new members to the Board from the communities it serves and from people with skills the Board considers appropriate and in the best interests of the charity. Recruitment is through membership, by word of mouth, partners, via service delivery experience and member nomination/election. Potential trustees are approached with a view to observing Board meetings and learning about the charity before formally joining via co-option or election at the Annual General Meeting.

During the year under review, no new trustees were appointed with one standing down.

Trustees' Induction and Training

The charity aims for its Board to include representatives of the communities it serves, those with relevant experience, skills and knowledge required to manage the legal duties, and obligations required of trustees.

Potential/new trustees are interviewed by existing trustees, normally the chair and one other, who explain the workings of the charity and its management. They are also taken on a conducted tour of the activities of the Settlement by one or more senior staff members. Each new trustee is introduced to members of staff and provided with information including copies of the charity's Memorandum and Articles of Association, its latest annual accounts and other information deemed appropriate.

Governance

During the year under review the Board of Trustees continued to review its policies, processes and working practices.

Risk Management

The charity maintains a risk register identifying risks to which the charity could be exposed. The risk register is reviewed on a regular basis; impact and likelihood are discussed with management with actions planned to minimise identified risks. Actions are recorded in the register for ongoing review and action.

Organisational Structure

The charity is governed by its Board of Trustees which is responsible for formulating strategies and policies including the approval of budgets and annual accounts. Some tasks are covered by a committee structure made up of trustees and members of staff. Committees oversee various activities of the charity and exercise powers delegated by the Board. Committees have their own terms of reference and report to the Board. The Board of Trustees will continue to review the suitability of the committee structure to ensure it meets the organisation needs and those of its stakeholders.

Trustees have delegated day-to-day control of the charity's operations to the Chief Executive assisted by a team of managers.

Objectives of the charity

In shaping the charity's objectives and in planning any future activities the trustees have referred to guidance contained in the Charity Commission's general guidance on public benefit. In particular, they have considered how planned activities will contribute to the aims and objectives set.

The principal aims of the charity continue to be:

- a) the relief of poverty, distress and hardship;
- b) the furtherance of health;
- c) the advancement of education and vocation training;
- d) the promotion of social rehabilitation and resettlement;
- e) the promotion of the physical, intellectual, social and moral welfare of the community; and
- f) the provision of recreational facilities in the interest of social welfare.

During the year under review the charity continued to combat disadvantage and discrimination and to foster change and innovation by providing independent services to help empower local communities and individuals.

Strategic Objectives

The Settlement's Board and Staff teams regularly review the charity's strategic objectives in line with changing, emerging, and presenting needs. This ensures the charity's work is clear and correctly focused; in particular, as we look to build and further develop our asset base over the next 3 – 5 years.

Our strategic objectives are therefore split into five key areas:

- To improve financial resilience for people and communities
- To build wellbeing for individuals and communities
- To develop people's skills, confidence, and voice
- To build environmental awareness, knowledge, and action
- To build and maintain a sustainable organisation

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

1. Financial resilience

Needed now more than ever, we have a long history of delivering and developing money advice services. Many of the areas where we work score heavily on the indices of deprivation for all sorts of reasons. Our mission is to create opportunity and choice and to put it bluntly, if people are worried about bills, rent arrears, buying school uniforms, or simply putting food on the table, they are not able to focus on building opportunity and so choice for either themselves or their community. By providing timely and professional money advice services we can give practical advice and support to alleviate at least some of the pressure and stresses facing those struggling to manage. Whether it be debt management plans, benefit claims, grant applications, budgeting skills – our money advice services can be a starting point in creating the right environment for people to move on with their lives.

2. Wellbeing

While the title 'wellbeing' in the context we think of today is relatively new, as with money advice, we have a long history of providing wellbeing services including the development and delivery of specialist workshops and courses to help build individual and community wellbeing, covering a range of issues such as mindfulness, nutrition, sleep, gratitude, mental health awareness, stress awareness, nature and wellbeing, social connection and many others. Whether through arts, sports, dance, healthy eating or similar services, the promotion of wellbeing is key to ensuring that people are physically and mentally in a position to take advantage of presenting opportunities and so live happy, healthier lives. We have therefore adopted the Five Ways to Wellbeing Principles and added our own sixth principle – be safe! Therefore, our wellbeing principles are:

- Connect
- Be active
- Take notice – be mindful
- Keep learning
- Give to others
- Be safe

3. Developing people

Following on, if our people and communities are financially stable and feeling happier and healthier, they are in a better position to learn and achieve including training, employment and greater community involvement – building voice to influence the services and environments around them, whether that be setting up community groups, starting a micro-business or simply attending forums and taking part in discussion about their area. However, our people often need further support to help them develop the confidence and skills to do those things and with that in mind, as well as regular employment support and digital skills training, we have and are developing more grassroots training to equip people with the skills they need to make a difference. We deliver a wide and growing range of 'starter' and 'follow-on' courses for professionals and community; from disability and mental health awareness and wellbeing to professional boundaries, from first aid to setting up a community group, as well as core courses such as Equality, Diversity & Inclusion, Safeguarding and similar.

4. Environmental awareness, knowledge, and action

Our impact on the environment is in the news daily and it is critical for all our futures that we take steps to reduce and reverse that impact. Using our assets, particularly our open spaces at the Birmingham Settlement Nature & Wellbeing Centre by Edgbaston Reservoir and our large Sports & Community Centre in Kingstanding, we have an opportunity to work with partners to show what we can do as individuals and communities to adapt and learn from the past, to improve the prospects for sustainable futures as well as improving our own immediate environments; including learning more about how to grow, care for, and nurture the resources, spaces, and areas where we live. Our work on environmental awareness is an important part of our objectives around the furtherance of health and the promotion of welfare of the community.

5. Sustainable organisation

To meet the above objectives, we need the resources and financial backing in place to make it happen and as such, our fifth strategic objective is to make sure the Settlement is viable and sustainable long-term. We are aware that reductions in public spending in recent years have had a significant impact on the sector, including the Settlement. We must be robust, enterprising, and SMART in the way we do things – we must be fleet of foot and adaptable to survive in difficult and challenging environments. While we will always want to be involved in statutory funding where we can influence and push for positive change, we also want work more closely with others – in particular trusts and foundations who share our vision and where we already have a number of positive partnerships on which to build. We also want and need to grow earned income and we have a number of ways of doing that including asset development. Ideally, we are aiming to achieve a 3-way split between statutory, donated, and earned income, which we believe will give the voice, partnerships, and security we need to move forwards.

Review of activities

The year under review has been a busy and productive year for the Settlement, but also a year of change.

The 'change' relates to the decision to activate the break clause in the lease relating to the Aston Centre, where we were based for some 20 years and where much of our delivery was based. The reason for pulling out was to free up resources and investment to focus on the development of our two owned sites, the Nature & Wellbeing Centre by Edgbaston Reservoir, and the Sports & Community Centre at Kingstanding, something we had been planning for several years. While it is never easy to leave a base held for so long, the reality for a charity of our size, with limited resources and capacity, is that we could not run three large delivery venues. However, in addition to our two owned sites, in late 2023 we took a 3-year lease on a unit in the Newtown Shopping Centre, a short walk from the Aston Centre, where our Money Advice Services Team have been based since February 2024, a site we know well and where our money advice and development teams were based until 2014 – in many ways a return to a more accessible space for those needing to access money advice.

The 'busy and productive' points relate to delivering our usual range of services to support the communities we work with, while developing the infrastructure and capacity of our two owned sites by Edgbaston Reservoir and Kingstanding as we build for the future; responding as best we can to the increased and increasing demand for services – money advice, wellbeing and community, and social as our communities and clients try to overcome the financial and wellbeing challenges they face, aggravated by the ongoing cost-of-living crisis and continual fall-out from Covid-19.

The notes below provide more detail, first on service delivery to people, second, on our asset development work as we continue to build for the future.

Money Advice:

Free, face-to-face money advice continues to be an essential service to those struggling to cope. Our professionally trained and Financial Conduct Authority regulated Money Advice Team delivers an effective range of solutions which are needed now more than ever as the cost-of-living crisis continues and pushes even more people into financial problems, including those who in the past have been classed as 'just about managing' but who are now struggling even more due to factors out of their control. Demand was so high that we were unable to run open-door drop-in sessions as we have in the past, instead expanding our face-to-face appointments (including emergency appointments), building our on-line and phone capacity, and, increasing the number of outreach surgeries we delivered in partnership with others including food banks, children's centres, and similar community venues. We have also put a greater emphasis on developing specialist money advice training for frontline staff working in community settings across the city, so broadening awareness, skills, and access to the issues our communities face; an area we are looking to build on.

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

We engaged large numbers of clients needing our help with debt and welfare benefits advice throughout the year; our services giving immediate support to clients, many of whom experience considerable barriers to accessing the help they need when they need it for a range of reasons including language, health, mental health, literacy, access to IT, or simply fear and embarrassment. Many of our clients find themselves in dire consequences from not being able to access funds or buy food or pay rent, which, if not managed, can result in eviction and so homelessness. During the year, we saw a significant number of families in isolation referred and presenting with complex mental and physical health issues, requiring additional skills and commitment from our team and partners to support them over a longer period. We also saw many people continuing to struggle with their online applications for Universal Credit and benefits in general, for example, the paperwork surrounding Personal Independence Payments (PIP) is incredibly complex and for a lay-person, almost impossible to get right. To help overcome financial issues our team also worked closely with others, and supported clients with applications for payment advances, applications to charities, and help to access food banks during gaps or changes to their situations as standard.

Our team provides a broad suite of services and works co-operatively and interactively with our other projects as part of our holistic approach – people rarely have single issues and often need a range of responses to improve their situations including activities to reduce isolation and improve mental and general wellbeing. While money advice and support often bring clients through our doors, that is often just the first step to engaging in the wider activities we provide such as Ageing Well, Family Support, Wellbeing, Training & Learning, or our Little Settlers Programmes (Stay, Learn & Play). Therefore, we not only help with resolving debt issues and helping to maximise income, but for many, we can help to set them on a path that ultimately improves their mental health, wellbeing, and their ability to re-engage with their peers and community. In addition to one-to-one debt and benefit advice, we also deliver a range of financial literacy training courses and workshops to clients and other front-line staff dealing with debt and benefit issues from high level to introductory basic understanding, a preventative area where we are delivering more and more.

Despite high demand for our services, quality remains paramount, and our professional team of advisers continued to receive ongoing training and development in line with Advice Quality Standards, Institute of Money Advisers, and similar quality mark assessments. Throughout the year our work was quality assured, and we are delighted to say that despite the pressures of demand, we successfully passed all audit requirements and remain amongst the highest rated services in the country according to the Money & Pensions Service.

In terms of numbers, our Money Advice Team supported more than 5,678 people during the year. Of the more than £8.17 million recorded debt presented by clients, we were successful in getting more than £3.38 million either written off or rescheduled, enabling more affordable repayments. Through our support with benefit applications and challenges to negative benefit decisions, we helped to increase recorded household income by £1,076,393, with an additional £146,806 recorded in lump sum payments; giving clients the ability to manage their finances better. We continued to support clients facing potential eviction from their homes by helping more than 338 people negotiate repayment of rent or mortgage arrears, setting up sustainable payment plans acceptable to both tenants and landlords/mortgage providers for the long-term. We also helped 1,145 clients access hardship grants to support them through immediate crisis, including 46 awards from our own small hardship fund.

Through our work in prisons and the indispensable role in supporting people to work through financial difficulties (the biggest cause of re-offending), we continued to provide advice during pre-sentencing, remand, in prison and pre-release on licence. This year we saw 1,511 clients from 12 prisons presenting over £4.13 million of debt with over £3.15 million written off or rescheduled. Our support extended to both the National Probation Service (NPS) and Ingeus with face-to-face and free and impartial telephone advice. We believe earlier and easier access to our services helps callers to understand their rights and responsibilities including the consequences of non-payment to creditors.

In summary for money advice, the year under review has been an extremely busy year, and despite increased pressures and need for support, the year produced many great outcomes for our clients at a time of great need. We had many great success stories, evidencing the importance of our work and the difference we have made in improving the lives of people who have approached us for support. Two examples of our work are given below:

The Birmingham Settlement TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

Case study one:

Background:

Mr P was referred to our team through Ingeus. Mr P is a housing association tenant and was facing a possession hearing meaning he was at risk of homelessness. He was claiming Universal Credit (UC) and Statutory Sick Pay (was on long-term sick from employment), he had rent arrears of £1,836, council tax arrears of £2,219.74 plus a £310 enforcement fee, a County Court Judgement debt of £604.13 including a Warrant of Control putting Mr P's goods at risk. During our interventions Mr P's Statutory Sick Pay ended and he became unemployed.

Actions:

Our team successfully applied for 'Breathing Space' putting a 60-day hold on interest, charges, and enforcement of all debts; the possession hearing was adjourned giving more time for an arrangement to be made to keep Mr P in tenancy. Birmingham City Council's Housing Solutions Team agreed to write-off Mr P's rent arrears through the Homelessness Prevention Fund along with the £310 enforcement fee, council tax support was awarded reducing Mr P's debt from £2,219.74 to £1,495.48 to be deducted from UC at a low rate of £18.44 per month. A payment plan of £1.00 per month was accepted for the County Court Judgement enabling the repayment of debt in an affordable manner with the Warrant of Control removed. Mr P was awarded mid-rate PIP bolstering his income by £86.30 per week. Mr P is still awaiting a Work Capability Assessment decision which has the capacity to bolster his income further.

Through our interventions Mr P was able to clear his rent arrears and sustain his tenancy, he has manageable council tax debt, the threat from bailiffs has been removed, and the County Court Judgement is being paid at an affordable rate. Mr P has reported he now feels in control of his finances and can move on with his life, focusing more on health and wellbeing.

Case study two:

Background:

Ms X was referred to our team through a Children's Centre. Ms X is married with one child aged 4 weeks. She has refugee status. Her partner has no recourse to public funds. The family are private tenants with monthly rent of £625. Ms X was in receipt of single rate Universal Credit (UC) receiving housing costs totalling £525 per month, leaving a £100 rent shortfall. Ms X had no council tax support and had not applied for child benefit as she was waiting to register her baby.

Actions:

Our team successfully supported Ms X with immediate one-off Sure Start Maternity and Household Support Fund awards totalling £700. Longer term applications for council tax support resulting in annual payments of £1,389.17, child benefit worth £1,248 annually, the child costs element of UC equating to an additional £3,234.96 annually, healthy start vouchers totalling a further £442 annually, the Big Difference Scheme which reduced Ms X annual water bill by £101.72.

Through our intervention Ms X received immediate one-off grants of £700 and an annual increase in income of £6,415.85. Ms X has reported improved mental health and wellbeing following our support for her and her family.

Little Settlers (Stay Learn & Play):

Little Settlers offers free structured support for parents with children aged under five. Sessions are delivered from our Nature & Wellbeing Centre by Edgbaston Reservoir, and our Sports & Community Centre in Kingstanding. Both sites are in areas scoring high on the indices of deprivation, with the Nature & Wellbeing Centre located in the constituency of Ladywood which has one of the highest rates of child poverty in the UK, and the Sports & Community Centre located in Kingstanding, a recognised 'left behind' ward as reported by the Joseph Rowntree Foundation.

Little Settlers ensures parents have a safe and stimulating environment for their children to learn through play; a space for parents to help improve their child's interaction and communication with adults and other children and to enable parents to discuss issues / tips / advice around parenting and children's development. It also enables us to upskill families by attending workshops where engagement with their child is encouraged and contributes to sustained learning objectives for the home environment.

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

Sessions at the Nature & Wellbeing Centre focus on nature and environmental learning, with the Sports & Community Centre focusing more on being active and 'sports' related activities. During the year, excluding Aston, we delivered:

- Nature & Wellbeing – 44 sessions, footfall 919 made up of 570 children and 349 adults.
- Sports & Community Centre – 75 sessions, footfall 1,119 made up of 675 children and 444 adults.
- In total, 119 sessions were delivered at the two sites, a footfall of 2,038 made up of 1,245 children and 793 adults.

In addition to the above, we delivered a range of activities and events during the school holidays including arts and crafts, and nature activities in partnership with the Birmingham & Black Country Wildlife Trust.

Youth work:

Our youth work was in transition as we moved through the year; reducing delivery at Aston in preparation for our exit from that site towards the end of the year and moving more to our Sports & Community Centre with wider engagement to whole families in the area as a starter to help us define and focus on more targeted youth work as we engage with young people. That included reviewing the range, way, and types of activity we deliver to ensure we maximise reach and impact. This work will be ongoing as we develop our bases and in particular, at the Sports & Community Centre where we are focusing more on sports and fitness as a way to engage young people, for example, the development of an outside sports pitch where we will be able to run safe, organised sports sessions. Despite the changes, during the year, at the Sports & Community Centre, we supported 12 young people on a one-to-one basis, 28 young people through our Thursday Sports Sessions where we delivered 24 sessions with a footfall of 612, in addition 110 young people were provided with money advice and support.

In addition to the above, Birmingham City Council's Youth Services had a small team based at our Sports & Community Centre delivering a regular session targeting ages 8 – 11 each Wednesday after school.

Ageing Well:

Our Ageing Well Programme is a valuable resource for many older clients. Targeting those aged 50+, Ageing Well enables us to link with the wider priorities of 'Prevention First' Outcomes and the Adult Social Care system. Our delivery approach is to provide accessible routes for citizens to take part in regular weekly health and wellbeing activities, one-to-one casework support and specialist debt and money advice including access to hardship grants. We offer a broad range of activities ensuring we have sessions for different interest groups and abilities, so no one feels excluded and opportunities for companionship and support are maximised, in addition, our Ageing Well Programme encourages wider participation with Settlement activities and inter-generational action, with Ageing Well Members encouraged to attend non-Ageing Well specific activities such as Pilates and Zumba. Many Ageing Well Members build important long-term relationships with the Settlement and other Members, attending multiple sessions, building long-term friendships so reducing isolation, enhancing wellbeing and independent living. During the year under review, specifically for Ageing Well we delivered:

Sports & Community Centre

- Community Choir – 45 sessions with a footfall of 516.
- Tai Chi – 44 sessions with a footfall of 622.
- Art Group – 48 sessions with a footfall of 720.
- Bowls Club – 48 sessions with a footfall of 572.
- Dog Training Club – 48 sessions with a footfall of 463.
- Dance Fit – 35 sessions with a footfall of 467.
- 'Cuppa & Chatter' Befriending Group – 43 sessions with a footfall of 749.

Nature & Wellbeing Centre

- 'Cuppa & Chatter' Befriending Group – 48 sessions with a footfall of 720.
- Tai Chi (started Q4) – 12 sessions with a footfall of 110.

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

In addition to the above:

- We provided befriending support / referrals by phone on 219 separate occasions and one-to-one in-person support to 66 individuals.
- Our Money Advice Team supported 483 individuals aged 50+ of whom 119 were 65+ and 31 were 75+.

Training & Learning:

Training and Learning is an area we have been successfully developing and building, in particular community learning. We have our own full-time in-house trainer and utilise the skills and experience of our wider staff team to deliver a wide range of courses and workshops, including money management and benefits, something we are actively doing and for which we have and are receiving very positive feedback. We have also developed and introduced a range of internal 'mandatory' courses for all staff which we have opened-up to others, for example, via the City Council's Neighbourhood Network Scheme. We are also delivering more 'softer' courses for our service users and in partnership with others. During the year under review, we delivered:

- 94 'formal' courses/workshops with an attendance of 916, courses included:
 - Mindfulness
 - Equality & Diversity
 - Disability Awareness
 - Adult Safeguarding
 - Conflict Resolution
 - Mental Health Awareness
 - Introduction to Drug Awareness
 - Trauma Informed Practice
 - Mental Health & Debt
 - Introduction to Universal Credits
 - Introduction to Council Tax
 - Introduction to PIP & AA
 - Various wellbeing workshops e.g., nutrition, sleep, social connection

Community Action:

In addition to the above, our Teams also continued to deliver a range of open activities to encourage participation and active community, to build integration, and for us to engage and hear voice as we look to listen and learn as we build delivery from our Nature & Wellbeing Centre and Sports & Community Centre. Below are some of the activities we delivered as part of that process:

- Health & Wellbeing Forum – 33 sessions with a footfall of 374
- Women's Coffee Group – 34 sessions with a footfall of 344
- Wellness bespoke sessions – 10 sessions with a footfall of 67
- Men's 'social' sessions – 10 sessions with a footfall of 66
- Ladies Fitness Club – 34 sessions with a footfall of 310
- Walking Group – 10 sessions with a footfall of 34
- 128 'fitness' sessions were delivered including Pilates and Zumba, plus Yoga to name but three as introductions to healthy lifestyles, with a footfall of 897 – something we will continue to build as we develop, particularly the Sports & Community Centre with its larger halls and increased potential for sports and active lifestyles.

Asset development

Birmingham Settlement owns two large sites: the Nature & Wellbeing Centre by Edgbaston Reservoir, and the Sports & Community Centre in Kingstanding. The former was bequeathed to the Settlement in 1923, with the latter purchased by the charity in 1935 as the Settlement moved with its communities to the new outer-city estates as the traditional inner-city 'back-to-backs' where the Settlement was originally established were being cleared.

The Birmingham Settlement TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

The Nature & Wellbeing Centre, known previously as the 'Playing Fields' had been leased and used by various parties over the years but had been dormant since the early 1990s when an existing small sports pavilion was destroyed by arson. The Sports & Community Centre, known previously as the 610 Centre had been on a long-term lease to Birmingham City Council since 1971 as the Settlement had retained its original base at Summer Lane.

Pre-pandemic and following successful engagement with surrounding communities including several 'pop-up' events, the Settlement took the decision to commit reserves and endowments realized by the sale of its original site in Summer Lane to develop the Nature & Wellbeing Centre. At the same time Birmingham City Council approached the Settlement wishing to exit the lease on the Sports & Community Centre and to return the site early, which after discussion, including consideration of the need to improve and develop the site for today's needs, was agreed. The Sports & Community Centre was formally returned to the Settlement in December 2020 with Birmingham City Council's Youth Service retaining a presence until end of March 2024.

Developing these sites has been and is a major undertaking for the Settlement which has been gearing up for these developments for several years, including investing existing funds, freeing up reserves, and obtaining Charity Commission approval to use an endowment held by the charity following the sale of its original site in Summer Lane to reinvest into the two properties to help build a more sustainable future for the charity and the communities it serves.

As such, the Settlement is going through a period of major change as it brings these sites back to life, the below provides an update on each site.

Birmingham Settlement Nature & Wellbeing Centre:

In 2020 we were given planning permission to build a small community wellbeing centre comprising a community room, toilets, kitchenette, and office – phase one of our development which was completed in August 2021 when the 'Red Shed' was formally opened. The Red Shed was built using sustainable materials and renewables including ground sourced heat pumps ensuring the building has minimal carbon-impact and provides efficient 'green' energy. The Red Shed gave us the opportunity to deliver a range of activities to bring the site to life, to engage and build partnerships as we prepared for phase two of the development.

In September 2021 we submitted our planning application for 'phase two' of the development which includes two geodesic learning domes (6m and 8m diameters) and an amphitheatre along with various landscaping and re-greening projects to create an eco-friendly multi-purpose site that acknowledges the area as a 'Site of Importance to Nature Conservation' and fits with the immediate surrounds including the bordering Local Nature Reserve.

Our planning application was finally approved by Birmingham City Council in May 2022 with contracts awarded in September 2022, works starting in November 2022 and completing in December 2023.

Bearing in mind the impact of recent events such as Covid-19 and the cost-of-living crisis on mental health, wellbeing and affordability, combined with the need to reverse climate change and the need for greater environmental awareness and learning, the timing of the project is right and the decision to proceed using mainly our own designated reserves allowed us to go ahead, to adapt and flex as we moved through the developments, and complete with minimal delay. The Nature & Wellbeing Centre is a unique space for the city just a short walk along the canals from the City Centre.

The site is being used by many individuals, community groups, and other partners. Our planning permission includes the development of a further building, 'phase three' of our development, an activity centre which will give us more scope for activity and use of space, something we are now looking at and aim to progress in the near future.

Activities

Following the completion of phase two we have embedded existing and introduced a wider range of activities to support and engage, many are already reported in the details above including Little Settlers, Ageing Well, Training & Learning to name but a few. In addition, the Nature & Wellbeing Centre has provided us the opportunity to build a team of volunteers to help maintain and develop the site, from planting and clearing, to supporting community activities.

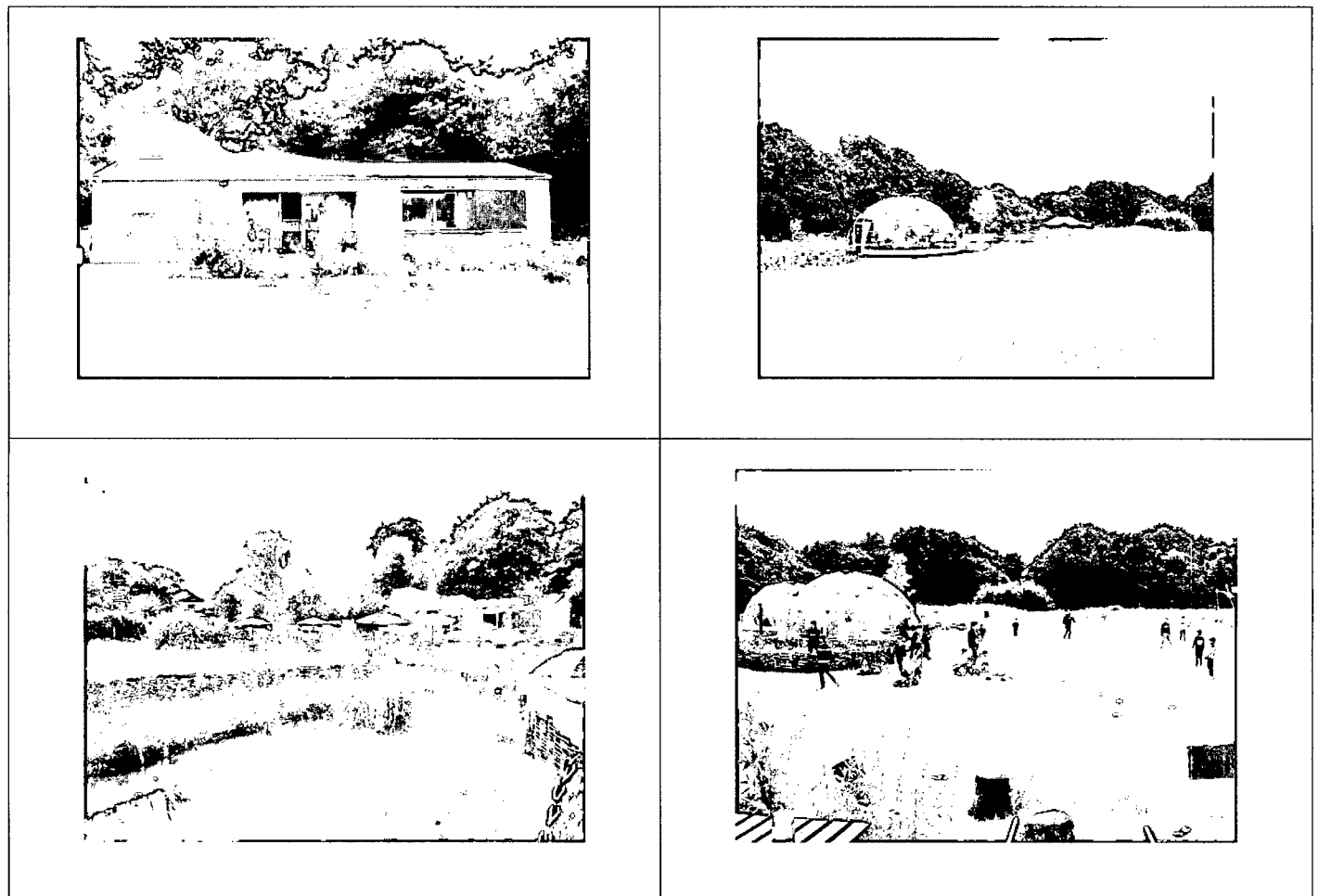
The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)
For the year ended 31 March 2024

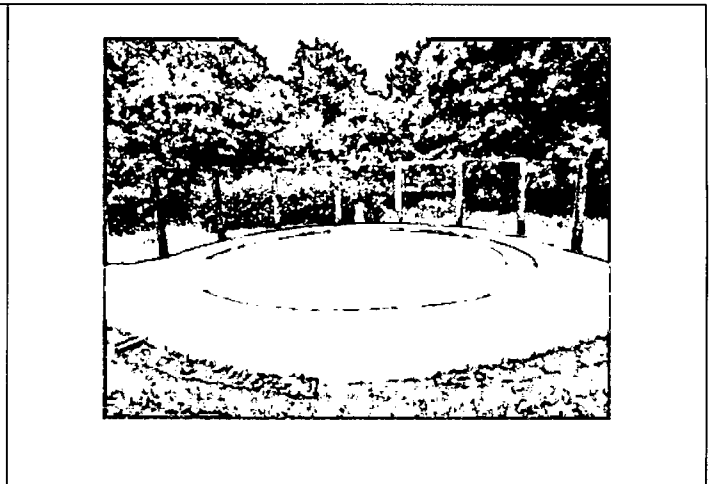
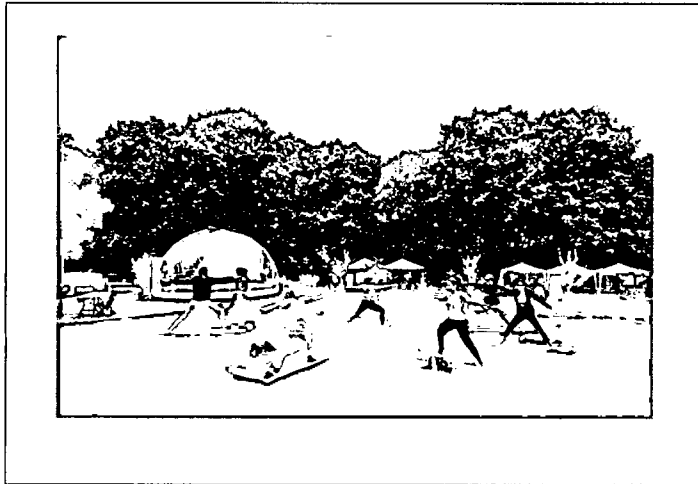
In total 71 people have volunteered to support the Nature & Wellbeing Centre during the year under review for which we are very grateful. Regular activities during the year in addition to those already mentioned above have included:

- Edgbaston Reservoir Running and Wellbeing Group – 58 events (Sundays & Wednesdays) with a footfall of 2,235
- Friends of the Field – 97 sessions to support planting and similar supported by 58 individuals
- Health & Wellbeing Group – 40 sessions with a footfall of 256
- Dog 'Walk & Talk' – dogwalkers group – 22 sessions with a footfall of 116
- Growing Together & Plant with Pat gardening sessions (Q4) – 8 sessions with 21 attendees
- Art Classes - 12 sessions with a footfall of 71
- We have also hosted 14 days of Corporate Social Responsibility from private firms and colleges supported by 114 individuals and a wide range of arts and performance from community groups such as the Open Theatre Company to larger charities such as MIND.

In addition to the above, in June 2023 we were delighted to host our first Neighbourhood Futures Festival in partnership with the University of Birmingham's Centre for Urban Wellbeing. A weeklong programme of events, talks, and activities to build community connections and support local participation in activities to improve community wellbeing and sustainability. We welcomed more than 20 partners delivering a range of thought-provoking sessions with a footfall of over 1,100 during the week.

What the above has demonstrated is that there is a desire and need for the space and types of activities we are developing; there will be difficult times as we embed but the future is positive for the Nature & Wellbeing Centre as the photos below show.





Birmingham Settlement Sports & Community Centre:

Following the Sports & Community Centre's return to the Settlement in December 2020, our initial aim, bearing in mind we were still in the grips of the pandemic was to re-open and gradually build activities and presence while we assessed priorities. The Sports & Community Centre is a large site with several halls, sports facilities, and open spaces, it has great potential but needs investment to bring it back to life. It is a desperately needed asset in an area officially termed 'left behind' by the Joseph Rowntree Foundation and has played an important role in bringing people together in the past, something we are beginning to do once more.

In the year under review, we have continued a process of gradual improvements including the opening of a charity shop off the lower hall, development of a community gym which will open shortly, replacing windows and improving lighting, along with clearing and decorating as we continue to plan for new uses and activities.

As part of that process, we have purchased the garage next door which will be demolished to create additional parking and improved access to the rear of the site where we will develop the field and open space to mirror some of the nature and wellbeing work we have completed at the Nature & Wellbeing Centre. In addition, the Football Foundation is providing a grant to cover 75% of the costs to renew the outside sports pitch which is now happening and will present more opportunities for sports and activities to engage with our community.

The Centre is starting to take shape and we have plans to develop a range of opportunities for local people to become more engaged and help us to build sustainability for the site together.

The Birmingham Settlement TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

Activities:

While the above has been moving us forwards, we have also been building a range of activities with our partners and community to encourage engagement and involvement in shaping the future for the Sports & Community Centre. Many of the activities are mentioned earlier in this report but in addition, we have delivered:

- Embedding the Centre as a place of 'Warm Welcome' offering a safe, accessible space for residents to keep warm, have access to free refreshments, free wi-fi, books, games, and engage with staff members to get involved in the activity programmes including money advice. During the year under review we had a footfall of over 1,800 visitors.
- We delivered 28 weekly activities, many mentioned above but including partnerships with others including:
 - a Women's Group run by MIND every Monday.
 - a community meal cooked and delivered by FoodCycle every Saturday.
 - BCCs Youth Service who continued to deliver youth activities every Wednesday
 - a Disability Support Group delivering a 3-hour session for people with special needs twice a week.
 - Panthers Judo Club meeting every Tuesday.
- We also hosted family days and one-off events including what has now become our annual Christmas Fayre!

The coming year will see further change and development as we continue to expand and do more with our community.

Aston Centre & Alma House:

As mentioned earlier in this report, in the summer of 2023 we decided to activate the break clause on our lease for the Aston Centre. Not an easy decision but one we felt we had to take as we continue to build and focus on our owned assets; something we could not do while continuing to pay significant 'rent' and maintenance costs for a large building we did not own and where we did not have full control. As we developed and focused more on the Nature & Wellbeing Centre and Sports & Community Centre, we gradually pulled out of the Aston Centre moving most activities to our other sites by December 2023 and completely leaving in February 2024 when our Money Advice Team relocated to Alma House, a short walk from the Aston Centre.

Alma House provides us with a smaller, more manageable office in Newtown Shopping Centre, where our Money Advice, Development and Central Teams were based until 2014 when we then moved fully to the Aston Centre. We know the site well, the offices are in a good location, more accessible than Aston and near to City Council Housing Offices, as well as the Newtown Shopping Centre itself. Our Money Advice Team have settled, and we are now well established and already known in the area, which is within walking distance of our old offices in Aston.

Shops:

Our three charity shops (Sutton Coldfield, Boldmere, and Wylde Green) performed well this year generating a surplus of more than £50k as well as opportunities for volunteers and promoting the work of the Settlement. However, it must be borne in mind that financial contribution is not the only consideration with the shops; the opportunities and support they give to volunteers is another significant factor along with providing affordable goods to those who may be struggling in the current climate. The shops have a strong and committed staff team who provide an outlet and support for many vulnerable, older, and isolated people, plus those looking to improve employment prospects through retail experience as volunteers. We will continue to monitor performance, including how we link core services to the shops.

Volunteers

In the aftermath of the pandemic and now the cost-of-living crisis, we lost many volunteers who lost touch and found themselves in changed circumstances, however, we are pleased to say that in line with our developments at the Nature & Wellbeing Centre and Sports & Community Centre, numbers are once more building, including support to the shops and we now have a volunteer team of more than 80 regular volunteers who provide enormous benefit to the charity.

All trustees provide their contribution to the welfare of the Settlement on a voluntary and unpaid basis.

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

Financial Review

Income for the year before the revaluation of investments amounted to £1,919,431 (2023: £1,762,041). Notable changes from the previous year included decreases of £45,489 in 'Donations, legacies and gifts', and £44,189 in 'Investment' income, this was offset by an increase of £19,160 in shops income, and an increase of £228,942 in 'Grants and contract' income, comprising a range of new grants and contracts, particularly around Money Advice. Elsewhere, income was comparable with previous years.

Expenditure for the year amounted to £1,949,531 (2023: £1,886,161). Notable changes from the previous year related to reduced expenditure of £121,673 on 'Advice and advocacy' which in the main related to reduced spend on Money Advice; and increased spend on 'Community action' which in the main related to a new contract from the Lottery Heritage Fund and increased spend on the Birmingham City Council Neighbourhood Network Scheme. Elsewhere, spending was comparable with previous years.

The Settlement finished the year with an unrestricted deficit of £51,133, a restricted surplus of £11,026, and an endowment surplus of £10,007, giving an overall deficit before revaluation of investments of £30,100 (2023: deficit £124,120).

While a deficit outcome for the year is something we would always look to avoid, we do need to acknowledge that the Settlement is embarking on significant change and that we are committed to developing our assets and in particular, the Nature & Wellbeing Centre by Edgbaston Reservoir and the Sports & Community Centre in Kingstanding, both need investment which has begun from our reserves, and that investment needs to be managed with care. For the past few years, we have built and carried reserves to allow us to embark on these developments, and while we cannot run with deficits for too long, we have built reserves to help cover expected shortfalls in the short and medium term as we adapt.

Trustees will take further advice with a view to reinvesting contingency and designated funds to achieve the best return as the developments progress. As such the figures relating to current asset investments / cash held at bank are skewed as much of that money is committed to those developments.

Principal funding sources:

In addition to investment income, income comes from three principal separate sources:

- Grants and contracts from local, national, quasi government bodies and partner agencies;
- Donations and grants from charitable trusts and foundations; and
- Income generated by the Settlement charity shops

Trustees recognize and appreciate the growing importance of grants and the huge contribution charitable trusts and foundations make to the work of the Settlement. The Settlement is registered with the Fundraising Regulator to ensure that it meets and complies with the standards laid down by the FRSB.

Reserves Policy

Trustees consider that in the current uncertain economic climate for the sector, and with the need for continued diligence and restructuring that the Settlement should aim to hold as free reserves a level equivalent to six months running costs (excluding funds the Settlement holds as payments or grants to partners) plus an estimate of the current liability for redundancy pay on existing staff. Budgeted expenditure for 2023/24 (minus payments or grants to partners) is in the region of £1,500,000 and the current level of free or 'contingency' reserves stands at £770,000. Given the number of projects and their diverse sources of funding, the trustees consider that in normal circumstances this level of reserve would enable the charity to arrange an orderly reduction in activities in the event of a major loss of funding.

In addition to the above, the Settlement's developing asset base, specifically the Nature & Wellbeing Centre by Edgbaston Reservoir and the Sports & Community Centre will require investment to build enterprise and generate sustainable income for the charity long-term. Trustees acknowledge this will take time and require significant investment and have

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2024

therefore decided to invest reserves and endowment funds held by Settlement to support the Settlement's long-term development in these areas as necessary, and as approved by the Charity Commission.

Investments

Until February 2023 the Settlement held two investment portfolios, a portfolio of endowment assets and one for assets held by the Settlement Company. The endowment was held by Birmingham Settlement Properties, a linked charity where Birmingham Settlement is the sole trustee. Both were invested in the same manner in a globally diversified portfolio of equities, covering both developed and emerging economies. Birmingham Settlement used a professional advisor to manage those investment portfolios according to the investment mandate agreed by the Board. That investment management included the delegation of investment duties such as fund selection and portfolio rebalancing.

In February 2023 the Settlement was consented by the Charity Commission to encash the endowment fund with a view to reinvesting the endowment as capital to support the development of the Nature & Wellbeing Centre by Edgbaston Reservoir and the Sports & Community Centre in Kingstanding. This was done along with cashing the Settlement's own investments and these sums are currently held in a mix of secure, accessible, short-term accounts to ensure the Settlement has the financial fluidity to support the current spend on developments. However, with the major self-funded works now almost complete, we are moving into a position to take a longer-term view on investments and the trustees will be taking advice on the most appropriate way forward for the charity in the coming months.

Trustees will continue to keep our investment policies under consideration in line with our spending profile.

Plans for Future Periods

The Settlement plans to continue its principal activities as set out above but is aware that global and national uncertainties will continue to have an impact on the communities and individuals where we work. We know the need for our services has grown and is likely to continue to grow; and we know the way services are delivered has changed and again, will continue to change, for example, the use of space and digital platforms plus the need for financial support and advice. To this end we must be fleet of foot and make sure we are flexible, adaptable, and realistic in our approach. In many ways we are in a fortunate position, we are financially sound for the short and medium terms as we continue our programme of asset development and are in a position to continue with that development taking into account the need for open, safe and flexible physical and digital spaces to widen and grow our reach and meet the needs of our communities. This includes building our partnerships with trusts, foundations, the statutory and private sectors, as well as third sector delivery groups; growing earned income and building our volunteer base to make sure we maximize our work. To this end the Settlement will:

- Continue to review its property portfolio and commitments to ensure value for money and long-term sustainability, in particular the developments at the Nature & Wellbeing Centre and the Sports & Community Centre.
- Assess and learn from a range of pilot programmes and existing work with a view to greater social enterprise to generate income to support grassroots local delivery that is community driven, including the use of assets.
- Continue to build and shape responsive services based on the needs and voice of the community.
- Continue to revise our structure with an emphasis on flexibility and service integration.
- Review the composition of the Board of Trustees to ensure it has the skills and representation it needs.
- Utilise and develop digital and IT services to widen delivery and improve monitoring and evidencing the impact of our work.
- Widen and more clearly define services to ensure programmes support all aspects of our communities including specific projects in areas where we see gaps in service.

Going Concern

The trustees have considered the accounts and undertaken a review of activities and known income for the coming year. While there are always uncertainties the Settlement has secure reserves which will allow the charity to adapt to change and reduction should that be necessary, the trustees consider there is no reason to doubt the charity will continue as a going concern for the foreseeable future.

The Birmingham Settlement
TRUSTEES' REPORT (CONTINUED)
For the year ended 31 March 2024

Statement of Trustees' responsibilities

The trustees (who are also directors of Birmingham Settlement for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and 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:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP (FRS 102);
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to the Auditors

In so far as the trustees are aware:

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

Approved by the Board of Trustees on 5 December and signed on its behalf by:
2024

Matthew Gregson – Chair

Matthew Gregson
M Holcombe

Martin Holcombe – Company Secretary

The Birmingham Settlement

INDEPENDENT REPORT OF THE AUDITORS

For the year ended 31 March 2024

Opinion

We have audited the financial statements of The Birmingham Settlement (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated and Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and related notes, 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 (United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

This report is made solely to the charitable company'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 charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group's and the parent charitable company's affairs as at 31 March 2024 and of the charitable group's incoming resources and application of resources, including its income and expenditure in the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with 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 group and parent charitable company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

The Birmingham Settlement

INDEPENDENT REPORT OF THE AUDITORS (CONTINUED)

For the year ended 31 March 2024

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements of the charitable company or parent are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibility Statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

The Birmingham Settlement

INDEPENDENT REPORT OF THE AUDITORS (CONTINUED)

For the year ended 31 March 2024

with ISA's (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our audit approach included the following elements:

- Assessment of the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur.
- Assessment of the laws and regulations identified as being of significance in the context of the charity.
- We obtained an understanding of the legal and regulatory framework applicable to the charity and how the charity is complying with that framework.
- We obtained an understanding of the charity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.
- We obtained an understanding of the charity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud.
- We ensured that our audit personnel have the experience and knowledge to identify or recognise non-compliance with laws and regulations.
- We use appropriate audit resources and tools to guide us in selecting the right audit approach.

In considering the extent to which the audit was considered capable of detecting irregularities, we considered how our approach to the audit has affected the likelihood of detection. This was affected by:

- the inherent difficulty in detecting irregularities;
- the effectiveness of the entity's controls; and
- the nature, timing and extent of the audit procedures performed.

In determining those matters that are of significance, both quantitative and qualitative factors are relevant to such consideration.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The Birmingham Settlement
INDEPENDENT REPORT OF THE AUDITORS (CONTINUED)
For the year ended 31 March 2024

Use of our report

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



Mark McLean FCA, Senior Statutory Auditor
For and on behalf of
Thomas & Young Limited
Chartered Accountants
Statutory Auditor

10/12/24

Carleton House
266-268 Stratford Road
Shirley
Solihull
B90 3AD

Thomas & Young Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Birmingham Settlement
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 March 2024

	Note	Unrestricted funds £	Restricted funds £	Permanent Endowment funds £	Total funds 2024 £	Total funds 2023 £
Incoming resources						
Voluntary income						
Donations, legacies and gifts	2	149,883	168,944	-	318,827	364,316
Income from other trading activities						
Charity shops income	3	245,995	-	-	245,995	226,835
Investment income	4	23,941	-	10,007	33,948	78,137
Incoming resources from charitable activities						
Grants and contract income	5	306,058	963,137	-	1,269,195	1,040,253
Other income	6	51,466	-	-	51,466	52,500
Total incoming resources		<u>777,343</u>	<u>1,132,081</u>	<u>10,007</u>	<u>1,919,431</u>	<u>1,762,041</u>
Resources expended						
Cost of generating funds						
Costs of generating voluntary income						
Fundraising and publicity costs	7	(58,113)	-	-	(58,113)	(72,112)
Charity shop costs	7	(208,029)	-	-	(208,029)	(234,383)
Charitable activities						
Realised loss on investments		-	-	-	-	(6,170)
Advice and advocacy	7	(252,958)	(454,780)	-	(707,737)	(829,410)
Community Action	7	(284,769)	(666,275)	-	(951,044)	(720,231)
Governance costs	7	(24,607)	-	-	(24,607)	(23,855)
Total charitable expenditure		<u>(828,476)</u>	<u>(1,121,055)</u>	<u>-</u>	<u>(1,949,531)</u>	<u>(1,886,161)</u>
Net (losses)/gains on revaluation of investments		-	-	-	-	45,000
Net (losses)/gains on revaluation of fixed assets	10	-	-	-	-	-
Gross transfer between funds		50,000	(50,000)	-	-	-
Net movement in funds		<u>(1,133)</u>	<u>(38,974)</u>	<u>10,007</u>	<u>(30,100)</u>	<u>(79,120)</u>
Fund balances brought forward at 1 April 2023		<u>1,512,719</u>	<u>216,459</u>	<u>1,568,810</u>	<u>3,297,988</u>	<u>3,377,108</u>
Fund balances carried forward at 31 March 2024		<u><u>1,511,586</u></u>	<u><u>177,485</u></u>	<u><u>1,578,817</u></u>	<u><u>3,267,888</u></u>	<u><u>3,297,988</u></u>

More details on the Permanent Endowment funds are given in note 15. There are no recognised gains or losses for 2024 or 2023 other than those included in the Consolidated Statement of Financial Activities.

The notes on pages 29 to 44 form part of these financial statements.

The Birmingham Settlement

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2024

	2024 £	2023 £
Turnover	1,885,483	1,731,281
Operating costs	(1,949,531)	(1,886,161)
Operating deficit	(64,048)	(154,880)
Interest receivable and similar income	33,948	30,760
Net income/(deficit) for the year	(30,100)	(124,120)

All amounts relate to continuing operations.

The Consolidated Summary Income and Expenditure Account is derived from the consolidated Statement of Financial Activities on page 24, which together with the notes to the financial statements on pages 29 to 44, provides full information on the movements during the year on all funds of the group.

The notes on pages 29 to 44 form part of these financial statements.

The Birmingham Settlement

CHARITABLE COMPANY BALANCE SHEET

For the year ended 31 March 2024

		2024		2023	
		£	£	£	£
Fixed assets	Note				
Tangible assets	10(b)		784,444		911,314
Investments			-		-
			<u>784,444</u>		<u>911,314</u>
Current assets					
Stocks and work in progress	11	4,718		4,718	
Investments		1,205,021		-	
Debtors	12	257,673		300,870	
Cash at bank and in hand – Endowment funds		55,949		55,949	
Restricted funds		177,485		166,459	
Contingency reserve		-		770,000	
Unrestricted funds		111,958		(64,281)	
		<u>1,812,804</u>		<u>1,233,715</u>	
Creditors: amount falling due within one year	13	(782,228)		(289,902)	
Net current assets			<u>1,030,576</u>		<u>943,813</u>
Total assets less current liabilities			<u>1,815,020</u>		<u>1,855,127</u>
Reserves					
Permanent Endowment Funds	15		125,949		125,949
Restricted funds	16		177,485		216,459
Birmingham Settlement owned buildings	18		723,020		731,620
Revenue reserve	18		18,566		11,099
Contingency reserve	18		770,000		770,000
Other designated reserves	18		-		-
			<u>1,815,020</u>		<u>1,855,127</u>

The notes on pages 29 to 44 form part of these financial statements.

For the year ended 31 March 2024, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The trustees have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

Approved by the Board on 5 December 2024 and signed on its behalf by

Mr M Gregson
MR M GREGSON
 Director
 Company Registration No. 01946604

The Birmingham Settlement
CONSOLIDATED CASHFLOW STATEMENT
For the year ended 31 March 2024

	Notes	2024 £	2023 £
Net cash outflow from operating activities	23	59,767	(211,197)
Returns on investments and servicing of finance			
Interest received		20,007	1,951
Proceeds on disposal of investments		-	2,035,537
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(515,350)	(335,071)
Purchase of investments		(1,205,020)	-
		<u> </u>	<u> </u>
Increase/(Decrease) in cash		<u>(1,640,596)</u>	<u>1,491,220</u>
Reconciliation of net cashflow to movement in net funds			
Increase/(Decrease) in cash in the period	24	(1,640,596)	1,491,220
Net funds at 1 April 2023	24	<u>1,985,988</u>	<u>494,768</u>
Net funds at 31 March 2024	24	<u><u>345,392</u></u>	<u><u>1,985,988</u></u>

The notes on pages 28 to 44 form part of these financial statements

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1 Accounting policies

1.1.1 Charity information

The Birmingham Settlement is a private company limited by guarantee incorporated in England and Wales, and is also registered as a charity in England and Wales. The registered office is Sports & Community Centre, 610 Kingstanding Road, Birmingham, West Midlands, B44 9SH.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required.

1.3 Accounting convention

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements are prepared under the historical cost convention as modified for the revaluation of freehold land and buildings and investments.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

1.4 Basis of consolidation

The group accounts include the accounts of the charitable company and Birmingham Settlement Properties, each made up to 31 March 2023. A separate Statement of Financial Activities, or income and expenditure account, for the charitable company itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.5 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.6 Restricted funds and charitable expenditure

The Settlement has a number of projects which are grouped for management purposes into advice, care and community action. Many of these projects are financed in part or in whole by grants and donations specifically for that project. Such income is regarded by the directors as restricted funds in the Statement of Financial Activities. Direct costs for each project which is funded in part by restricted income are analysed between restricted and unrestricted funds. Restricted funds also bear an appropriate proportion of support costs.

The charitable company has received certain grants and donations for capital purposes and towards the cost of specified capital expenditure. Such grants and donations are included as restricted income in the Statement of Financial Activities. The related capital expenditure is included in the balance sheet as fixed assets and depreciation on those assets is charged against the restricted funds.

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

1 Accounting policies (continued)

1.7 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 designed 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.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the funds are charged against the fund.

1.8 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 Trustee' Annual Report.

Gifts in kind donated for resale cannot be practicably valued at fair value due to the volume of low value items. They are not recognised in the financial statements until they are sold. This income is recognised within "Income from other trading activities".

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity, however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

1 Accounting policies (continued)

1.9 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable group and include audit fees and costs linked to the strategic management of the group.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. 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. Premises overheads and other overheads have been allocated proportionately to the direct staff costs.

1.10 VAT

Irrecoverable input VAT is included in charitable and other expenditure and capital expenditure on the basis of the costs to which it relates.

1.11 Tangible fixed assets and depreciation

Tangible fixed assets are shown at cost or valuation. Depreciation is calculated to write down the cost of assets less their estimated residual values over their expected useful lives by equal annual instalments at the following rates:

Freehold land and assets under construction	Nil
Investment freehold land and buildings	Nil
Other freehold property	2% to 5% on cost
Short life leasehold property	Over period of the lease or 20% on cost
Vehicles	20% on cost
Fixtures, fittings and equipment	5% to 20% on cost
Computers	25% on cost

Any impairment in the value of fixed assets is charged to the Consolidated Statement of Financial Activities.

1.12 Heritage assets

Information on the cost or valuation of heritage assets is not available and the cost of providing such information significantly outweighs any benefit to the users of the accounts. The heritage assets are not recognised on the balance sheet as disclosed at note 9(b).

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity if available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

1 Accounting policies (continued)

1.13 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

1.14 Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

1.15 Stocks

Stocks are valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

1.16 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.

1.17 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future charges, are included in creditors.

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

1.18 Pension costs

The Settlement contributes to a Group Money Purchase Personal Pension Scheme, to which employees also contribute.

Contributions are charged to the Consolidated Statement of financial Activities in the year in which they are incurred.

1.19 Employment benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

2 Donations, legacies and gifts

	Unrestricted £	Restricted £	2024 £	2023 £
Barrow Cadbury Trust – Planning & Influence	45,000	-	78,333	45,500
Barrow Cadbury Trust: Migration – Policy & Practice (host grant)	-	33,333	-	30,000
Esmee Fairbairn Foundation	89,667	-	89,667	91,750
Other donations (under £50K)	15,216	135,611	150,827	197,066
	<u>149,883</u>	<u>168,944</u>	<u>318,827</u>	<u>364,316</u>

3 Income from shops

The trading activities of the shops are undertaken for fundraising purposes and comprise principally the sale of donated goods.

4 Investment and other income

	Unrestricted £	Endowment £	2024 £	2023 £
Bank interest	10,000	10,007	20,007	1,951
Income from lettings	13,941	-	13,941	28,809
Investment and other income	-	-	-	47,377
	<u>23,941</u>	<u>10,007</u>	<u>33,948</u>	<u>78,137</u>

5 Grants and contract income

	Unrestricted £	Restricted £	2024 £	2023 £
Money & Pensions Service	-	348,265	348,265	326,532
BCC Neighbourhood Network Scheme	-	348,038	348,038	281,962
Aston & Nechells Foodbank	-	-	-	49,331
BCC (LEAS)	105,000	-	105,000	78,750
BCC Prevention & Communities	-	20,375	20,375	81,500
National Probation Services	-	-	-	86,625
Staffs & West Midlands CRC	-	86,474	86,474	-
Heart of England	-	45,603	45,603	-
Household Support Fund	-	-	-	(450)
CAF Resilience Fund Phase 2	-	-	-	54,642
Kickstarter Scheme	-	-	-	1,011
National Lottery Heritage Fund	-	98,681	98,681	-
National Lottery Reaching Communities Fund	-	-	-	52,741
Nehemiah UCHA	-	-	-	2,009
Ingeus	41,406	-	41,406	25,600
Money Advice Outreach < £10k	33,221	-	33,221	-
Trussel Trust	45,115	-	45,115	-
Other Trusts < £40k	81,316	15,701	97,017	-
	<u>306,058</u>	<u>963,137</u>	<u>1,269,195</u>	<u>1,040,253</u>

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

6 Other income

	Unrestricted £	Restricted £	2024 £	2023 £
BCC – Kingstanding leaseback agreement	-	-	-	45,000
Training and learning internal courses	5,430	-	5,430	7,500
Sundry income	46,036	-	46,036	-
	<u>51,466</u>	<u>-</u>	<u>51,466</u>	<u>52,500</u>

7 Total resources expended

	Voluntary Income £	Charity Shops £	Advice & Advocacy £	Community Action £	Governance £	Total 2024 £	Total 2023 £
Costs directly allocated to activities							
Staff costs	32,407	94,030	503,928	430,973	-	1,061,339	882,085
Direct project costs	14,910	15,623	35,137	271,941	-	337,611	275,475
Site costs	-	67,050	795	104,556	-	172,401	74,195
Support costs allocated to activities							
Staff costs	5,043	14,631	78,410	67,059	15,107	180,249	352,478
Site costs	3,684	10,689	57,286	48,992	-	120,652	157,915
Information Technology	1,360	3,945	21,144	18,083	-	44,531	46,354
Other Costs	710	2,060	11,038	9,440	9,500	32,747	97,659
	<u>58,113</u>	<u>208,029</u>	<u>707,737</u>	<u>951,044</u>	<u>24,607</u>	<u>1,949,530</u>	<u>1,886,161</u>

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

8 Staff costs including shop staff

	2024	2023
	£	£
Wages and salaries	1,098,665	1,095,091
Social security costs	89,212	91,924
Pension costs	48,509	49,195
Life insurance	3,557	3,746
	<u>1,239,943</u>	<u>1,239,956</u>

No employee received remuneration in excess of £60,000.

No trustee received any remuneration. No trustees (2023: Nil) were reimbursed for travelling expenses to attend meetings at the offices of the charitable company.

The average number of employees during the year by function was

	2024	2023
	No	No
Advice and Advocacy	14	14
Community Action	12	11
Fundraising and shops	11	10
Management, administration and support	9	13
	<u>46</u>	<u>48</u>

There were on average 50 (2023: 50) volunteers working part time each week.

9 Net outgoing resources

The following items are included in arriving at net outgoing resources

	2024	2023
	£	£
Expenditure		
Depreciation and amounts written off on disposal	43,577	9,493
(Profit)/Loss on disposal of fixed assets	-	-
Auditors – for group audit services in the current year	9,500	8,500
Operating leases		
Land and buildings	70,179	70,181
Other	-	-
	<u>79,676</u>	<u>78,174</u>

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

10 Tangible Fixed Assets

(a) Group	Freehold Land £	Freehold Buildings £	Leasehold Buildings £	Fixtures, fittings motor vehicles and computers £	Total £
Cost					
1 April 2023	70,000	1,200,807	49,803	343,070	1,663,680
Additions	-	515,350	-	-	515,350
Disposals	-	-	(49,803)	(308,070)	(357,873)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2024	70,000	1,716,157	-	35,000	1,821,157
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
1 April 2023	-	8,600	49,803	308,963	367,366
Charge for the year	-	40,077	-	3,500	43,577
Write off on disposals	-	-	(49,803)	(308,963)	(358,766)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2024	-	48,677	-	3,500	52,177
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
31 March 2024	70,000	1,667,480	-	31,500	1,768,980
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2023	70,000	1,192,207	-	34,107	1,296,314
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The short life leasehold property is occupied by the charitable company for charitable purposes.

Freehold land was valued as at 12 March 2020 by Richard Bache BSC Hons MRICS of Pennycuik Collins Chartered Surveyors on an open market basis for existing use at £70,000.

The freehold property comprises buildings transferred from investment property in 2023, as the building is occupied by the charitable company for charitable purposes. It was valued on 14th April 2023 by Johnson Fellows LLP, Chartered Surveyors, on an open market basis assuming vacant possession at £385,000.

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

10 Tangible fixed assets (continued)

If freehold land had not been revalued it would have been included at the following amount

	2024 £	2023 £
Group	20,000	20,000

The charitable group has heritage assets as disclosed at note 9(b)

(b) Company	Freehold Land £	Leasehold Buildings £	Freehold Buildings £	Fixtures, fittings motor vehicles and computers £	Total £
Cost					
1 April 2023	70,000	49,803	815,807	343,070	1,278,680
Additions	-	-	-	-	-
Transfers	-	-	(84,186)	-	(84,186)
Disposals	-	(49,803)	-	(308,070)	(357,873)
31 March 2024	70,000	-	731,621	35,000	836,621
Depreciation					
1 April 2023	-	49,803	8,600	308,963	367,366
Charge for the year	-	-	40,077	3,500	43,577
Write off on disposals	-	(49,803)	-	(308,963)	(358,766)
31 March 2024	-	-	48,677	3,500	52,177
Net book value					
31 March 2024	70,000	-	682,944	31,500	784,444
31 March 2023	70,000	-	807,207	34,107	911,314

Heritage assets

In addition to the capitalised fixed assets held for the charitable company's own use, it has title to a collection of archive documents relating to the history of The Birmingham Settlement. These comprise 353 items in total, mainly minute books and correspondence with some accounting records and photographs relating to the period from the foundation of The Birmingham Settlement in 1899 to 1970.

The archives are held at Birmingham Central Library. Access to the records is at the discretion of management and is granted to those requiring access for research purposes. There is no policy to acquire further documents, other than those documents similar to the existing items which are no longer required in the general management of the charitable company. There is no intention to dispose of these items.

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

11 Stocks and work in progress

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Stocks	4,718	4,718	4,718	4,718

12 Debtors

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	124,000	170,358	124,000	170,358
Prepayments	51,623	60,306	51,623	60,306
Other debtors	15,810	23,581	15,810	23,581
Accrued income	66,240	46,625	66,240	46,625
	<u>257,673</u>	<u>300,870</u>	<u>257,673</u>	<u>300,870</u>

13 Creditors: amounts falling due within one year

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Other creditors	197,947	162,637	666,279	162,637
Accruals	46,514	55,830	46,514	55,830
Deferred income (note 15)	69,435	71,435	69,435	71,435
	<u>313,896</u>	<u>289,902</u>	<u>782,228</u>	<u>289,902</u>

The Birmingham Settlement
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2024

14 Deferred income

Deferred incoming resources are made up as follows:

	2024
	£
As at 1 April 2023	71,435
Incoming resources deferred in the current year	69,435
Less: amounts released	(71,435)
	<hr/>
As at 31 March 2024	69,435
	<hr/>

Deferred income relates to unrestricted amounts received in the year ended 31 March 2024 that relate to future deliverables and have been received specifically to fund expenditure after that date.

15 Permanent endowment funds

Company

	2024	2023
	£	£
Endowed assets	125,949	125,949
	<hr/>	<hr/>
Reserves brought forward	125,949	128,913
Transfers	-	-
Gains/(Losses) on revaluation	-	(2,964)
	<hr/>	<hr/>
Reserves carried forward	125,949	125,949
	<hr/> <hr/>	<hr/> <hr/>

Group

	2024	2023
	£	£
Endowed assets	1,578,817	1,568,810
	<hr/>	<hr/>
Reserves brought forward	1,568,810	1,526,774
Investment income	10,007	-
Realised gains/(losses)	-	(2,964)
Gains/(Losses) on revaluation	-	45,000
	<hr/>	<hr/>
Reserves carried forward	1,578,817	1,568,810
	<hr/> <hr/>	<hr/> <hr/>

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

15 Permanent endowment funds (Continued)

The Permanent endowment funds as at 31 March 2024 are the capital assets of two charities – Birmingham Settlement Properties and the Graham Street Charity. Graham Street was closed and transferred to Birmingham Settlement in 2021.

From April 18, a total return approach was adopted to investment with respect to the permanent endowment by the charity. The endowment was originally invested at £447,802, and the trustees use CPI as a basis for calculating the value in real terms each year. At the balance sheet date, the core value of the endowment was £656,073 (2023 £635,848). The value included in fixed and current assets is £1,123,817 (2023 £1,113,810). This provides an unapplied total return of £467,744 (2023 £477,962) which is available for the Board to use in furtherance of the charity's activities.

The charity is committed to developing its two main assets and with consent from the Charity Commission, in February 23 'cashed' its invested endowment to ensure the charity had accessible funds to cover spend in real time on the developments at the Nature & Wellbeing Centre, Edgbaston, and the Sports & Community Centre, Kingstanding. Liquid funds are held in current and short-term holding accounts and the Board will take further advice with a view to reinvesting contingency and designated funds as developments progress.

16 Restricted funds

Company and group

The funds of the company and the group include restricted funds comprising the following unexpended balances of donations and the unamortised balance of grants and donations to fund the purchases of tangible fixed assets and future expenditure.

	Balance at 31 March 2023 £	Incoming resources £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Revenue					
Advice and Advocacy	61,880	480,342	(454,780)	-	87,442
Community Action	92,465	651,739	(666,275)	-	77,929
Capital					
Learning Dome	50,000	-	-	(50,000)	-
Graham Street Charity	12,114	-	-	-	12,114
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total for company	216,459	1,132,081	(1,121,055)	(50,000)	177,485
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total for group	216,459	1,132,081	(1,121,055)	(50,000)	177,485
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Restricted revenue funds for advice and advocacy, and community action, are credited with incoming resources for particular projects and charged with the related expenditure.

The capital grants for the learning dome are a contribution towards the costs of the new domes, as referred to in the trustees' report. When the domes are completed and in use, the restrictions on the income will have been satisfied and the fund can be transferred to unrestricted funds.

The Graham Street Charity funds were transferred when that charity closed and became part of The Birmingham Settlement.

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

17 Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets	745,921	-	1,054,536	1,800,457
Current assets	1,111,038	177,485	524,281	1,812,804
Current liabilities	(313,895)	-	-	(313,895)
	<u>1,543,064</u>	<u>177,485</u>	<u>1,578,817</u>	<u>3,299,366</u>

18 Unrestricted funds

	Contingency Reserve £	Designated reserves £	Birmingham Settlement owned buildings £	Revenue reserve £	Total £
Company and group					
At 1 April 2023	770,000	-	731,620	11,099	1,512,719
Transfer between funds	-	-	-	50,000	50,000
Surplus/(Deficit) in year	-	-	(8,600)	(42,533)	(51,133)
	<u>770,000</u>	<u>-</u>	<u>723,020</u>	<u>18,566</u>	<u>1,511,586</u>
At 31 March 2024	770,000	-	723,020	18,566	1,511,586

The contingency reserve is an amount set aside to provide funds for six months of operations, together with an estimate of redundancy costs which would be incurred should operations have to cease.

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

19 Charities of which The Birmingham Settlement is sole trustee

The company is sole trustee of Birmingham Settlement Properties, which owns certain properties and investments, comprising the endowed capital of the charity, held for the benefit of the charitable company.

The capital assets and income and expenditures of Birmingham Settlement Properties are incorporated in the consolidated accounts of The Birmingham Settlement.

	Birmingham Settlement Properties	
	Endowed £	Unrestricted £
Incoming Resources	10,007	-
Charitable Expenditure	-	-
Net Incoming Resources	10,007	-
Net gains/(loss) on revaluation of investment assets	-	-
Funds brought forward	1,442,861	-
Funds carried forward	1,452,868	-

20 Indemnity insurance

The charitable company has indemnity insurance which protects the charity, its directors, trustees, officers and employees from any loss or consequences of neglect or default on their part. The cost of the premium in the current year amounted to £7,815 (2023: £7,539).

21 Capital and financial commitments

Capital expenditure contracted for but not provided in the accounts is £nil (2023: £334,221).

Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

22 Operating leases

Annual commitments of the group and charitable company in respect of operating leases are as follows:

Leases expiring:	Land and buildings		Office equipment	
	2024	2023	2024	2023
	£	£	£	£
within one year	32,000	55,000	-	-
in two to five years	71,250	-	-	-
in more than five years	-	-	-	-
	<u>103,250</u>	<u>55,000</u>	<u>-</u>	<u>-</u>

Included within leases expiring within one year are certain leases which are currently being renegotiated.

23 Reconciliation of changes in resources to net cash inflow from operating activities

	2024	2023
	£	£
Net (outgoing)/incoming resources before revaluation	(30,100)	(124,120)
Depreciation	43,577	9,493
Interest receivable and similar income	(20,007)	(1,951)
Investment (gains)/losses	-	6,170
(Profit)/Loss on disposal of assets	(893)	-
Decrease/(Increase) in debtors	43,197	(152,074)
(Decrease)/Increase in creditors	23,993	51,285
Net cash inflow from operating activities	<u>59,767</u>	<u>(211,197)</u>

24 Analysis of net funds

	1 April 2023	Cashflows	31 March 2024
	£	£	£
Cash at bank and in hand	<u>1,985,988</u>	<u>(1,640,596)</u>	<u>345,392</u>

The Birmingham Settlement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

25 Members

The charitable company is incorporated as a company limited by guarantee having no share capital in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 March 2024 there were 13 members (2023: 17).

26 Related party transactions

Advantage has been taken of the exemption in FRS8 paragraph 3(c) not to disclose transactions with group companies, as consolidated financial statements are prepared.

Councillor Cotton, who is a trustee of the Settlement, is a Councillor of Birmingham City Council. The Settlement is a tenant of one property of which Birmingham City Council is landlord and on which it pays a rent (2023 and 2024 - £24,000).

Martin Holcombe, the Chief Executive, is also a trustee of the George Fentham Birmingham Charity. During the year the George Fentham Birmingham Charity made a donation of £10,000 (2023: £10,000) for distribution as grants to individuals in need. During the year the Settlement made grants of £10,000 (2023: £10,000) from the donation. In addition, the George Fentham Birmingham Charity made a donation of £5,500 (2023: £5,500) towards the Settlement's Little Settlers project.

Matthew Gregson, the Chair, is a partner of Anthony Collins Solicitors who were used in relation to Birmingham Settlement's purchase of the garage at 596 Kingstanding Road, Birmingham B44 9SH, and lease renewal for the Charity Shop at Unit 23 The Lanes Shopping Centre, Wylde Green, B72 1YG. These costs totalled £5,357 in the year (2023: £nil). In addition, Matthew Gregson is a Trustee of the Aston & Nechells Foodbank who contracted Birmingham Settlement to deliver money advice, contract value £13,050 (2023: £12,960).

