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Company Registration No. 01946604 (England and Wales)

THE BIRMINGHAM SETTLEMENT

(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

(Registered Charity Number 517303)

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The Birmingham Settlement

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The Birmingham Settlement

TRUSTEES' REPORT

For the year ended 31 March 2026

The trustees present their report and financial statements for the year ended 31 March 2026.

Reference and Administrative information

Charity registration number: 517303
Company number: 01946604

Trustees

Matthew Gregson	(Chair)
Stuart Roberts	
Michael Burgess	
Sophie Skellern	
Deborah Sewell	(Appointed – 19 January 2026)
Joanna Raine	(Appointed – 19 January 2026)
Rachel Bramwell	(Appointed – 19 January 2026)
Yvonne Hackforth	(Appointed – 19 January 2026)
Emma Peniket	(Appointed – 19 January 2026)
Jasbir Singh	(Appointed – 19 January 2026 – Resigned 28 May 2026)
Alex Ballinger	(Resigned – 19 January 2026)
Rodney Garnes	(Resigned – 18 June 2025)

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
600 Kingstanding Road
Birmingham
B44 9SH

Auditors

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

Bankers

Lloyds Bank PLC
PO Box 1000
BX1 1LT

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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, six new trustees were appointed with three 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.

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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

1. <u>Financial resilience</u>
   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.

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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.

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Review of activities

The year under review has been a busy and productive year for the Settlement, but also a year of further change as we continue to build and invest in our owned assets.

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 is an essential service to those struggling to cope with money issues. Our professionally trained and Financial Conduct Authority regulated Money Advice Team continues to deliver a wide range of effective solutions to those facing financial issues, services that are needed now more than ever as the cost-of-living crisis continues and deepens pushing more people into financial hardship. Increasingly, we are supporting people who were previously classed as 'just about managing' but who are now facing significant financial challenges due to circumstances beyond their control. Unfortunately, due to exceptionally high demand, we have been unable to offer traditional open-door drop-in sessions as in previous years, instead, focusing more on community outreach and appointments although we are always reviewing the way we deliver to ensure we are open and accessible to as many people as possible. Recognising the wider and growing need for appropriate and targeted financial literacy and early intervention we have also placed a stronger focus on developing and delivering specialist money advice training for frontline staff working in community settings across the city. This has helped to broaden awareness, build skills, and improve access to vital services for those in need and we are committed to expanding this area to increase our reach and impact.

Throughout the year, we supported large numbers of clients in need of debt and welfare benefits advice, providing essential help at critical moments. Many of the individuals and families we work with face significant barriers to accessing support, ranging from language and literacy challenges to poor mental or physical health, lack of access to IT, or feelings of fear, stigma, or shame.

These barriers often prevent people from seeking help until they are already in crisis. As a result, we regularly work with clients experiencing extreme hardship, unable to pay rent, experiencing fuel and food poverty, or access essential funds. Without timely intervention, such situations can quickly escalate into eviction, homelessness, poor health and mental health leading to long-term, devastating situations. In recent years we have also seen a notable rise in isolated families being referred to us with complex physical and mental health needs often requiring longer-term, intensive support and close collaboration between our team and partner organisations.

Navigating the benefits system also remains a major challenge for many. Online applications for Universal Credit continue to be difficult for those without digital access or confidence, and the process of applying for benefits like Personal Independence Payment (PIP) is particularly complex and overwhelming for those unfamiliar with the system.

Our team offers a wide range of services and works closely with other projects across the organisation to deliver a truly holistic approach. We recognise that individuals rarely face a single issue, financial difficulties are often linked with wider challenges such as isolation, poor mental health, or a lack of community connection. That's why our support goes beyond advice alone.

While money and debt advice often serve as the first point of contact, it is frequently just the beginning of a client's journey with us. From there, many go on to access other programmes we offer, such as Ageing Well, Family Support, Wellbeing activities, Training & Learning, or our Little Settlers: Stay, Learn & Play initiative.

By addressing the full picture, we not only help people resolve immediate financial issues and maximise income, but we also support long-term improvements in mental health, confidence, and social connection. For many, this pathway leads to re-engagement with peers, family, and the wider community.

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Alongside one-to-one advice, we also deliver a growing programme of financial literacy workshops and training, designed both for clients and frontline staff. These sessions range from basic money management to more advanced support on benefits and debt, building skills and resilience and playing an important role in preventing future crises.

Throughout the year, our work underwent regular quality assurance processes. We're proud to report that, even under significant pressure, we successfully met all audit requirements. Despite the consistently high demand for our services, maintaining quality has remained at the heart of everything we do. Our professional team of advisers continued to receive regular training and development in line with Advice Quality Standards, the Institute of Money Advisers, Child Poverty Action Group, Money Advice Trust and other relevant quality frameworks.

In terms of numbers, our Money Advice Team supported more than 5,771 people during the year. Of the more than £5.9 million recorded debt presented by clients, we were successful in getting more than £2.72 million either written off or rescheduled, enabling more affordable repayments (46% of debt presented was rescheduled/written off). Through our support with benefit applications and challenges to negative benefit decisions, we helped to increase recorded household income by £2,392,122 per annum equivalent, with an additional £354,225 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 269 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 1,011 clients access hardship grants to support them through immediate crisis, including 142 awards from our own small hardship fund.

While during the year under review we continued to deliver money advice in 4 prisons, unfortunately, due to the funding and short-term nature of these contracts, we took the difficult decision to withdraw from those smaller contracts at the year end. While this was disappointing and not something we wanted to do, it has freed us up to focus more on delivering face-to-face from our own bases at the Sports & Community Centre in Kingstanding, and the Nature & Wellbeing Centre by Edgbaston Reservoir in Ladywood which fits well with our overall aim of building holistic offers from our owned sites to support those communities and build sustainability for the Settlement long term. We know that while people present with financial issues, there are usually causes behind those issues and delivering more from our own bases allows us to provide the wider support, activities and services people often need to build confidence, aspiration and wellbeing.

The year under review was busy with growing demand and increasing pressure on our services due to the continued cost-of-living crisis. Despite these challenges, our Money Advice Team delivered strong outcomes for clients during a time of urgent need. We supported individuals and families facing complex financial situations, helping to stabilise their situations, to reduce or manage debt, access essential benefits, and avoid crisis situations like eviction or homelessness.

Throughout the year, we recorded numerous success stories, which clearly demonstrate the value of our work and the real, lasting difference it has made in improving people's lives. These outcomes highlight not only the effectiveness of our advice, but also the dedication and resilience of our team in responding to the needs of the community.

Two examples of our work are given below:

Case study one:

Background:

Mrs. X was referred to our team through a Children's Centre. Mrs. X is married, a joint homeowner with her husband (self-employed, part-time) and has 4 dependent children. She is a full-time carer for her 9-year-old who has autism and was in receipt of Disability Living Allowance which was being reviewed. Mrs. X was struggling financially and to deal with the review and needed our help.

The Action:

Our team successfully completed the DLA review with Mrs. X with our intervention resulting in DLA being backdated and awarded for the period 29.10.24 to 15.6.31 (7 years) with Daily Care at the higher rate of £110,40 p/w, and Mobility

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Allowance at the lower rate of £29.20 p/w. This also secured additional elements of Universal Credit for the same period comprising the Disabled Child element at the higher rate of £495.87 p/m and Carers Premium of £201.68 p/m.

In total, our intervention helped secure a total award of £101,212 for the 7-year period until Mrs. X's child is aged 16.

Mrs. X said, "Thank you for your help and support, I didn't know where to go as lots of organisations turned me away, I was really stressed out".

Case study two:

Background:

Mrs Q was referred to one of our team who is based at one of Birmingham City Councils' Libraries. Mrs. Q was a victim of domestic abuse; she had left her husband and had recently moved from a refuge to supported accommodation with 1 dependent child. Mrs. Q had poor mental health including depression and anxiety, was on meds and receiving counselling, she was in receipt of standard Universal Credit and was struggling financially.

The Action:

Our team advised Mrs. Q on criteria and process for Limited Capacity for Work, and Personal Independent Payments and assisted her with applications. She was also supported with grant applications to the Household Support Fund and Domestic Abuse Household Support Fund for interim financial support and help with essential household items for her new home.

Following our support Mrs. Q was awarded a Household Support Grant of £200 and a Domestic Abuse Household Support Grant of £300 to support immediate needs.

Longer-term, Mrs. Q was awarded Limited Capacity for Work and Work-Related Activity payments through Universal Credit of £423.27 p/m and PIP payments at the daily living standard of £320.23 p/m. As a result of our intervention, Mrs Q's financial position has improved by £743.50 p/m.

Mrs. Q said that she was not expecting the ongoing and detailed help and support she got, that she was simply seeking advice, and was extremely grateful for our support.

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 located 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.

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, we delivered:

- Nature & Wellbeing – 50 sessions, footfall 1,617 made up of 988 children and 629 adults.
- Sports & Community Centre – 76 sessions, footfall 1,676 made up of 929 children and 747 adults.
- Total, 126 sessions delivered at the two sites, a footfall of 3,293 made up of 1,917 children and 1,376 adults.

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In addition to the above, we delivered a range of activities and events during the school holidays including arts and crafts, and nature activities alone and in partnership with a range of providers.

The visuals below example some of our work:








Youth work (RISE):

Growing our youth offer is a key objective for the Settlement and as we continue to develop and improve our sites, particularly our Sports & Community Centre, the infrastructure and capacity for delivery is building. We know we can't deliver everything ourselves, but we can provide the safe space others need and throughout the year we have been working closely with external partners to increase the range of youth-based activities on offer, along with developing our own. We know from the young people attending sessions, and from those who are not, that there is a need for more activities and spaces where young people can feel safe and free to express themselves. We are currently planning a wider range of activity that builds on what we already do including sessions to support the older teenage bracket, a dedicated boy's group, an LGBTQ+ group, more social sessions (film club for example), and wellbeing sessions for young people.

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The below lists our regular / core delivery for this year:

Settlement sessions (age 5 – 14):

- Thursday Family Sports & Games – 37 sessions, footfall 1,045 of which 645 were children
- Saturday Playzone – 21 sessions, footfall 203, of which 128 were children
- Kids Disco (monthly) – 11 sessions, footfall 384, of which 260 were children
- Craft Crew – 25 sessions, footfall 396

Partners sessions:

- Spark Active
  - Kingstanding Squad – Girls Football (12 – 14) – 24 sessions, footfall 528
  - Kingstanding Wildcats – Girls Football (7 – 11) – 24 sessions, footfall 384

- Panthers Judo
  - 44 sessions, footfall 1,898

- Aston Villa Foundation
  - Play It Forward – Boys football skills (8-11) – 24 sessions, footfall 348
  - Play It Forward – Boys football skills (12-14) – 24 sessions, footfall 495

- Sporting Elite
  - Weekly Football Camp (11 – 16) – 26 sessions, footfall 403
  - October 2025 HAF program (7 – 14) – footfall 58
  - December 2025 HAF program (7 – 14) – footfall 38
  - February 2026 HAF program (7 – 14) – footfall 44

- Girls For A Change
  - (8 – 16) 36 sessions, footfall 1,750

Youth work promotion:





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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 gardening, craft, or walking netball sessions. 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:

- 'Cuppa & Chatter' Befriending Group – 42 sessions with a footfall of 1,084
- Tai Chi – 39 sessions with a footfall of 722
- Art Group – 45 sessions with a footfall of 567
- Bowls Club – 46 sessions with a footfall of 691
- Dance Fit – 36 sessions with a footfall of 518
- Seated Pilates – 41 sessions with a footfall of 567
- Film Club – 43 sessions with a footfall of 259
- Cyber Savvy (IT drop-in support) – 23 sessions with a footfall of 161

Nature & Wellbeing Centre:

- Tai Chi – 72 sessions with a footfall of 305
- Walk and Talk – 40 sessions with a footfall of 187
- Plant with Pat – 33 sessions with a footfall of 155
- Cyber Savvy (IT drop-in support) – 19 sessions supporting 28 individuals

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The photos below give a flavour of the Ageing Well activities we deliver:


Ageing Well Christmas Party


Ageing Well Christmas Party


Cyber Savvy


Reminiscent Workshop


Dance Fit


Beat It – drumming / rhythm workshop

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.

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During the year under review, we delivered:

- 126 'formal' courses/workshops with an attendance of 1,357, courses included:
    - Equality, Diversity & Inclusion
    - Disability Awareness
    - Adult Safeguarding
    - Conflict Resolution
    - Professional Boundaries
    - Trauma Informed Practice
    - Mental Health Awareness
    - Introduction to Drug Awareness
    - Mental Health & Debt
    - Introduction to Universal Credits
    - Introduction to Council Tax
    - Introduction to PIP & AA
    - Various wellbeing workshops e.g., nutrition, sleep, social connection, understanding immunity, stress

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 approx. 1932 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 Nature & Wellbeing Centre, known previously as the 'Selwyn Road 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 Youth 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 has been going through a positive period of major change and development as it brings these sites back to life, the below provides an update on each site.

Birmingham Settlement Nature & Wellbeing Centre:

Our Nature & Wellbeing Centre has gone from strength to strength since the opening of the Red Shed in August 2021 (Phase 1), and the completion of our geodesic domes, amphitheatre and wider landscaping in January 2024 (Phase 2). We have continued to develop the site including the installation of solar panels on the Red Shed reducing our carbon footprint further and allowing us to showcase even more the positive impact of renewables. We now have a range of different accessible spaces supporting nature, growing, learning, wellbeing, engagement, playing and social activities as well as building opportunities for more partnership working and wider delivery.

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We are pleased to say that we have now begun planning work on developing the 'Green Barn' which is the final 'build' for the site (Phase 3), a covered space with a larger hall and office to ensure we can deliver more ourselves and with our partners all year round. The aim is that construction should commence in late 2026 and we hope to have the Green Barn completed in time for our annual Neighbourhood Futures Festival at the end of June 2027, a real boost for the site which already offers an oasis of both tranquillity and activity for our local and wider communities to enjoy.

The Nature & Wellbeing Centre is still being discovered by people daily as the increase in visitor numbers and those taking part in activities demonstrate. We are now open and staffed 6 days a week and offer a busy and varied timetable with different activities for all. In addition, on Sundays a group of volunteers run the Edgbaston Reservoir Running & Wellbeing Group ensuring there are activities taking place on site every day of the week. Footfall for the 2025/26 year was circa 20,000 and that number is growing year-on-year.

A real positive for the site which also confirms its value is the number of activities delivered by volunteers themselves, including our chess club, archery, growing and gardening clubs; something we are truly proud of.

The Red Shed Community Café has grown steadily and has become a thriving hub where people can meet and relax. It provides a welcoming space for the whole community and is part of the city's 'Warm Welcome' initiative providing welcoming spaces where people who are isolated and perhaps struggling to cope can access free light refreshments, meet others and find out what is going on in their area.

In addition to the activities offered over the past year, there has also been significant and measurable progression with the infrastructure of the site, for example:

- The second polytunnel has been joined by a new nursery area.
- We have added a large green roof to what was a builders welfare unit transforming the space into a tailored volunteer base (the Nature Lodge) where our volunteers can sit, observe and enjoy the results of their efforts.
- A waterfall feature is now in the Peace Garden which compliments the domes and courtyard as an iconic and relaxing space.
- The nature zone now has a large wooden gazebo providing covered space; enhancing the area and allowing more activities to be based there.
- A covered and timber-walled structure on 3-sides called the Creative Shed has been built giving a designated space to support building and woodwork as well as an additional activity space.
- Water butts and guttering have been installed on various structures around the site allowing us to harvest as much rainwater as possible.

The varied and increasing use of the site by the community, groups and partners means we are ready to embrace the next exciting development for the site, the "Green Barn" which we are sure will open many doors for the Settlement and our partners.

Activities

The Nature & Wellbeing Centre has an active timetable offering a wide range of activities for the whole community, twice weekly we host general volunteering sessions which supports the maintenance of the site, we wouldn't be able to water and cut the grass and keep the site in the condition it needs to be without their help!

Regular activities delivered during the year in addition to those mentioned above include:

Settlement led:

- Little Settlers Nature Club – 50 sessions with a footfall of 1,563 (988 children, 629 adults)
- Forest School – 38 sessions with a footfall of 772 (437 children, 225 adults)
- Creative Shed – 20 Sessions with a footfall of 126
- Cyber Savvy (IT drop-in support) – 19 sessions supporting 28 individuals
- Walk and Talk – 40 sessions with a footfall of 187

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- Monthly Litter picks – 8 sessions sessions with a footfall 47
- Friends of the Field volunteers – 113 sessions with a footfall of 541
- Yoga – 30 sessions with a footfall of 150
- Nature Navigators – 16 sessions with a footfall of 36
- Branching Out - 24 sessions with a footfall f 76

Volunteer led:

- Archery – 44 sessions with a footfall of 182
- Plant with Pat – 33 sessions with a footfall of 155
- Dog Walk and Talk – 79 sessions with a footfall of 479
- Tai Chi – 72 sessions with a footfall of 305
- Arts and Crafts – 38 sessions with a footfall of 217
- Chess Club – 34 sessions with a footfall of 228
- Sewing – 9 sessions with a footfall of 35
- Game on! Board games session – 3 sessions with a footfall of 48
- Running Club – 42 sessions with a footfall of 2,340

In addition, we provided a broad range of one-off activities, from family- sport days to nature trails to pond dipping during the year in review, a total of 26 sessions with a footfall of 743.

There is also a great demand for Corporate Social Responsibility, and we have hosted 49 sessions this year with a footfall of 480. We are very grateful for the help we receive which not only builds awareness of the Settlement and what we do but also provides much needed labour to help maintain and develop the site.

Once again at Christmas, we transformed our domes into a 'Winter Wonderland', creating a magical space for families and children to visit with around 400 people visiting. In addition, a Christmas celebration was held in the Red Shed with members of the community squeezing in to end the year with a real feel-good celebration.

Finally, in June 2025 we were delighted to host our third Neighbourhood Futures Festival, a vibrant free festival full of music, arts, and culture for the community to enjoy, in addition to talks, events and activities to promote nature and positive environmental action in urban spaces. We welcomed more than 40 partners delivering a range of thought-provoking sessions and saw a growth in footfall from the previous year to a total of 2,400.

The Nature & Wellbeing Centre is now embedded as an important site for individuals and the community, offering a welcoming outdoor space for all to enjoy, below are some visuals demonstrating just some of the work being delivered.



Live Theatre at Neighbourhood Futures Festival



The festival continues to grow

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Beautiful throughout the seasons.



Chess on our outdoor board.



The Green Roof on our volunteer Nature Lodge



The Green Roof assembled



The community maze – the trees will grow!



One of many CSR groups who supported us



One of our community litter picks



Craft sessions in the dome

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T
Team photo of staff and volunteers



Christmas celebration in the Red Shed



New Gazebo in Nature Zone



One of our volunteer sessions

Birmingham Settlement Sports & Community Centre:

Following the Sports & Community Centre's return to the Settlement in December 2020, which followed a long lease to Birmingham City Council, we have stuck to our aim of gradually building activities and presence while we engaged with the community to assess priorities, including physical improvements to the site that were and are still needed. The site felt old and tired and had seen little investment for many years and was under-used prior to its return, however, with several halls, sports facilities, and open spaces, it has great potential and we have been investing heavily to bring the site back to life since its return, that investment is paying off and we are now seeing far greater engagement and use than there had been for many years prior to the sites return as shown elsewhere in this report.

In the year under review, we have mainly been focusing on embedding activities and engagement with the community and partners such as Food Cycle, Panthers Judo, the 'We're In This Together' Learning Disability Group and several youth and sports organisations to ensure we are building links and delivering effectively bearing in mind the small team we have, but we have also continued a process of gradual improvements across the site. This has included new signage, groundworks to make safe and improve the car park that was created by the demolition of a garage which has improved access and freed up space at the back of the site on the field that was previously used for parking and where we are now creating more growing and nature space. As a result of those redefined spaces, we have installed a large polytunnel on the field at the back of the site and established a new 'Garden & Grow' group giving members of the community a chance to be part of an ever-growing project which is gradually greening the site with planting and zoning for specific activities and learning as well as growing fresh fruit and vegetables.

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We have also benefitted from several Corporate Social Responsibility days where companies have helped us with specific pieces of work that we would struggle to do on our own, including footings, fixings and installation of the large polytunnel, plus painting and similar and we are grateful for that support.

All in all, the Centre is continuing to take shape, and we have plans to develop a wider range of additional opportunities for our communities to become more engaged and help us to build sustainability for the site together.

The photos below example some of the site improvements delivered during the year.

<table>
<tr>
<td>
The new polytunnel – CSR Group Savills</td>
<td>
Completed polytunnel</td>
</tr>
<tr>
<td>
Vegetable grow-plots in place</td>
<td>
Spinach, onions, potatoes, lettuce and pumpkins!</td>
</tr>
<tr>
<td>
Car park during groundworks</td>
<td>
Car park after groundworks</td>
</tr>
</table>

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New signage at street level



CSR support from Hortons

Shops:

Our three charity shops (Sutton Coldfield, Boldmere, and Wylde Green) contributed more than £20k of unrestricted income to the charity. 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 individuals through engagement with the Settlement, along with providing affordable goods to those who may be struggling in the current climate are also key factors. 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. Indeed, our volunteer teams play a pivotal role within the shops and the breadth of scope and talent is remarkable, from the Saturday Duke of Edinburgh participants to the work experience students, to the jobseekers, the retired and those seeking to offer their time and give something back to society; we could not run our shops without the support and help of our volunteers and their support is greatly appreciated.

We will continue to monitor performance, including how we link core services to the shops.

Volunteers

The appointment of a central Volunteer Co-ordinator funded by our National Lottery Reaching Communities 'Connected Communities' project is developing volunteering across the organisation, increasing participation and creating clearer pathways to volunteering with us. Our volunteer base has grown to over 120 active volunteers, with 60 new volunteers recruited during the year. Our Charity Shops could not function without the invaluable contribution of the volunteers who contribute every day to keep them going. Volunteering has grown at our main delivery bases, doubling at our Sports & Community Centre and we are keen to keep building and involving volunteers more in our work.

This year we introduced 6 new volunteer-led roles, alongside new community-led initiatives including our Garden & Grow group, and strengthened recruitment, induction, safeguarding, and progression processes. Volunteers now contribute across every area of our work with preparations underway for Investing in Volunteers (IiV) accreditation.

Collectively, volunteers contributed 19,447 hours, representing an estimated social value of £245,032.

In addition, the year marked a significant shift towards greater community ownership, with local people increasingly co-designing services, leading activities, and shaping decision-making.

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

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Financial Review

Income for the year amounted to £2,372,995 (2025: £2,112,914). Notable changes from the previous year included an increase of £374,625 in 'Grants and contract' income, comprising a range of new or increased grants and contracts, particularly around Lottery funding and Money Advice which was very positive. However, 'Donations, legacies, and gifts' saw a drop of £101,915 which reflects the difficult environment in which we work, in particular for this year two time-based grants ended, and we were unable to find replacements for the full amounts. Other elements of income for the year were similar to 2025.

Expenditure for the year amounted to £2,371,190 (2025: £2,242,008). Notable changes from the previous year related to increased expenditure of £126,311 on 'Advice and advocacy' which in the main related to increased spend on Money Advice; increased spends of £15,582 on 'Fundraising and publicity' and £13,627 on 'Charity shops costs', those increases relate mainly to new staff as we look to boost those areas. 'Community Action' saw a drop in spend of £26,537 as we looked to embed current activities. Elsewhere, spending was comparable with previous years.

The Settlement finished the year with an unrestricted deficit of £34,451, a restricted surplus of £29,608, and an endowment surplus of £6,648, giving an overall surplus of £1,804 (2025: deficit £129,094).

Bearing in mind the charities actual and ongoing commitment to invest in its two owned sites, the Nature & Wellbeing Centre and the Sports & Community Centre, to achieve a small surplus is a positive outcome for the year. However, as implied, we do need to acknowledge that the Settlement is on a path of significant change with that commitment to invest 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 to help cover expected shortfalls in the short and medium term as we adapt and develop.

Trustees will take further advice with a view to reinvesting 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 Settlements' trading activities including its charity shops.

Trustees recognize and appreciate the 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). Budgeted expenditure for 2026/27 (minus payments or grants to partners) is in the region of £1,800,000 and the current level of free or 'contingency' reserves stands at £770,000. Given the number of projects, their diverse sources of funding and the Settlement's recent history, the trustees consider that while contingency reserves are slightly lower than we would like, this level of reserve would enable the charity to arrange an orderly reduction in activities in the event of a major loss of funding.

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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 therefore decided to invest reserves, where appropriate, 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

Birmingham Settlement currently holds in a mix of secure, accessible, cash accounts to ensure the Settlement has the financial fluidity to support the current spend on developments. However, with the major self-funded works nearing completion, 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, national and local 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.

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).

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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 23-10-2026 and signed on its behalf by:

Matthew Gregson – Chair

Signed by:
M Gregson
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Martin Holcombe – Company Secretary

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Martin Holcombe
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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 2026, 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. Out 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 2026 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.

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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 22, 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

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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.

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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.

Signed by:
Mark McLean
35BD92752FCD4B6...

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

26-10-2026

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.

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Birmingham Settlement

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2026

	Note	Unrestricted funds £	Restricted funds £	Permanent Endowment funds £	Total funds 2026 £	Total funds 2025 £
Incoming resources						
Voluntary income						
Donations, legacies and gifts	2	156,701	104,171	-	260,872	362,787
Income from other trading activities						
Charity shops income	3	259,895	-	-	259,895	262,302
Investment income	4	61,410	-	15,269	76,679	83,335
Incoming resources from charitable activities						
Grants and contract income	5	546,792	1,209,797	-	1,756,589	1,381,964
Other income	6	15,492	3,468	-	18,960	22,526
Total incoming resources		1,040,290	1,317,436	15,269	2,372,995	2,112,914
Resources expended						
Cost of generating funds						
Costs of generating voluntary income						
Fundraising and publicity costs	7	(74,860)	-	-	(74,860)	(59,278)
Charity shop costs	7	(239,498)	-	-	(239,498)	(225,871)
Charitable activities						
Realised loss on investments		-	-	-	-	-
Advice and advocacy	7	(306,819)	(605,865)	-	(912,684)	(786,373)
Community Action	7	(427,911)	(681,963)	(8,621)	(1,118,496)	(1,145,033)
Governance costs	7	(25,654)	-	-	(25,654)	(25,454)
Total charitable expenditure		(1,074,741)	(1,287,828)	(8,621)	(2,371,190)	(2,242,008)
Net (losses)/gains on revaluation of investments		-	-	-	-	-
Net (losses)/gains on revaluation of fixed assets	10	-	-	-	-	-
Gross transfer between funds		-	-	-	-	-
Net movement in funds		(34,451)	29,608	6,648	1,804	(129,094)
Fund balances brought forward at 1 April 2025		1,449,081	146,194	1,543,519	3,138,794	3,267,888
Fund balances carried forward at 31 March 2026		1,414,630	175,802	1,550,166	3,140,598	3,138,794

More details on the Permanent Endowment funds are given in note 15. There are no recognised gains or losses for 2026 or 2025 other than those included in the Consolidated Statement of Financial Activities.

The notes on pages 33 to 48 form part of these financial statements.

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The Birmingham Settlement

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2026

	2026 £	2025 £
Turnover	2,296,315	2,029,579
Operating costs	(2,371,190)	(2,242,008)
Operating deficit	(74,875)	(212,429)
Interest receivable and similar income	76,679	83,335
Net income/(deficit) for the year	1,804	(129,094)

All amounts relate to continuing operations.

The Consolidated Summary Income and Expenditure Account is derived from the consolidated Statement of Financial Activities on page 28, which together with the notes to the financial statements on pages 33 to 48, provides full information on the movements during the year on all funds of the group.

The notes on pages 33 to 48 form part of these financial statements.

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The Birmingham Settlement

CONSOLIDATED BALANCE SHEET

For the year ended 31 March 2026

	Note	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	10(a)		1,490,907		1,725,403
Investments			-		-
			1,490,907		1,725,403
Current assets					
Stocks and work in progress	11	4,718		4,718	
Investments		1,365,573		900,000	
Debtors	12	218,250		270,252	
Cash at bank and in hand – Endowment funds		55,949		55,949	
Restricted funds		175,802		146,194	
Contingency reserve		-		-	
Unrestricted funds		91,589		290,087	
		1,911,881		1,667,200	
Creditors: amounts falling due within one year	13	(262,190)		(253,809)	
Net current assets			1,649,691		1,413,391
Total assets less current liabilities			3,140,598		3,138,794
Reserves					
Permanent Endowment Funds	15		1,550,166		1,543,519
Restricted funds	16		175,802		146,194
Birmingham Settlement owned buildings	18		620,032		651,488
Revenue reserve	18		24,598		27,593
Contingency reserve	18		770,000		770,000
Other designated reserves	18		-		-
			3,140,598		3,138,794

The notes on pages 33 to 48 from part of these financial statements.

For the year ended 31 March 2026, the group was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this group 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 23-10-2026 and signed on its behalf by

Signed by:
M Gregson
D9916490C824F9...

MR M GREGSON
Director

Company Registration No. 01946604

Docusign Envelope ID: C0414F80-8222-898C-82C0-3C8471489F1C

The Birmingham Settlement

CHARITABLE COMPANY BALANCE SHEET

For the year ended 31 March 2026

	Note	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	10(b)		714,533		749,488
Investments			-		-
			714,533		749,488
Current assets					
Stocks and work in progress	11	4,718		4,718	
Investments		1,365,573		900,000	
Debtors	12	218,250		270,252	
Cash at bank and in hand – Endowment funds		55,949		55,949	
Restricted funds		175,802		146,194	
Contingency reserve		-		-	
Unrestricted funds		91,589		290,087	
		1,911,881		1,667,200	
Creditors: amount falling due within one year	13	(910,033)		(695,464)	
Net current assets			1,001,848		971,736
Total assets less current liabilities			1,716,381		1,721,224
Reserves					
Permanent Endowment Funds	15		125,949		125,949
Restricted funds	16		175,802		146,194
Birmingham Settlement owned buildings	18		620,032		651,488
Revenue reserve	18		24,598		27,593
Contingency reserve	18		770,000		770,000
Other designated reserves	18		-		-
			1,716,381		1,771,224

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- These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

Approved by the Board on 23-10-2026 and signed on its behalf by

MR M GREGSON
Director
Company Registration No. 01946604

Signed by: M Gregson D90164890C024F9...

Docusign Envelope ID: C0414F80-8222-898C-82C0-3C8471489F1C

The Birmingham Settlement
CONSOLIDATED CASHFLOW STATEMENT
For the year ended 31 March 2026

	Notes	2026	2025
		£	£
Net cash outflow/(inflow) from operating activities	23	70,971	(208,692)
Returns on investments and servicing of finance			
Interest received		34,793	58,510
Capital expenditure and financial investment			
Purchase of tangible fixed assets		-	-
Disposal of fixed assets		190,919	-
(Purchase)/Sale of investments		(465,573)	305,020
Increase/(Decrease) in cash		(168,890)	146,838
Reconciliation of net cashflow to movement in net funds			
Increase/(Decrease) in cash in the period	24	(168,890)	146,838
Net funds at 1 April 2025	24	492,230	345,392
Net funds at 31 March 2026	24	323,340	492,230

The notes on pages 33 to 48 form part of these financial statements

Docusign Envelope ID: C0414F80-8222-898C-82C0-3C8471489F1C

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.

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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.

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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% 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.

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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.

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2 Donations, legacies and gifts

	Unrestricted £	Restricted £	2026 £	2025 £
Barrow Cadbury Trust – Planning & Influence	22,500	-	22,500	22,500
Barrow Cadbury Trust: Migration – Policy & Practice (host grant)	48,221	-	48,221	73,984
Esmee Fairbairn Foundation	-	-	-	66,000
Other donations (under £50K)	85,980	104,171	190,151	200,303
	156,701	104,171	260,872	362,787

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 £	2026 £	2025 £
Bank interest	19,524	15,269	34,793	50,510
Income from lettings	41,886	-	41,886	32,825
Investment and other income	-	-	-	-
	61,410	15,269	76,679	83,335

5 Grants and contract income

	Unrestricted £	Restricted £	2026 £	2025 £
Money & Pensions Service	-	359,028	359,028	335,163
BCC Neighbourhood Network Scheme	-	308,065	308,065	310,000
Football Foundation	-	-	-	154,394
Aston & Nechells Foodbank	22,000	-	22,000	29,510
Birmingham Central Foodbank	33,409	-	33,409	25,772
BCC (LEAS)	235,633	-	235,633	105,000
BCC Domestic Abuse	-	116,465	116,465	-
Heart of England	-	13,938	13,938	-
Household Support Fund	-	33,600	33,600	13,937
National Lottery Heritage Fund	-	80,767	80,767	35,972
National Lottery Reaching Communities	-	114,037	114,037	-
National Lottery Awards For All	-	19,600	19,600	-
BVSC – Brum Energy	-	69,660	69,660	-
Ingeus	44,284	-	44,284	42,426
Ministry Of Justice	-	63,036	63,036	41,434
Money Advice Outreach < £10k	49,061	-	49,061	45,679
Trussel Trust	41,519	-	41,519	59,757
Other Trusts < £40k	120,886	31,601	152,487	182,920
	546,792	1,209,797	1,756,589	1,381,964

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6 Other income

	Unrestricted £	Restricted £	2026 £	2025 £
Training and learning internal courses	6,170	-	6,170	14,480
Sundry income	9,322	3,468	12,790	8,046
	15,492	3,468	18,960	22,526

7 Total resources expended

		Voluntary Income £	Charity Shops £	Advice & Advocacy £	Community Action £	Governance £	Total 2026 £	Total 2025 £
Costs directly allocated to activities								
Staff costs		37,635	108,922	658,537	527,024	-	1,332,118	1,089,277
Direct project costs		28,936	23,347	37,287	304,968	-	394,537	339,787
Site costs		-	83,238	71,814	170,423	-	325,476	452,145
Support costs allocated to activities								
Staff costs	Direct staff costs	5,219	15,106	91,331	73,092	17,954	202,701	188,870
Site costs	Direct staff costs	2,183	6,317	38,191	30,564	7,700	84,954	57,545
Information Technology	Direct staff costs	1,032	2,988	18,062	14,455	-	36,538	38,431
Other Costs	Direct staff costs	(145)	(420)	(2,538)	(2,031)	-	(5,133)	75,953
		74,860	239,498	912,684	1,118,496	25,654	2,371,190	2,242,008

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8 Staff costs including shop staff

	2026 £	2025 £
Wages and salaries	1,316,670	1,121,060
Social security costs	136,082	92,235
Pension costs	61,380	52,653
Life insurance	4,423	3,204
	1,518,555	1,269,152

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

No trustee received any remuneration. No trustees (2025: 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

	2026 No	2025 No
Advice and Advocacy	18	13
Community Action	14	14
Fundraising and shops	12	12
Management, administration and support	11	9
	55	48

There were on average 107 (2025: 100) volunteers working part time each week.

9 Net outgoing resources

The following items are included in arriving at net outgoing resources

	2026 £	2025 £
Expenditure		
Depreciation and amounts written off on disposal	43,577	43,577
(Profit)/Loss on disposal of fixed assets	-	-
Auditors – for group audit services in the current year	7,700	7,500
Operating leases		
Land and buildings	80,067	79,375
Other	-	-

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10 Tangible Fixed Assets

(a) Group	Freehold Land £	Freehold Buildings £	Leasehold Buldings £	Fixtures, fittings motor vehicles and computers £	Total £
Cost					
1 April 2025	70,000	1,716,157	-	35,000	1,821,157
Additions	-	-	-	-	-
Disposals	-	(190,919)	-	-	(190,919)
31 March 2026	70,000	1,525,238	-	35,000	1,630,238
Depreciation					
1 April 2025	-	88,754	-	7,000	95,754
Charge for the year	-	40,077	-	3,500	43,577
Write off on disposals	-	-	-	-	-
31 March 2026	-	128,831	-	10,500	139,331
Net book value					
31 March 2026	70,000	1,396,407	-	24,500	1,490,907
31 March 2025	70,000	1,627,403	-	28,000	1,725,403

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 Pennycuick 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.

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10 Tangible fixed assets (continued)

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

	2026 £	2025 £
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 2025	70,000	-	731,621	35,000	836,621
Additions	-	-	-	-	-
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
31 March 2026	70,000	-	731,621	35,000	836,621
Depreciation					
1 April 2025	-	-	80,133	7,000	87,133
Charge for the year	-	-	31,455	3,500	34,955
Write off on disposals	-	-	-	-	-
31 March 2026	-	-	111,588	10,500	122,088
Net book value					
31 March 2026	70,000	-	620,033	24,500	714,533
31 March 2025	70,000	-	651,488	28,000	749,488

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.

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11 Stocks and work in progress

	Group		Company	
	2026 £	2025 £	2026 £	2025 £
Stocks	4,718	4,718	4,718	4,718

12 Debtors

	Group		Company	
	2026 £	2025 £	2026 £	2025 £
Trade debtors	76,929	187,934	76,929	187,934
Prepayments	39,710	61,517	39,710	61,517
Other debtors	2,001	3,090	2,001	3,090
Accrued income	99,610	17,711	99,610	17,711
	218,250	270,252	218,250	270,252

13 Creditors: amounts falling due within one year

	Group		Company	
	2026 £	2025 £	2026 £	2025 £
Other creditors	170,092	163,695	817,935	605,350
Accruals	34,974	49,774	34,974	49,774
Deferred income (note 15)	57,124	40,340	57,124	40,340
	262,190	253,809	910,033	695,464

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14 Deferred income

Deferred incoming resources are made up as follows:

	2026 £
As at 1 April 2025	40,340
Incoming resources deferred in the current year	57,124
Less: amounts released	(40,340)
As at 31 March 2026	57,124

Deferred income relates to unrestricted amounts received in the year ended 31 March 2026 that relate to future deliverables and have been received specifically to fund expenditure after that date.

15 Permanent endowment funds

Company

	2026 £	2025 £
Endowed assets	125,949	125,949
Reserves brought forward	125,949	125,949
Transfers	-	-
Gains/(Losses) on revaluation	-	-
Reserves carried forward	125,949	125,949

Group

	2026 £	2025 £
Endowed assets	1,550,166	1,543,519
Reserves brought forward	1,543,519	1,578,817
Investment income	15,269	20,885
Expenses	(8,621)	(56,183)
Realised gains/(losses)	-	-
Gains/(Losses) on revaluation	-	-
Reserves carried forward	1,550,166	1,543,519

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15 Permanent endowment funds (Continued)

The Permanent endowment funds as at 31 March 2026 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 £628,879 (2025 £617,155). The value included in fixed and current assets is £1,095,167 (2025 £1,088,519). This provides an unapplied total return of £466,288 (2025 £471,364) 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 2025 £	Incoming resources £	Expenditure £	Transfers £	Balance at 31 March 2026 £
Revenue					
Advice and Advocacy	53,240	606,915	(605,865)	-	54,290
Community Action	92,954	710,521	(681,963)	-	121,512
Total for company	146,194	1,317,436	(1,287,828)	-	175,802
Total for group	146,194	1,317,436	1,287,828	-	175,802

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.

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17 Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets	644,533	-	846,374	1,490,907
Current assets	1,032,287	175,802	703,792	1,911,881
Current liabilities	(262,190)	-	-	(262,190)
	1,414,630	175,802	1,550,166	3,140,598

18 Unrestricted funds

	Contingency Reserve £	Designated reserves £	Birmingham Settlement owned buildings £	Revenue reserve £	Total £
Company and group					
At 1 April 2025	770,000	-	651,488	27,593	1,449,081
Transfer between funds	-	-	-	-	-
Surplus/(Deficit) in year	-	-	(31,456)	(2,995)	(34,451)
At 31 March 2026	770,000	-	620,032	24,598	1,414,630

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.

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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	15,269	-
Charitable Expenditure	(8,621)	-
Net Incoming Resources	6,648	**-**
Net gains/(loss) on revaluation of investment assets	-	-
Funds brought forward	1,417,570	-
Funds carried forward	1,424,217	-

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 £9,363 (2025: £8,793).

21 Capital and financial commitments

Capital expenditure contracted for but not provided in the accounts is £nil (2025: £nil).

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22 Operating leases

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

	Land and buildings		Office equipment	
	2026	2025	2026	2025
Leases expiring:	£	£	£	£
within one year	-	-	-	-
in two to five years	174,500	230,500	-	-
in more than five years	-	-	-	-
	174,500	230,500	-	-

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

	2026	2025
	£	£
Net (outgoing)/incoming resources before revaluation	1,804	(129,094)
Depreciation	43,577	43,577
Interest receivable and similar income	(34,793)	(50,510)
Investment (gains)/losses	-	-
(Profit)/Loss on disposal of assets	-	-
Decrease/(Increase) in debtors	52,002	(12,579)
(Decrease)/Increase in creditors	8,381	(60,086)
Net cash inflow/(outflow) from operating activities	70,971	(208,692)

24 Analysis of net funds

	1 April 2025	Cashflows	31 March 2026
	£	£	£
Cash at bank and in hand	492,230	(168,890)	323,340

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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 2026 there were 10 members (2025: 10).

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.

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 £20,000 (2025: £20,000) for distribution as grants to individuals in need. During the year the Settlement made grants of £22,880 (2025: £23,982) from the donation. In addition, the George Fentham Birmingham Charity made a donation of £5,500 (2025: £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 the sale of a Birmingham Settlement property, 610 Kingstanding Road, Birmingham B44 9SH. These costs totalled £780 in the year (2025: £nil). Matthew Gregson is a Trustee of the Aston & Nechells Foodbank charity (company number 07508388, charity number 1141676) who contracted Birmingham Settlement to deliver money advice, contract value £22,000 (2025: £22,000).