

Company Registration Number 2841292
Charity Registration Number 1026351



Manchester Victoria Baths Trust

Financial Statements
for the year ended
31st December 2018

MANCHESTER VICTORIA BATHS TRUST

Structure, reference and administrative details

As at 31st December 2018

Status	Manchester Victoria Baths Trust is a company limited by guarantee incorporated on 2nd August 1993, which registered as a charity on 22nd September 1993.
Name	The Manchester Victoria Baths Trust, sometimes referred to as the Victoria Baths Trust
Charity Number	1026351
Company Number	2841292
Principal & Registered Office	Victoria Baths, Hathersage Road, Chorlton on Medlock, Manchester M13 0FE

Members of the Council of Management at 31st December 2018:

	Appointed	Re-elected	Notes
Mike Franks	May 2003	Dec 2016	Retiring July 2019
Jill Earnshaw	March 2013	July 2018	Chair
Janet Slade	March 2013	July 2018	
Barry Johnson	Dec 2014	July 2018	
Juliette Bradbury	March 2015	Dec 2017	
Amy Lewis	April 2015	Dec 2017	
Alex Roy	April 2015	July 2018	
Ian Bramham	Dec 2015	Dec 2017	Seeking re-election July 2019
Malcolm Knight	March 2016	July 2018	
Nigel Gloudon	June 2016	Dec 2016	Seeking re-election July 2019
Matthew Holden	April 2017	Dec 2017	Seeking re-election July 2019
Sarah Acton	Aug 2017	Dec 2017	Retiring July 2019
Louise Huntington	Dec 2017		Seeking re-election July 2019
Emma Pemberton-Eccles	Dec 2017		Retiring July 2019
Martin Gaw	Dec 2017		Seeking re-election July 2019

Company Secretary Gill Wright

Principal members of staff Gill Wright (Project Development Manager)
Elizabeth Sibbering (Operations Manager)

Bank The Co-operative Bank plc, Delf House, Southway, Skelmersdale WN8 6WT

Independent Examiner Paul Cowham, FCA DChA, The Green Fish Resource Centre, 46-50 Oldham Street, Manchester M4 1LE

MANCHESTER VICTORIA BATHS TRUST

Trustees' Annual Report

For the year ended 31st December 2018

Governance

The Trust is governed by Memorandum and Articles of Association. The governing body is the General Meeting of members of the Trust. Anyone can apply for membership of the Trust. Applications are considered by the Council of Management. At 31st December 2018 there were 55 members of the Trust.

Decision making

The Council of Management is the key decision making body of the Trust. Meetings are held every two months at Victoria Baths. Day to day management is delegated to the principal members of staff – the Project Development Manager, Gill Wright and the Operations Manager, Elizabeth Sibbering

Procedures, policies and programmes of work are monitored by the Council of Management. Members of staff prepare an annual budget for review and adoption by the Council of Management and progress is then reported via quarterly accounts reports.

The Council of Management has five permanent sub-committees: Finance Committee, Building Committee, SVGC (Staffing, Volunteering and Governance Committee), Fundraising Committee and Public Engagement Committee.

During the year there were also two Task Groups; a Restoration Task Group and a Marketing and Communications Working Group to which specific areas of work were delegated. Where sub-committees or Task Groups have decision making powers, this is clearly laid out in written Terms of Reference. In the absence of such provision, all decisions are made by the Council of Management.

The trustees have regard to the provisions set out in Section 4 of the Charities Act 2006, with regard to public benefit, in all their decision making.

The committees of the Council of Management undertake reviews of their activities at least annually. This provides assurance that the respective committee workplans all individually and collectively align with the Council of Management's agenda and support the delivery of objectives for the period. The output from this process is the production of brief reports setting out some of the key work areas completed and achievements of each committee in the previous period together with plans for the coming year. This process also offers:

- additional visibility of the progress and plans of the committees to other trustees, thereby supporting greater co-ordination of effort and focus across the Council of Management and its sub-committees in the subsequent year; and
- greater transparency of the work of each committee

Synopses of the work plans of the committees can be provided upon request.

Financial year end

The financial year end of the Trust is 31st December.

MANCHESTER VICTORIA BATHS TRUST

Trustees' Annual Report

For the year ended 31st December 2018

Appointment of Trustees

Members elect trustees at the Annual General Meeting, when one third of the Council of Management retire and become eligible for re-election. Between AGMs, the Council of Management may also appoint new trustees. Prospective trustees are selected for the skills and attributes which they can bring to the Trust. They are interviewed informally by existing members of the Council of Management and given information about the Trust and Victoria Baths. They are invited to attend a meeting of the Council of Management as an observer prior to accepting the position of trustee.

The Council of Management has a Role Specification for Trustees which sets out the skills, expertise and experience it seeks from its trustees overall: community involvement, legal (planning/property), financial (management accounting/financial accounting), general management (including at a senior level), governance, project management, property management and maintenance, building engineering/quantity surveying, fundraising, strategic planning, information analysis, education and training, leisure management, history, heritage, human resources, public relations, the arts and health. Good business networks within the Manchester City Region are also valued.

The Council of Management has appointed no new trustees in 2018.

Risk Assessment

The Council of Management has assessed the major risks to which the Trust is exposed, in particular those related to the activities at Victoria Baths and its financial sustainability. The trustees periodically review the Risk Register and are satisfied that systems are in place to mitigate exposure to these major risks.

Objects of the Trust

The key objects of the Trust are:

- To preserve for the benefit of the people of the City of Manchester and of the nation at large, whatever of the historical, architectural and constructional heritage may exist in and around the City of Manchester in the form of buildings of particular beauty or historical, architectural or constructional interest.
- To advance the education of the public in the history, architecture and constructional heritage in and around the City of Manchester
- To create and promote opportunities at Victoria Baths for the public to undertake a variety of recreational and cultural activities including swimming and arts events.

Vision

The long-term vision of the Trust is to establish Victoria Baths as a vibrant international heritage visitor attraction which celebrates the nation's swimming history in an inspirational setting for contemporary arts, whilst restoring the well-loved architectural gem so that the public may again experience the Turkish Baths and swim in an historic pool.

MANCHESTER VICTORIA BATHS TRUST

Trustees' Annual Report

For the year ended 31st December 2018

Strategy for Restoration

The Trust's strategy is to approach the restoration of Victoria Baths in stages with the current objective being Restoration Phase 2, the re-opening of the Turkish Baths suite and creation of a Health Suite.

Review of Activities

Restoration

Despite being informed in December 2017 that its "highly recommended" bid to the Lottery for a Heritage Enterprise Grant had not been successful, the Trust decided that it would not abandon plans for restoration. Instead, following a meeting in the New Year, it set up a Restoration Task Group to decide how to proceed and to evaluate all current restoration options within the building.

The outcome of the evaluation was a decision to pursue a revised Phase 2 bid, but also to carry out stained glass restoration and refurbishment of the top floor of the Superintendent's flat.

Existing monies in the Restoration Fund and an extremely generous donation by a Friend, John Lucas, meant that replacement of the north gable Sports Hall window, at a cost of £20,000, could be carried out and was almost complete by the end of the year. A decision was taken to restore the south window in 2019 using crowdfunding in addition to existing funds.

Architectural work on the top floor of the flat has proceeded more slowly, but feasibility work has been carried out and plans drawn up for its use, at least in the first instance, as office accommodation. The repair work requires listed building consent and an application will be made in 2019.

Towards the end of the year the plans for Phase 2 were reviewed and a decision taken to re-bid. In anticipation of the new Heritage Lottery Strategic Framework, which was published in January 2019, costings were obtained for two options – both of which included the restoration of the Turkish Baths and Health Suite, but only the first of which included the first floor of the Superintendent's flat.

The Trust maintains Victoria Baths on behalf of Manchester City Council and either carries out or procures all day-to-day maintenance. There has been increasing concern in recent years about the very poor state of repair of the Females Pool roof and the Trust would very much like to undertake a repair scheme. Following advice from Historic England the first step will be a detailed intrusive survey of the roof which will produce recommendations for a repair strategy. The Trust drew up a brief for this survey in the year and was delighted to be awarded funding support from the Architectural Heritage Fund towards the cost of this. The survey will be undertaken in 2019.

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Trustees' Annual Report

For the year ended 31st December 2018

Fundraising

- **The Archangel Appeal**

The funds in the Archangel Appeal stood at £26,216 at 1st January 2018 and had risen to £45,489 by the year end. In addition to this the Trust has pledges from Archangel donors of a further £29,609 (plus associated Gift Aid). We have given reassurances to our Archangels that their donations/pledges will not be used for anything other than the Turkish Baths project without their consent.

- **Swim for Restoration**

This year's swim took place on 13 May. The tickets sold early and in addition to making a profit of around £3,700 drew a lot of very positive feedback.

- **Midsummer Picnic Concert**

As its name suggests, this extremely pleasant evening took place on 21 June. Guests were able to choose to enjoy both the picnic and the concert provided by the Vivaldi Ensemble or purchase a concert-only ticket. The picnic food was delicious and very generous, and the baskets in which it was delivered proved a popular buy. Over a hundred guests joined us for the evening and the event raised over £1,600.

- **Tile Giant**

Towards the end of 2017, we were approached by James Heese, the Managing Director of a company called Tile Giant. He is a fan of Victoria Baths and wanted to produce a range of "Victoria Baths-inspired tiles". We would then receive a percentage of the sales with a guaranteed minimum of £5,000 per annum for two years. Johnson's Tiles would be designing and manufacturing the tiles and on 14 June, two trustees and our Fundraising Coordinator had a very interesting tour of the tile factory in Stoke. The proposition appeared to be extremely attractive from a number of aspects, and Victoria Baths therefore subsequently entered into a formal contract with Tile Giant.

In November our Restoration Supporters and chosen guests were invited to the formal launch of the tile range. It was a very enjoyable event at which "Manchester-style" food – and drinks! – were served, with background music provided by a well-known Manchester DJ, Clint Boon.

- **Other fundraising news**

Some years ago, the beautiful Lily Windows in the Gala Pool were able to be restored thanks to donations from individual supporters. We had always intended to create a permanent record of their contribution, but it was only this year that the Lily Window Acknowledgement Board was finally created and put on display in the Gala pool.

In order to reach a wider audience with our fundraising plans, it has been decided to produce in 2019 a fundraising brochure for use in leaflet racks and to hand to visitors and other potential supporters.

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Trustees' Annual Report

For the year ended 31st December 2018

Providing public access to Victoria Baths for recreational and cultural activities

The Trust organises public events at Victoria Baths and facilitates the use of Victoria Baths for a range of activities both public and private. The building is a seasonal heritage visitor attraction and events venue, as the lack of heating makes it impractical to hold many public events in the winter months.

There was a drop in the total number of visits to Victoria Baths with 33,819 visits in 2018 compared to 37,623 in 2017. The breakdown of visitors is as follows:

Visitors	2014	2015	2016	2017	2018
Heritage visits	4,657	3,856	4,626	5,301	5,021
Arts, community, education visits	11,935	4,968	6,940	7,530	6,445
Venue hire visits	9,446	17,296	19,032	24,792	22,226
Other visits	165	144	4		127
Total visits	26,203	26,264	30,602	37,623	33,819

Heritage activities and complementary events

The Trust provided access to Victoria Baths to the general public at monthly Open Days, for weekly guided tours and for group visits. There were eight Open Days in 2018 (the same number was held in 2017) and total attendance was 3,694 compared to 4,096 in 2017. The public programme has been revised for 2019 in an attempt to provide a more attractive offer to visitors over a limited number of weekends. The number of visitors to Wednesday tours and group visits has risen for the third year running. All heritage visits in the year were as follows:

Visitors	2014	2015	2016	2017	2018
Open Day visits	3,704	2,665	3,612	4,096	3,694
Wednesday tour visits	552	457	738	770	804
Group visits	401	734	276	435	523
Total heritage visits	4,657	3,856	4,626	5,301	5,021

There were 18 group tours in the year (18 in 2017).

The Trust plans a range of activities at its public events which appeal to different sections of the community. In 2018 public events included the following:

- The April Open Day included a Heritage Fair with Steam Traction engines
- The May Open Day included a public swim session
- The June Open Day was a Music and Art Festival
- The July and October Open Days were Foodie events
- The November Open Day was a Festive Winter Fair which has become the most popular of the VB public events, this year attracting 1,056 visitors in total

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Trustees' Annual Report

For the year ended 31st December 2018

Arts, community and educational activities

The Trust's objectives include making provision for arts, community and educational activities at Victoria Baths. The number of visitors relating to this activity in 2018 was:

Visitors	2014	2015	2016	2017	2018
Arts visits	8,166	1,755	2,677	4,717	4,120
Community events visits	1,557	1,429	2,540	1,519	1,305
Educational visits	2,212	1,784	1,723	1,294	1,020
Total	11,935	4,968	6,940	7,530	6,445

The following key activities took place in the year:

- Village Green Events organised three pop-up cinema events in the year with a total audience of 3,172 compared to 2,483 in 2017
- Manchester Arts Education Initiative ran their annual schools drama project at the Baths working with seven primary schools from Manchester and Rochdale
- There were 18 school / college visits in total in the year (32 in 2017)
- The Victoria Baths Family History group continued to meet at Victoria Baths once a fortnight during 2018 and exhibited displays of family history at several events
- South Manchester Camera Club held an exhibition at the Baths for Heritage Open Days
- There were seven community choir performances at Open Days in 2018

Commercial Building hire

Venue hire continues to be an important area of business for Victoria Baths although there was a fall in visitor numbers relating to this activity in the year. There were 22,226 visitors to the Baths associated with commercial venue hire in 2018 compared to 24,792 in 2017. This is largely accounted for by the demise of the Manchester Gin Festival which went into liquidation in summer 2018 leading to the cancellation of the second planned event at Victoria Baths. Other returning annual events such as the Independent Manchester Beer Convention and the Vintage Home Shows continued to thrive and attracted good audiences. And several new events took place – a Yoga Festival in July and a Vegan Christmas Festival in December.

Staffing

The most significant staffing change of 2018 arose from the tragic and untimely death of our Events Manager, Martin Connor, in October. The Trust would like to acknowledge Martin's vast contribution to Victoria Baths over many years. The rest of the staff stepped up and provided the support which was desperately needed; additionally, our Events Coordinator and Office Coordinator agreed to "act-up" in order to ensure that bookings and events continued to be dealt with. Following an Extraordinary meeting of the Staffing, Volunteering and Governance Committee in the New Year a plan was made on how to staff the Events team for the future. During the course of 2018, two replacement staff were taken on, a new Finance Manager and a temporary Office Coordinator, the latter to enable the previous post-holder to take a sabbatical for a period of between 6 and 12 months.

MANCHESTER VICTORIA BATHS TRUST

Trustees' Annual Report

For the year ended 31st December 2018

Volunteers

The Trust encourages the involvement of the public in its activities in a number of ways; as visitors to events, as participants in activities, as Friends and as volunteers.

Volunteers contribute to nearly all aspects of the work of the Trust. During the year 715 volunteer days were recorded (758 in 2017). At the professional, skilled and standard rates suggested by the Heritage Lottery Fund, the value of the recorded volunteer input to the project was £131,986. This includes 262 days of volunteer time contributed by trustees (175 days in 2017).

Friends and Restoration Supporters

Victoria Baths has a well-established Friends membership which enables people all over the UK to show their support for Victoria Baths. Membership options include paying an annual subscription with rates in the year being £30 for a joint membership, £20 waged and £5 unwaged. The Trust offers free Friends membership to selected people to encourage support via a subscription in future years. In the year, this included couples who held their wedding at Victoria Baths and those who bought tickets at our Swim for Restoration or our Picnic Concert. Many Victoria Baths volunteers choose to pay a subscription as well as giving their time to the project.

Restoration Supporters are Friends who pay £5 per month or more by standing order. These payments are currently all applied to the Restoration Fund.

The number of Friends and volunteers at 31st December 2018 was as follows:

	March 2017	Dec 2017	Dec 2018
Friends paying an annual subscription	407	377	399
Restoration Supporters	166	169	157
Friends who don't pay a subscription	117	75	90
Honorary Friends / Restoration Supporters	9	10	11
Free memberships		102	118
Total Friends	699	733	775

	March 2017	Dec 2017	Dec 2018
Volunteers paying a subscription	51	55	55
Volunteers who don't pay a subscription	105	75	80
Total Volunteers	156	130	135

MANCHESTER VICTORIA BATHS TRUST

Trustees' Annual Report

For the year ended 31st December 2018

Financial Review and Results

The financial outcome for the year was highly satisfactory and the financial position stable at 31 December 2018.

This is the sixth year of activity of Victoria Baths Trading Ltd. Non charitable venue income and associated costs are accounted for in the trading company. The company had a very successful trading period; Turnover was £199,032 in the year compared to £173,346 in the nine month period 1st April to 31st December 2017 and donated profits were £59,115 in the year compared to £74,793 in the nine months to 31st December 2017.

Reserves Policy

The Council of Management believes that the Trust should hold financial reserves for the following reasons:

- The Trust has no endowment funding and is dependent on earned income and donations together with any grant income received annually
- The Trust considers it necessary to hold an equivalent of three months' staffing and office operation costs as sufficient funding to meet any shortfall in income or delay in receiving grant funding
- The Trust is working to develop and carry out plans for the restoration of Victoria Baths, which require a large level of capital funding

At the beginning of the year, the Trust held a total of £196,932 (almost eight months' operating costs) in its Unrestricted Fund. £54,336 of this amount had been designated as a Building fund. The Trust also held £36,364 in Restricted Funds, held for particular purposes.

The Trust reviewed its financial reserves in the year and made the following decisions:

- Donations received from the Archangel Appeal would be separately identified in the Trust's accounts. These funds were received to support the project to restore the Turkish Baths and all donors will be consulted about the use of these funds for a future project.
- The Restoration Fund, which holds money donated towards the restoration of the building, would be used to progress the restoration of key stained glass windows, complementing funds in the Stained Glass Appeal.
- The Designated Fund would be held to support a future application to the Lottery.
- Of the free Unrestricted reserves of the Trust, £65,000 would be allocated to building improvement projects. During the year projects which commenced included planning for the refurbishment of the Superintendent's Flat and electrical improvement work. Funds were also committed to a survey of the Females Pool roof.

Following these decisions, at the year end the Trust held £98,433 in its un-designated unrestricted reserves which represents around four months' operating costs. The Trust made a further decision to commit unrestricted reserves to building work shortly after the year end.

Approved by the Council of Management on 3rd June and signed on its behalf by:

..... Jill Earnshaw

Independent Examiner's Report to the Trustees of Manchester Victoria Baths Trust

I report on the accounts of the company for the year ending 31st December 2018 which are set out on pages 11 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this period under section 43(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility:

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedure laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Paul Cowham FCA DChA
Green Fish Resource Centre
46 – 50 Oldham Street
Manchester, M4 1LE

Manchester Victoria Baths Trust
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	Year to 31/12/18 £	9 months to 31/12/17 £
Income					
Donations and legacies	3	65,982	55,302	121,284	124,281
Charitable activities	4	33,521	40,402	73,923	53,438
Fees and other income	5	8,322	14,164	22,486	15,694
Investments	6	775	-	775	234
Total income		108,600	109,868	218,468	193,647
Expenditure					
Raising funds	7, 20	6,474	26,574	33,048	21,306
Charitable activities	8,20	81,289	44,335	125,624	82,003
Total expenditure		87,763	70,909	158,672	103,309
Net income/(expenditure) for the period	9	20,837	38,959	59,796	90,338
Transfer between funds		-	-	-	-
Net movement in funds for the period		20,837	38,959	59,796	90,338
Reconciliation of funds					
Total funds brought forward		196,932	36,364	233,296	142,958
Total funds carried forward		217,769	75,323	293,092	233,296

The statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derive from continuing activities.

Manchester Victoria Baths Trust
Company number 2841292
Balance sheet as at 31 December 2018

	Note	31 December 2018		31 December 2017	
		£	£	£	£
Fixed assets					
Tangible assets	14		-		544
			<hr/>		<hr/>
Total fixed assets			-		544
Current assets					
Debtors	15	67,361		110,460	
Cash at bank and in hand		234,352		131,914	
		<hr/>		<hr/>	
Total current assets		301,713		242,374	
Liabilities					
Creditors: amounts falling due in less than one year	16	(8,621)		(9,622)	
		<hr/>		<hr/>	
Net current assets			293,092		232,752
			<hr/>		<hr/>
Total assets less current liabilities			293,092		233,296
			<hr/>		<hr/>
Net assets			293,092		233,296
			<hr/> <hr/>		<hr/> <hr/>
Funds of the charity					
Restricted income funds	17		75,323		36,364
Unrestricted income funds	18		217,769		196,932
			<hr/>		<hr/>
Total charity funds			293,092		233,296
			<hr/> <hr/>		<hr/> <hr/>

For the period in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period 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 are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 13 to 24 form part of these accounts.

Approved by the Council of Management on 3 June 2019 and signed on their behalf by:

Name

Signed

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

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.

Manchester Victoria Baths Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Council of Management 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 such restatement was required.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

There are no key judgments which the trustees have made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

e Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

g Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

j Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office fixtures and equipment	4 years
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k Debtors

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

l Cash at bank and in hand

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

m Creditors and provisions

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

n Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

o Pensions

The charity has a pension scheme for employees to which it makes contributions on behalf of employees who choose to join as well as deducting contributions from employees who chose to make contributions themselves. The charity has met its obligations in relation to Autoenrolment.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Donations	4,735	46,329	51,064	40,071
Gift Aid	2,132	8,973	11,105	9,417
Donation from subsidiary trading company Victoria Baths Trading Ltd	59,115		59,115	74,793
	<hr/>	<hr/>	<hr/>	<hr/>
Total by fund 1 Jan to 31 Dec 18	65,982	55,302	121,284	124,281
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total by fund 1 Apr 17 to 31 Dec 17</i>	<i>79,284</i>	<i>44,997</i>	<i>124,281</i>	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

4 Income from charitable activities

	Unrestricted £	Restricted £	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Grants				
Manchester City Council Maintenance Grant	-	40,402	40,402	23,561
Earned income				
Open Days and group visits	19,362	-	19,362	18,864
Community Arts & Education	14,159	-	14,159	11,013
	<hr/>	<hr/>	<hr/>	<hr/>
Total by fund 1 Jan to 31 Dec 18	33,521	40,402	73,923	53,438
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total by fund 1 Apr 17 to 31 Dec 17</i>	<i>29,877</i>	<i>23,561</i>	<i>53,438</i>	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

5 Fees and other income – activities for generating funds

	Unrestricted £	Restricted £	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Tea Room income	8,322	-	8,322	8,819
Fundraising activity	-	14,164	14,164	6,875
	<hr/>	<hr/>	<hr/>	<hr/>
‘	8,322	14,164	22,486	15,694
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total by fund 1 Apr 17 to 31 Dec 17</i>	<i>8,819</i>	<i>6,875</i>	<i>15,694</i>	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

6 Investment income

	Unrestricted £	Restricted £	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Income from deposit accounts	775	-	775	234
	<u>775</u>	<u>-</u>	<u>775</u>	<u>234</u>
	<u><u>775</u></u>	<u><u>-</u></u>	<u><u>775</u></u>	<u><u>234</u></u>

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

7 Analysis of expenditure on raising funds

	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Staff costs	18,463	15,467
Fundraising costs	14,585	5,839
	<u>33,048</u>	<u>21,306</u>
	<u><u>33,048</u></u>	<u><u>21,306</u></u>

8 Analysis of expenditure on charitable activities

	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Depreciation	544	406
Staff costs	76,443	56,202
Building costs	31,557	17,683
Restoration work	3,825	-
Office premises	2,310	1,688
General running costs	9,312	4,580
Other governance costs		
Independent examination	1,200	1,100
Other governance costs	433	344
	<u>125,624</u>	<u>82,003</u>
	<u><u>125,624</u></u>	<u><u>82,003</u></u>
	For the year ended 31/12/18 £	Total 9 months to 31/12/17 £
Restricted expenditure	44,335	23,655
Unrestricted expenditure	81,289	58,348
	<u>125,624</u>	<u>82,003</u>
	<u><u>125,624</u></u>	<u><u>82,003</u></u>

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

9 Net income/(expenditure) for the year

	For the year ended 31/12/18 £	<i>Total 9 months to 31/12/17 £</i>
This is stated after charging/(crediting):		
Depreciation	544	406
Independent examiner's remuneration		
- accountancy	600	500
- independent examination	600	600
	544	1,512

10 Staff costs

Staff costs during the period were:

	For the year ended 31/12/18 £	<i>Total 9 months to 31/12/17 £</i>
Wages and salaries	83,690	64,320
Social security costs	4,138	1,186
Employers pension contributions	3,894	2,827
Staff and volunteer training and expenses	1,003	924
Freelance staff	2,181	2,412
	94,906	71,669

No employee has employee benefits in excess of £60,000 (2017: None).

All Trust staff are jointly employed by the Trust and Victoria Baths Trading Limited. The average number of members of staff employed during the period (excluding casual bar staff) was 9.1 (2017: 8.9). The average full time equivalent number of staff employed on Victoria Baths Trust activities during the year was 3 (2017: 3).

The key management personnel of the charity comprise the trustees and the Project Development Manager and the Operations Manager. The total employee benefits of the key management personnel of the charity were £39,150 (previous period £21,727).

11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration during the period (2017: None). Trustee expenses amounting to £91 were claimed in the period (2017 £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the period (2017: nil).

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

12 Government grants

The government grants recognised in the accounts were as follows:

	<i>For the year ended 31/12/18 £</i>	<i>Total 9 months to 31/12/17 £</i>
Manchester City Council	40,402	23,561
	40,402	23,561

There were no unfulfilled conditions and contingencies attaching to the grants.

13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

14 Fixed assets: tangible assets

	<i>Equipment £</i>	<i>Total £</i>
Cost		
At 1 January 2018	2,167	2,167
Additions	-	-
Disposals	-	-
	2,167	2,167
At 31 December 2018	2,167	2,167
Depreciation		
At 1 January 2018	1,623	1,623
Charge for the year	544	544
Disposals	-	-
	2,167	2,167
At 31 December 2018	2,167	2,167
Net book value		
At 31 December 2018	-	-
At 31 December 2017	544	544

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

15 Debtors

	31 Dec 18 £	31 Dec 17 £
Grants receivable	6,756	10,715
Prepayments & other debtors	4,875	9,325
Amounts due from Victoria Baths Trading Ltd	55,730	90,420
	67,361	110,460
	67,361	110,460

16 Creditors: amounts falling due within one year

	31 Dec 18 £	31 Dec 17 £
Trade creditors & accruals	8,621	9,622
Other creditors	-	-
	8,621	9,622
	8,621	9,622

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

17 Analysis of movements in restricted funds

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2018 £
Restoration fund	35,734	39,462	(26,907)	(26,216)	22,073
Archangel fund	-	19,273	-	26,216	45,489
Stained Glass Appeal	630	10,731	(3,600)	-	7,761
Manchester City Council	-	40,402	(40,402)	-	-
	36,364	109,868	(70,909)	-	75,323
Previous reporting period	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2017 £
Restoration fund	-	51,872	(16,138)	-	35,734
Stained Glass Appeal	630	-	-	-	630
Manchester City Council	-	23,561	(23,561)	-	-
	630	75,433	(39,699)	-	36,364

Restoration Fund: The Trust established this fund to enable Friends and other supporters to contribute to the next phase of restoring Victoria Baths. There was £35,734 in the fund in January 2018 including £26,216 of Archangel donations which have been transferred into a separate restricted fund. Contributions to the Restoration Fund in the year came from monthly payments from Restoration Supporters, individual donations and fundraising activities and events - a total of £39,462. Expenditure in the year of £26,907 was on staff costs for fundraising and developing the restoration plans plus other fundraising expenses. The balance of the Fund at the year end was £22,073.

Archangel Fund: This appeal was launched in 2017 with the aim of persuading Heritage Lottery Fund that the Trust could raise the necessary match funding for its bid that year to them for £3.5m. Despite the rejection of that lottery application supporters have continued to come forward to support this appeal. It stood at £26,216 in January 2018 and £45,489 at the year end.

Stained Glass Appeal: The Trust holds restricted funds specifically for the restoration of the building's stained glass windows. This fund stood at £630 at the start of the year and benefited from a very significant donation from a single donor in the year of £8,000 together with related Gift Aid. The Trust decided to commit funds from the Restoration Fund to complement this donation in order to commission the restoration of the north Sports Hall window. Expenditure of £3,600 was a part payment towards this work which was ongoing at the year end and completed in February 2019.

Manchester City Council: The City Council provided funding towards the maintenance and management of Victoria Baths and in the year contributed £40,402. The City Council's allocated budget was increased as a result of rental income received in respect of a temporary telecoms mast which was sited in the rear yard of Victoria Baths.

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

18 Analysis of movement in unrestricted funds

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2018 £
General fund	142,596	108,600	(87,763)	(65,000)	98,433
Building improvement (designated fund)	-			65,000	65,000
Building appeal (designated fund)	54,336	-	-	-	54,336
	<u>196,932</u>	<u>108,600</u>	<u>(87,763)</u>	<u>-</u>	<u>217,769</u>

Previous reporting period

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2017 £
General fund	87,992	118,214	(63,610)	-	142,596
Building appeal (designated fund)	54,336	-	-	-	54,336
	<u>142,328</u>	<u>118,214</u>	<u>(63,610)</u>	<u>-</u>	<u>196,932</u>

Name of fund

Description, nature and purposes of the fund

General fund	The free reserves of the charity
Building Improvement (designated fund)	The purpose of the Building Improvement Fund is to undertake specified building improvements as agreed by the Council of Management. The Trust allocated £65,000 to this fund in the year.
Building Appeal (designated fund)	The purpose of the Building Appeal Fund is to part-finance the restoration of Victoria Baths. This fund accumulated over the years thanks mostly to the contributions of the Trust's Restoration Supporters prior to 2015. It is being held by the Trust to support a future application to the National Lottery Heritage Fund.

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	-	-	-	-
Net current assets/(liabilities)	98,433	119,336	75,323	293,092
	<hr/>	<hr/>	<hr/>	<hr/>
Total	98,433	119,336	75,323	293,092
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Manchester Victoria Baths Trust

Notes to the accounts for the year ended 31 December 2018 (continued)

20 Additional analysis of expenditure (The following note does not form part of the statutory accounts)

	Restoration fund	Manchester City Council	Stained glass	Total restricted funds	Support costs	Other unrestricted costs	Total unrestricted funds	Designated funds	Total Year ended 31 Dec 2017	Total 1 Apr 2016 to 31 Mar 2017
	£	£	£	£	£	£	£	£	£	£
Expenditure on raising funds										
Staff costs	18,463	-	-	18,463	-	-	-	-	18,463	15,467
Fundraising expenses	8,111	-	-	8,111	-	-	-	-	8,111	671
Tea Room Costs	-	-	-	-	-	2,271	2,271	-	2,271	1,856
Marketing	-	-	-	-	-	4,203	4,203	-	4,203	3,312
Subtotal	<u>26,574</u>	<u>-</u>	<u>-</u>	<u>26,574</u>	<u>-</u>	<u>6,474</u>	<u>6,474</u>	<u>-</u>	<u>33,048</u>	<u>21,306</u>
Expenditure on charitable activities										
Restoration	225	-	3,600	3,825	-	-	-	-	3,825	-
Building expenditure	-	21,752	-	21,752	-	9,793	9,793	-	31,545	17,449
Professional	-	-	-	-	-	-	-	-	-	-
Staff & volunteers	-	17,050	-	17,050	27,543	31,850	59,393	-	76,443	56,201
Activity costs	-	-	-	-	-	589	589	-	589	640
Office premises Management & admin	108	1,600	-	1,708	7,371	-	7,371	-	9,079	4,581
Governance	-	-	-	-	433	-	433	-	433	344
Accountancy	-	-	-	-	1,400	-	1,400	-	1,400	1,100
Subtotal	<u>333</u>	<u>40,402</u>	<u>3,600</u>	<u>44,335</u>	<u>39,057</u>	<u>42,232</u>	<u>81,289</u>	<u>-</u>	<u>125,624</u>	<u>82,003</u>
Total	<u><u>26,907</u></u>	<u><u>40,402</u></u>	<u><u>3,600</u></u>	<u><u>70,909</u></u>	<u><u>39,057</u></u>	<u><u>48,706</u></u>	<u><u>87,763</u></u>	<u><u>-</u></u>	<u><u>158,672</u></u>	<u><u>103,309</u></u>