

Company registration number: 05402303

Charity registration number: 1109141



Bristol Charities

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2018



Bristol Charities

Contents

| | |
|--|----------|
| Reference and Administrative Details | 1 to 2 |
| Chair's Message | 3 |
| CEO's Message | 4 |
| Mission Statement and Values | 5 |
| Charity Structure | 6 |
| Trustees' Report | 7 to 23 |
| Statement of Trustees' Responsibilities | 24 |
| Independent Auditors' Report | 25 to 27 |
| Consolidated Statement of Financial Activities | 28 |
| Consolidated Balance Sheet | 29 |
| Balance Sheet | 30 |
| Consolidated Statement of Cash Flows | 31 |
| Notes to the Financial Statements | 32 to 79 |

Bristol Charities

Reference and Administrative Details

| | |
|--|--|
| Patron | Mary Prior MBE |
| Trustees | Richard Gore, B.A. (Joint Hons.), Solicitor (Chair of Trustees) Andrew Hillman, A.C.A. (resigned 12 December 2017) Laura Claydon, LL.B., Solicitor (Vice Chair of Trustees) Harriet Bosnell (appointed 25 September 2017) Dr Shaheen Shahzadi Chaudhry, J.P. Kamala Das, LL.M., Barrister (resigned 12 December 2017) Susan Hampton, D.L., J.P., B.Sc. (resigned 12 December 2017) Tony Harris, M. Sc., F.C.A. Dr Ros Kennedy, MB. BS, MRCP, MRCPGP, DCH Dudley Lewis, Solicitor (resigned 12 December 2017) Michelle Meredith Jonathan O'Shea, FCCA, BSc (Hons) (appointed 25 September 2017) Paul Staples, A.C.A., B.Sc. (Hons) Melanie Tiley, M. Inst.F (resigned 15 January 2018) David Watts, J.P., M.A., F.R.I.C.S. (resigned 12 December 2017) Nolan Webber, Chartered FCSI John Webster, B.A., B.Arch., R.I.B.A., M.R.T.P.I. Rachel Howell MA MSc CPsychol AFBPsS (appointed 26 September 2018) Andy Mennell BA (Hons), MSc, MCIH (appointed 26 September 2018) Olivia Spencer B.A. B.Sc. R.I.B.A (appointed 26 September 2018) |
| Chief Executive Officer & Company Secretary | Anne Anketell, B.A. (Hons) |
| Principal Office /Registered Office | 17 St Augustines Parade Bristol Avon BS1 4UL Telephone: 0117 9300301 Email: info@bristolcharities.org.uk Website: www.bristolcharities.org.uk |
| Company Registration Number | 05402303 |
| Charity Registration Number | 1109141 |

Bristol Charities

Reference and Administrative Details

Property Advisers

Alder King
Pembroke House
15 Pembroke Road
Bristol
BS8 3BA

Investment Managers

Baring Asset Management Limited
155 Bishopsgate
London
EC2M 3XY

Smith & Williamson Investment Management
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Auditor

Milsted Langdon LLP
Chartered Accountants and Statutory Auditors
Freshford House
Redcliffe Way
Bristol
BS1 6NL

Bankers

Handelsbanken
66 Queen Square
Bristol
BS1 4JP

Legal Advisors

Womble Bond Dickinson LLP
3 Temple Quay
Temple Back East
Bristol
BS1 6DZ

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

Bristol Charities

Chair's Message for the Year Ended 31 March 2018



After 5 years as a Trustee with Bristol Charities, it was a pleasure and a privilege for me to take up the role of Chair of this great organisation. I would like to thank Andrew Hillman, who retired as Chairman in September 2017 after 6 years at the helm. During the year we also said goodbye to Kamala Das, Susan Hampton, Dudley Lewis and David Watts as retiring Trustees and Melanie Tiley who also left during the year, all of whom made vital and significant contributions during their tenure.

The underlying theme to our work this year is a real drive for improvement, both to our internal processes and to the outcomes for the people who use our services.

Our Haberfield House scheme has reached an important milestone with a 'Topping Out' ceremony to celebrate reaching the final piece of the roof structure. Work is on schedule for the completion and handover of the scheme in November 2018. With our existing housing schemes, we have been working to review the way we deliver services and are developing a streamlined approach to repairs and maintenance.

We have launched our new grants system which has increased the speed in which we allocate funds and has enabled us to work on an initiative with Bristol City Council and Quartet Community Foundation planning a fundraising and grant-giving response to major incidents in Bristol similar to the Grenfell Tower disaster.

The work of our community development projects has grown to support older people to combat loneliness and isolation by connecting them to their communities and facilitating participation in local activities and events.

I am very proud of the work and progress made by Trustees, our CEO and staff during the past year. I look forward to the completion of Haberfield House in 2018 which will see the charity significantly expand the amount of excellent quality housing it offers.

We already have plans for future developments and I am sure that 2018 will shape these plans to enable the Charity to continue to grow, to flourish and to make a difference in Bristol.

Richard Gore, BA (Joint Hons)
Chairman of Trustees

Bristol Charities

CEO's Message for the Year Ended 31 March 2018



It's been a busy and exciting year for The Charity with a continued focus on those who need our help the most.

This year we re-launched our grants programme awarding 461 grants to individuals and families.

Our 2 existing community development projects worked with over 110 older people, linking them into their communities, reducing isolation and improving health and wellbeing. This year we also started work on developing new projects based in Greater Brislington and Hotwells and Redcliffe.

We are well on our way to achieving 100 new homes in 3 years with 60 new homes being developed, 3 additional homes planned at our Barstaple scheme and a further site being investigated.

As well as extending our reach, a top priority for all of us is that residents live in good quality homes and that they, and our other service users, receive a consistently good service from us. To ensure this happens, we have made several improvements to systems and processes internally. This includes bringing in new grants software to speed up the process of getting help to those who need it, reviewing our repairs and maintenance services, improvements to IT security and disaster recovery, procurement of a new rent management system and reviewing our health and safety arrangements following the Grenfell Tower disaster.

This year, staff and Trustees worked together to develop a new Mission Statement and Values for the Charity. The values chosen - excellence, one team, aspirational in our approach and passion for our work - help us to focus on what is important to us, help us to grow and develop as an organisation and unite us in creating a clear future that we all want to experience.

Once again, I thank Trustees, staff, volunteers and all those who work with us for a great year and look forward to working with you in 2018.

Anne Anketell, BA (Hons)
Chief Executive

Bristol Charities

Mission Statement and Values for the Year Ended 31 March 2018



WHO WE ARE, WHAT WE DO

OUR MISSION:

Providing opportunities and support for people and communities to improve lives through grants, housing and charitable projects

WHAT WE ASPIRE TO BE

OUR VALUES:

Commitment to Excellence: We set high standards and strive to improve the quality of everything we do for the people we work with

One Team: Working together across different service areas towards shared goals

Aspirational in Our Approach: We embrace innovation, anticipate change and respond with creative solutions

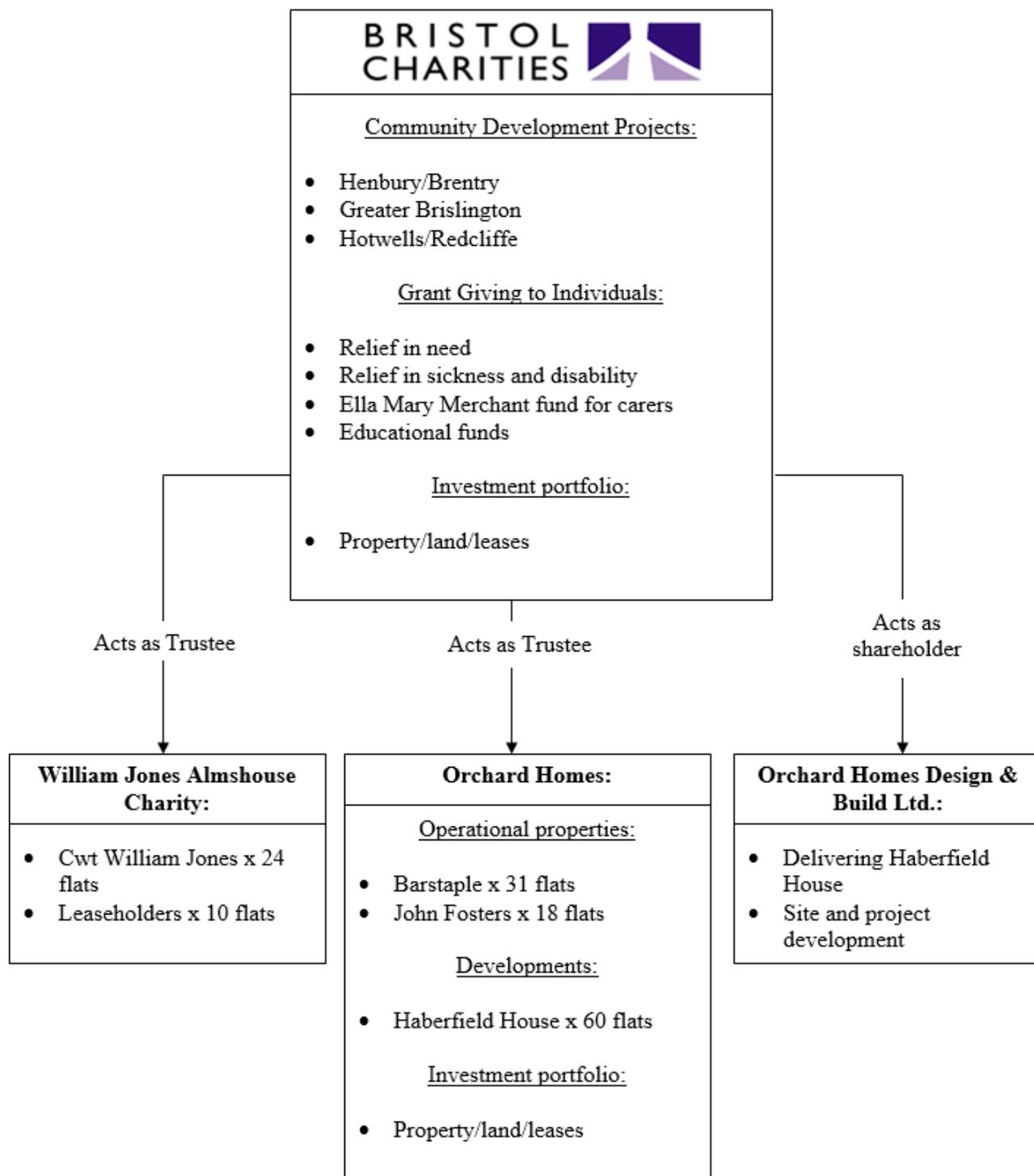
Passion for Our Work: We show pride, enthusiasm and dedication at all times and are committed to making a difference

Bristol Charities

Charity Structure for the Year Ended 31 March 2018

Structure:

The charity structure is as follows:



Bristol Charities

Trustees' Report

Introduction:

The Trustees present their annual report including a strategic report on the activities of Bristol Charities together with the audited consolidated financial statements for the year ended 31 March 2018.

Aims and Objectives:

The aims and objectives of Bristol Charities are contained in the company's Memorandum of Association. Its objectives include:

- Providing specially adapted and designed housing and services or facilities to relieve the needs of older people who are resident in Bristol.
- To award grants to persons resident in Bristol who are in need, hardship or distress, who are sick or disabled or who are caring for elderly or disabled relatives.
- To award educational grants to children or young people

Achievements and Performance:

Priority 1:

We will increase the number of excellent quality homes we provide for older people in Bristol by 100 in the next 3 years.

The Charity has made excellent progress towards this target. Work began in 2016/17 on the Bristol Charities Extra Care Scheme for older people - Haberfield House in Stockwood, South Bristol. The development of the 3-storey building will provide 60 homes for older people, with care available to those who need it. There will be a mixture of 1 and 2 bedroom flats available to rent and a number of flats will also be designed to be fully wheelchair accessible.

The scheme has been developed in partnership with Bristol City Council and the building will provide a range of communal spaces and support facilities for staff and residents. Haberfield House is scheduled to open in November 2018 and applications to the scheme will commence in the summer of 2018.

This year we also reviewed and defined our capacity to achieve our target of 100 homes and can confirm that the Charity remains in a financially strong position and has the capacity to deliver this target. We have had challenges around accessing land in the right area at the right price, but we are currently exploring an opportunity to achieve another 40 homes on a further site and 3 additional homes on our existing Barstaple Almshouse site.

Bristol Charities

Trustees' Report

Priority 2:

We will increase opportunities for older people to do new activities and support each other.

During the year we made a commitment to further develop our community projects for older people. Our work involves bringing older people together, fostering lasting friendships and consequently reducing social isolation and improving the health and wellbeing of older people. It is shaped by local people's desire to improve services and activities for older people in the area. Our approach is to always be older people led and our methodology includes bringing together an advisory or steering group of people from a locality to decide what kind of activities they want to see happen.

Our achievements in this area include:

- A considerable increase of activity in our existing Henbury/Brentry project. Over the year a total of 370 activity sessions were held. This is a 100% increase in sessions from the previous year with attendees up by 42% compared with 2016/17. The range of activities included art groups, singing, ping pong, line dancing, intergenerational cooking and tai chi.
- We set up a new Community Development Group in Greater Brislington funded by a lottery grant. During what was the first year of the project, we ran 59 sessions and 714 attendees were recorded as participating in sessions of tai chi, over 50's forum, cinema club, yoga, tech drop in and wellbeing days.
- We also set up a new Community Development Project in Hotwells/Redcliffe funded by a donation/legacy which has also made a start. During the year we recruited a new Community Development worker who has made good initial contact with older residents in Hotwells and Redcliffe. The first open meetings have also been held with local people to explore what they would like to happen in the areas.

As part of our work, all 3 areas develop and produce bi-annual "What's On?" guides full of information not only about our own activities, but also about what's going on generally in each area. Feedback from all areas is that older people find these a valuable resource.



Intergenerational Cooking Course
"This is very important to me, you see I like to be with people. I lost Edna 3 years ago after being married for 70 years. I found it difficult to go out and meet people. It's up to you to make the first move". Ted (96) and Isabelle (4)



"I love the tai chi class. I've been coming every week, and it's really good for my joints and movement".
Penelope (74)

Bristol Charities

Trustees' Report

Priority 3:

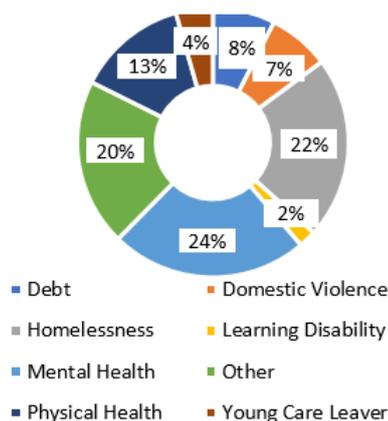
We will continue to improve the services we provide to residents and service users.

In May 2017, Bristol Charities launched its newly developed grants software programme. This has enabled us to increase the speed in which we allocate funds to recipients. Our funding programmes and priorities in 2017 were:

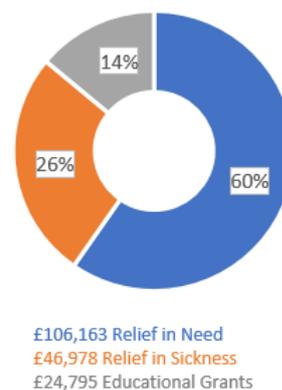
- Relief in need
- Relief of sickness/disability
- Carers fund
- Educational funds

All of our grants programmes focus on awarding funding to individuals. In 2017 we awarded 461 grants with a total of £177,936 spent.

Primary Reason for Grants to Individuals 2017/18



Total Spend on Grants



Generally, we are finding that the trend to award the largest percentage (48% of grants) to people under the age of 35 continues. This reflects the fact that Bristol Charities is one of the few charities in Bristol which award grants to the younger age range. The re-launch of our Grants Programme and improvements to our systems and processes has meant that we are able to reduce the time it takes to process a grant application and get urgently needed funding and goods to people in need in a quick and efficient way.

In 2017 we began discussions with Bristol City Council and Quartet Community Foundation on a Major Incident Response Fund. The City Council was keen, following the Grenfell Tower disaster and other natural disasters such as flooding in previous years, to set up an outline way of working to be ready for a fundraising appeal and be able to distribute funds raised. Bristol Charities' role in these situations would be to co-ordinate and deliver grant giving. In May 2018, the charity signed a joint Memorandum of Undertaking with Bristol City Council and Quartet Community Foundation to deliver grants in response to a major incident taking place in Bristol.

During the year, we also started a review of our repairs and maintenance provision. Our main aim has been to streamline our approach to repairs and maintenance services and a full

Bristol Charities

Trustees' Report

review of the systems and assets within our properties were undertaken. This work will now inform the decision making process in determining the most suitable approach for the organisation by detailing the assets and services to be covered by any future specification.

Priority 4:

We will develop organisational strength and a robust financial position in order to support more individuals and families.

2017 saw a focus on improving and upgrading systems. New grants software has been implemented and rolled out successfully. A server virtualisation project has been completed. This means the Charity's data is now being 'stored' on the cloud rather than the server which has reduced the organisation's disaster recovery time significantly. IT security has been significantly improved with regular vulnerability scans and tests now being undertaken.

The final stages of procuring a new rent management system is underway, as is the introduction of Sharepoint, a document management and storage system which will allow staff to share and collaborate from anywhere.

Along with many other housing providers, we welcomed the government's decision not to implement benefits caps on supported housing and await the outcome and next steps to the development of a sustainable funding strategy for supported and sheltered housing.

Priority 5:

Increase awareness of Bristol Charities and improve perceptions of our work.

Staff and Trustees came together during the year to work on refreshing our mission statement and develop a set of values for the charity. A mission workshop was held, and a values questionnaire completed by all staff and Trustees which have been used to develop a new mission statement and a set of values. We launched these during the year and the values are currently being used both in recruiting new staff and in annual appraisals for existing staff.

Opportunities to raise the Charity's profile externally included press coverage of the ground breaking ceremony at our new extra care scheme in Haberfield House, south Bristol and coverage of the signing of the Memorandum of Undertaking with the Mayor of Bristol, Marvin Rees.



*Major incident agreement signing -
Left to right: Anne Anketell, CEO Bristol Charities, Richard Gore, Chair of Bristol Charities,
Marvin Rees, Mayor of Bristol, Helen Wilde, Trustee of Quartet*

Bristol Charities

Trustees' Report

Looking Forward

Strategic Objectives 2018/19:

Our plans and objectives for the year ahead are to:

1. Ensure the Charity remains financially resilient:

- Develop a Value for Money Strategy.
 - Develop a 5 year financial plan.
- Consider a business development strategy and budget.
- Ensure our investment strategy and portfolio has grown/adapted to meet the requirements of the Charity's strategy.

2. Increase the number of excellent quality homes we provide:

- Haberfield House is delivered and running to capacity.
- Agree funding and complete procurement for additional units at Barstaple.
- Investigate the identified site for the next potential project for the charity.
 - Continue to site search as a contingency to the identified site.

3. Improving the services we provide:

- Researching and developing a community profile to better understand need in Bristol.
- Improve take up of grants by developing our relationship with referral agencies and more targeted publicity.
 - Develop Major Incident Response Fund plan.
 - Review the Barry T. Jones Fund.
- Complete the review of current facilities management and maintenance services and identify the best service model solution and undertake procurement.
 - Review and complete a business case for head office location.
- Develop a comprehensive Finance Policy and Procedures manual and Housing Management manual.

4. Increase our profile by:

- Maximising publicity around Haberfield House completion and opening.
- Use Major Incident Fund work to promote the Charity for individual grant giving.
- Continue to look for opportunities to work with other partners on joint projects and/or merger acquisition opportunities.

Bristol Charities

Trustees' Report

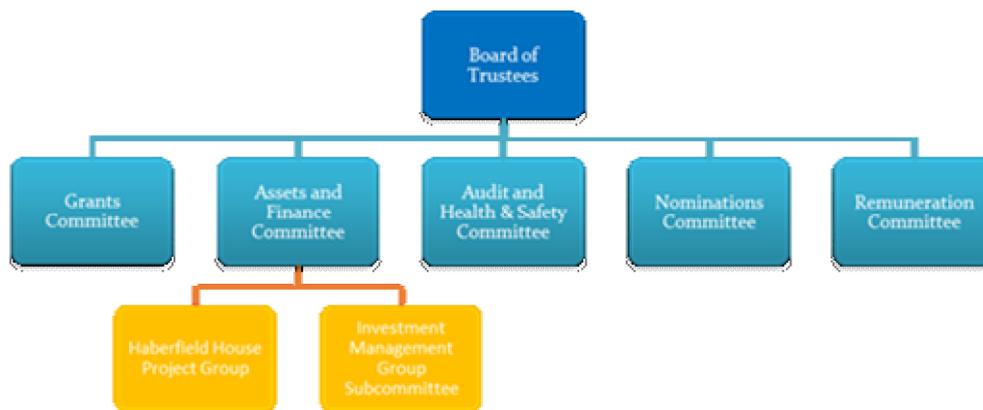
Legal Structure, Governance and Management:

Bristol Charities is incorporated in the form of a company limited by guarantee (Company Registration Number: 05402303, Charity Registration Number: 1109141), and the Trustees are directors of the company. The company “Bristol Charities” serves as sole Trustee of the charities under its control. Our main governing document is our Memorandum and Articles of Association and each charity has its own charitable scheme, describing its objectives.

Day to day management of the charity is delegated to the Chief Executive (Anne Anketell). The Chief Executive reports progress on key areas of work to the Board on a regular basis. The address of the principle office of the Charity as well as names of the Charity’s Trustees can be found on page 1.

There are 5 standing Committees of the Board. In addition to this is an Investment Management Group as well as the Haberfield House Project Group (formerly Haberfield House project group) to oversee the progress of the Charity’s main capital project. Both of these groups report back to the Assets & Finance Committee.

The Committee structure is as follows:



Grants Committee:

This Committee is responsible for agreeing the criteria for grant giving and reviewing the process for the grant giving charities. It also receives reports about the recipients of grants.

Assets and Finance Committee:

This Committee is responsible for overseeing all aspects of the Charity’s investment portfolio including investment policy, setting appropriate benchmarks and maintaining the performance of the 2 Investment Managers. The Committee has overall responsibility for all endowment and operational property and non-property investments and assets. It also reviews the consolidated annual operating and capital project budgets and central management income and expenditure.

Bristol Charities

Trustees' Report

Audit and Health & Safety Committee:

This Committee is responsible for the review of the external audit of the financial statements, the requirements for any internal audit projects and the review of risk management. The Audit, Health and Safety Committee recommends to the Board the appointment of the firm which conducts the external audit.

Nominations Committee:

This Committee ensures that the Board of Trustees has the right balance of skills, expertise and experience required to govern the Charity and company. The Committee oversees the recruitment and appointment of new Trustees and presents prospective Trustees for election to the Board of Trustees.

Remuneration Committee:

This Committee considers and makes decisions about staff terms, conditions and pay.

Haberfield House Project Group (formerly Stockwood Project Group):

This Group oversees progress on the project programme, provides advice and issue resolution to the Project Team and gives approval and sign off at key project milestones. The Project Group also monitors cost, budgets and cash flow for the project. The group meet as and when required.

Investment Management Group:

This group meets biannually to measure the investment performance and review the service provided by the Investment Managers

Recruitment, Induction and Training of Trustees

Trustee Recruitment:

Candidates are recruited based on the skills and experience and knowledge that will be needed on the Board. The Nominations Committee undertakes an annual skills analysis to identify gaps on the Board. Any recruitment campaigns focus on the specific skills and experience to fill those gaps. In 2017, 4 Trustees completed their full terms of office (3x3 years) and retired at the end of the year. In total 5 Trustees left in 2017, and the Chair Andrew Hillman stepped down at the AGM in September 2017. During the summer, the Charity ran an internal nominations process at the end of which Richard Gore was appointed to the Chair position.

The Charity has a role description for the Trustee and Chair posts and the recruitment pack is updated annually. Applicants have the opportunity to meet the Chair and the Chief Executive before being interviewed by 2 members of the Nominations Committee. Recommendations to appoint are then made by the Nominations Committee to the Board.

Bristol Charities

Trustees' Report

Training, Induction and Appraisal of Trustees:

New Trustees take part in a structured Induction Programme, attending meetings with key staff and other Trustees, visiting projects and sites and are encouraged to attend all committees to really get an understanding of the work of the Charity.

Trustees are sent information on a regular basis on training courses and briefings. A regular item has been introduced to the Board of Trustees meeting agenda to provide updates on policy/legislation changes. Trustees who have attended training are encouraged to share knowledge with fellow Trustees.

The Chair of Trustees meets with each Trustee on biennial basis to review their performance and to receive feedback. A summary of those meetings is reported to the Nominations Committee.

Public Benefit:

The objects and aims of Bristol Charities are contained in the company's Memorandum of Association.

Bristol Charities' mission is to enhance the quality of life of older people living in our communities. We make a difference to the lives of older people by supporting them to live independently. Our work ranges from the provision of accommodation and services for older people to the distribution of grants to those most in need.

The Trustees have considered the Charity Commission guidance on public benefit from section 17 of the Charities Act 2011. We believe that the work of Bristol Charities has directly benefitted people by:

- Providing excellent, purpose-built accommodation through our 3 almshouses, each one offering on site support and a safe community setting for older, vulnerable people.
- Supporting older people to connect with their communities, take part in activities, increasing their well being and reducing loneliness and isolation.
- Providing grants to support individuals and families living in crisis or hardship when there is nobody to help.

The Trustee's Report section (pages 7-23) sets out the aims and strategies of the Charity and demonstrates how the aims and activities of the Charity during the year were carried out for the Public Benefit.

Grant Making Policy:

Bristol Charities is a charitable grant making trust. It has 4 main areas of charitable funding:

- a) Relief in Need
- b) Relief in Sickness and Disability
- c) Relief of Carers
- d) Educational Funds for the Advancement of Education

Bristol Charities

Trustees' Report

The principles which underpin the Trustees' governance of the Charity's grant-making consider the scale of the grant related activity and strike a balance between direct involvement in decisions, and efficient, responsive customer service for applicants.

The governance principles are as follow:

- The Board of Trustees has ultimate responsibility for all grant-making decisions in line with the Charity's objectives, purposes and priorities for the time being, and any restrictions agreed with donors and funding partners
- The Trustees may give certain decision-making responsibilities to its standing Committees, Board members or to the Chief Executive within its framework of delegation
- All Trustees understand the Charity's grant-making principles and processes and have opportunities to engage in and learn from grant making activities

There are grant-making criteria to provide clear information from the Trustees to those individuals and groups who want to apply for grants. The Board has delegated responsibility to its Grants Committee to review the criteria from time to time and, if necessary, to amend or update them.

Pay Policy for Senior Staff:

The Board of Directors, who are the Charity's Trustees, along with the senior management team comprise the key management personnel of the Charity in charge of directing and controlling the charity and running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustee expenses are disclosed in note 11 of the accounts.

The pay of the senior management team is reviewed annually by the Remuneration Committee, for details please see page 40.

Our Staff and Volunteers:

Bristol Charities is committed to providing a working environment where everyone has a chance to develop and contribute. It is through the commitment to our staff that we can meet our objectives. We provide training and career development to all employees.

We assess an individual's career development with an annual appraisal and regular 1:1 meetings and we provide training to meet any ongoing needs with the aim of developing employees for both their current and future roles.

We also recognise the invaluable work that our volunteers do on our behalf and the part they play in contributing to our shared objectives. This year, although the Charity did not receive any formal input from volunteers, a number of older people supported our community development projects by giving their time to organise and sit on steering groups and by running and organising activities.

Bristol Charities

Trustees' Report

Risk Management:

The Board of Trustees assess risk annually with additional operational and financial risk assessment through delegation to the relevant committee and to the Audit & Health and Safety Committee.

It oversees its responsibility through its review of the effectiveness of the Charity's Risk Framework. This framework is designed to support informed decision making regarding the risks that affect the Charity's performance and its ability to achieve its objectives.

Management of risk is embedded into our day-to-day activities and well-established processes and policies are in place to manage them. All of our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying, assessing and dealing with the risks facing the charity to ensure they do not exceed the level of risk the Charity is willing to assume. The register is designed to manage, rather than eliminate, the risks to the Charity's objectives and to provide reasonable, but not absolute mitigation of these risks.

The Audit and Health & Safety Committee biannually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Bristol Charities

Trustees' Report

Principle Risks and Uncertainties:

Trustees and staff have, during the year, reviewed the principle risks to the Charity. Actions to mitigate these risks have been developed and progress on these actions monitored regularly at both Board and Senior Team level. Trustees are satisfied that these mitigating actions have reduced the following risks to an acceptable level:

| Risk: | Management Actions: |
|--|---|
| The introduction of terms of office for Trustees results in a loss of relevant skills and knowledge | <ul style="list-style-type: none">• Skills gap analysis carried out• Skills matrix in place• Chair position filled• Recruitment campaign for Trustees undertaken |
| Head office costs continue to be supported by reduced business operations | <ul style="list-style-type: none">• Central office restructure completed• Budgets revised and agreed in September 2017• The handover of Haberfield House due in 2018 has a positive impact on head office costs |
| The robustness of our I.T. systems and infrastructure is not sufficient and needs to be improved to reduce recovery time and support business continuity | <ul style="list-style-type: none">• Server virtualisation project completed• Reduction of recovery times to meet targets• Sharepoint project improves business continuity across the Charity |
| Haberfield House is delivered late and over budget | <ul style="list-style-type: none">• Blockages around asbestos removed• Value engineering exercise undertaken to bring project back to budget and mitigate against the cost of delays• Haberfield House Project Group regularly reviews and monitors budgets and cash flow |

Bristol Charities

Trustees' Report

Value for Money Standard:

In order to comply with the Value for Money Standard 2018 set by the Regulator of Social Housing, the Charity is developing a value for money strategy. Our approach will be as follows:

- For 2019, we will complete our Value for Money Strategy, develop our key metrics to establish performance and identify a number of key projects to improve performance and efficiency.

Looking forward, we will be able to report on progress on our key value for money projects, use our value for money metrics to benchmark, analyse performance and also to agree action to improve any areas of underperformance.

Financial Review:

The Bristol Charities Group reported incoming resources in the year of £5,803,370 (2017: £3,819,606) including profit on sale of property of £4,078,542 (2017: £394,906). The surplus for the year was £4,528,176 (2017: surplus £3,881,213).

Almshouse Services:

| | 2018 | 2017 |
|----------------------|----------------|----------------|
| | £ | £ |
| Income | 738,822 | 761,376 |
| Expenditure | 478,765 | 507,399 |
| Surplus for the year | <u>260,057</u> | <u>253,977</u> |

Almshouse rental income by property was:

| | 2018 | 2017 |
|--|----------------|----------------|
| | £ | £ |
| Red Cross Mews | - | 67 |
| Perrett House | 878 | 23,852 |
| John Fosters | 168,779 | 163,131 |
| Barnstaple | 318,631 | 326,946 |
| Furber Properties | 60,346 | 63,192 |
| William Jones's Almshouse | 190,188 | 184,188 |
| Rental income for the year | <u>738,822</u> | <u>761,376</u> |
| Surplus on sale of Perrett House and Redcross Mews | 4,078,542 | - |
| Surplus on sale of the two Furber Properties | - | 394,906 |

Bristol Charities

Trustees' Report

Barstaple income in 2018 included £nil rental income received from Bristol Charities for the Day Centre (2017: £11,664). The Day Centre was closed early in the year and the loss of rental income explains the decrease in revenue derived from Barstaple Almshouse in the year. Furber properties generated less income in the year because one house was sold in March 2017.

Redcross Mews and Perrett House were sold in May 2017 for gross proceeds of £6.15m and generated a profit on disposal of £4,078,542.

Grants:

| | 2018 | 2017 |
|-------------------------------|----------------|---------------|
| | £ | £ |
| Grants awarded to individuals | 114,717 | - |
| Grants to Institutions | 93,387 | 88,609 |
| | <u>208,104</u> | <u>88,609</u> |

The Grants to Individuals Programme had been closed since January 2016 to ensure there was sufficient income to cover the Day Centre deficits. The Day Centres were closed early in the year and this enabled the Grants to Individuals Programme to be re-started in May 2017.

| | Henbury & Brentry | Greater Brislington | Hotwells | 2018 | 2017 |
|-----------------------------------|----------------------------------|--------------------------------|-----------------|-----------------|-----------------|
| | £ | £ | £ | £ | £ |
| Lottery funding | - | 49,097 | - | 49,097 | - |
| Activities income | 6,756 | 1,437 | 424 | 8,617 | 9,920 |
| Total income | <u>6,756</u> | <u>50,534</u> | <u>424</u> | <u>57,714</u> | <u>9,920</u> |
| Operating costs | (31,362) | (51,790) | (8,667) | (91,819) | (46,174) |
| (Deficit) funded by Grant Funding | <u>(24,606)</u> | <u>(1,256)</u> | <u>(8,243)</u> | <u>(34,105)</u> | <u>(36,254)</u> |

Henbury & Brentry was the only existing project operating in 2016/17. Costs incurred in 2016/17 included LinkAge fees of £8,000 which were not incurred in 2017/18. One full time employee is attached to the project.

The Greater Brislington Project started in April 2017 and one full time employee is attached to the project.

The Hotwells Project started part-way through the year and one part time employee is attached to the project.

Bristol Charities

Trustees' Report

Day Services:

These services were closed down in April 2017 and a full provision was made of £28,719 in the 2017 accounts. Actual costs incurred in the closure were less than anticipated resulting in a surplus of £1,650 in the year.

Haberfield House Almshouse Development:

The project started in 2015/16 and £3,238,592 of costs were incurred on the development in the year (2017: £1,303,680). Information on the funding plans for this project are detailed in the Going Concern and Reserves Policy section.

Lady Haberfield's Almshouse Charity:

The Trusteeship of the Lady Haberfield's Almshouse Charity was transferred to Bristol Charities on 28 February 2017. In 2017/18 the Trustees agreed that the Lady Haberfield's Almshouse Charity net assets should be transferred to Orchard Homes to help provide funds for almshouse development. The value of the assets transferred was £1,837,123. The Charity had £nil assets at 31 March 2018 and will be closed down in 2018/19.

Investment Policy:

The investment objective for the Charity's financial assets is to achieve a balanced return with a medium level of risk. The Trustees seek to produce the optimum total return, commensurate with at least maintaining the capital value in line with inflation, as defined by the National Statistics.

The Trustees have delegated investment of the Charity's investments, excluding investment properties, to Barings and Smith & Williamson.

In 2017/18 the Lady Haberfield's Almshouse Charity investments held with Quilter Cheviot were donated to Orchard Homes and transferred into Barings and Smith & Williamson.

Barings:

| | 2018 | 2017 |
|--|-------------|-------------|
| | £ | £ |
| Capital (reduction)/growth in the year | (62,231) | 508,235 |
| Capital (reduction)/growth as a % of market value at 31 March prior year | (1.1%) | 7.6% |
| Target capital growth | 7.3% | 7.3% |
| Investment income net of management charges | 224,676 | 196,987 |
| Investment income target | 200,937 | 195,845 |

Bristol Charities

Trustees' Report

Smith & Williamson:

| | 2018 | 2017 |
|--|---------|-----------|
| | £ | £ |
| Capital growth in the year | 299,375 | 1,045,485 |
| Capital growth as a % of market value at 31 March prior year | 4.8% | 15.3% |
| Target capital growth | 7.3% | 7.3% |
| Investment income net of management charges | 218,316 | 235,854 |
| Investment income target | 200,937 | 195,845 |

The objective of each fund is to aim to achieve a capital growth of CPI + 5% per annum. In January 2015 the Trustees set an annual income target for each fund of £188,442 per annum for the year ended 31 March 2015, with the value of the income generated to rise in line with average earnings as measured by the Average Weekly Earnings (regular pay) index each year thereafter.

Both Barings and Smith & Williamson exceeded their target income level for the year; investment income generated from the investments totalled £442,992 (2017: £432,840) and exceeded the target in the year by £41,118 (2017: £41,150).

Total capital growth in the year from investments was £237,144 (2017: growth £1,553,720) compared to the target growth of £871,138 (2017: growth £986,999) which is consistent with how stock markets performed in the year.

Ethical Investment Policy:

We encourage and expect our Fund Managers to take social, environmental and ethical considerations into account when assessing the suitability of investments in order to meet the Charities' aims and objectives. The Trustees do not wish to adopt an exclusionary policy, but individual investments may be excluded if perceived to conflict with the Charities' purposes.

Pensions:

Bristol Charities implemented pensions auto-enrolment in March 2016. Staff who are automatically enrolled have contributions paid to the Growth Plan Series 4 Pension Scheme which is administered by the Pensions Trust. Pension auto-enrolment was brought in by the UK Government to encourage employees to save towards their retirement and seven employees started contributing to a pension following the implementation.

Bristol Charities participates in two defined benefit pension schemes, the Scottish Voluntary Sector Pensions Scheme and the Growth Plan Series 3 Pension Scheme. Both of these funds are in deficit and Bristol Charities makes monthly contributions to fund them.

Bristol Charities

Trustees' Report

Going Concern and Reserves Policy:

The Reserves Policy is reviewed every year by the Board of Trustees. Trustees review the value of reserves required to be held in investments, cash and cash equivalents that are not restricted to any particular purpose. The Trustees also consider the exposure to the risk of any significant unforeseen costs or loss of income. The Trustees believe that reserves should be in the range of:

- Six months' central operating costs as unrestricted cash reserves; and in addition holding
- Cash reserves of not less than six months' historic grant giving, including sponsorship of day centre places, plus the accumulated distributions

At 31 March 2018 the unrestricted cash reserves comfortably exceeded reserve requirements.

| | 2018 | 2017 |
|--|------------------|------------------|
| | £ | £ |
| Cash and cash investment balances as at 31 March | 3,996,181 | 3,083,994 |
| Cash requirement per reserves policy at 31 March | 284,164 | 263,310 |
| Excess cash reserves held | <u>3,712,017</u> | <u>2,820,684</u> |

Bristol Charities is building the Haberfield House Almshouse and the Trustees recognise that this project will significantly reduce cash resources. The Trustees have agreed grant funding from the Homes England of £1.344m and bank finance of £3m to supplement internal resources for this project.

Trustees will continue to monitor reserves closely during 2018/19. In light of the above, the current reserve levels and our future plans, the Trustees consider it appropriate to prepare the annual accounts on a going concern basis.

Internal Control:

Accounting policies and procedures are determined as far as is practical to provide a good level of financial control over the Charity's income, expenditure, assets and liabilities. All transactions are required to be authorised before payment and all payments require two authorisations. All non-standard payments of £10,000 or more require approval by a Trustee before payment.

In advance of each year the Trustees review and approve a budget. Each quarter the Trustees review actual performance of the Charity against budgets and make enquiries to management of significant deviations.

The Audit and Health & Safety Committee meets twice per year to oversee the external audit process, review the annual accounts and to consider recommendations from the Auditors on internal control and procedures based on the findings in their audit fieldwork.

Bristol Charities

Trustees' Report

The Trustees recognise with a small Head Office function, internal controls rely on a small number of key staff but they believe that the controls in place are adequate to safe-guard the Charity's income, expenditure and assets.

The Governance Framework sets out the operational boundaries and defines the activities of the Board, Committees and Management Team, it also sets out how actions and decisions should be taken and ensures compliance is effectively assessed.

The Charity maintains a strong Health and Safety Focus to ensure as far as practical, safe working arrangements and effective management of key hazards (fire, legionella, electrical and mechanical safety). Regular reports are presented to the Management Team and the Audit and Health & Safety Committee.

Bristol Charities

Statement of Trustees' Responsibilities

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

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees of the Group on and signed on its behalf by:

.....

Richard Gore
Chair of Trustees

Bristol Charities

Independent Auditors' Report to the Members of Bristol Charities

Opinion

We have audited the financial statements of Bristol Charities for the year ended 31 March 2018, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group's affairs as at 31 March 2018 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 financial statements 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 financial statements 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the 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. 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.

Bristol Charities

Independent Auditors' Report to the Members of Bristol Charities

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements 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.
- 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.

Bristol Charities

Independent Auditors' Report to the Members of Bristol Charities

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 24), 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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 with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the charitable group's trustees, 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 Group'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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
David Jacobs BA FCA (Senior Statutory Auditor)
For and on behalf of Milsted Langdon LLP, Statutory Auditor
Freshford House
Redcliffe Way
Bristol
BS1 6NL

Date:.....

Bristol Charities

Consolidated Statement of Financial Activities for the Year Ended 31 March 2018 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total 2018 £ | Total 2017 £ |
|---|------|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| Income and Endowments from: | | | | | | |
| Donations and legacies | 2 | 8,845 | 15 | - | 8,860 | 540 |
| Acquisition of Lady Haberfields | 6 | - | - | - | - | 1,854,773 |
| Charitable activities | 3 | 802,389 | - | 310,531 | 1,112,920 | 1,027,127 |
| Investment income | 4 | 109,161 | 483,427 | - | 592,588 | 534,401 |
| Other income | 5 | 10,400 | - | 4,078,602 | 4,089,002 | 402,765 |
| Total Income | | <u>930,795</u> | <u>483,442</u> | <u>4,389,133</u> | <u>5,803,370</u> | <u>3,819,606</u> |
| Expenditure on: | | | | | | |
| Charitable activities | 7 | <u>(737,561)</u> | <u>(293,825)</u> | <u>(204,395)</u> | <u>(1,235,781)</u> | <u>(1,473,079)</u> |
| Total Expenditure | | <u>(737,561)</u> | <u>(293,825)</u> | <u>(204,395)</u> | <u>(1,235,781)</u> | <u>(1,473,079)</u> |
| Gains/losses on investment assets | | <u>9,552</u> | <u>-</u> | <u>(55,415)</u> | <u>(45,863)</u> | <u>1,556,765</u> |
| Net income | | 202,786 | 189,617 | 4,129,323 | 4,521,726 | 3,903,292 |
| Transfers between funds | 14 | <u>45,404</u> | <u>(45,404)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net gain/(loss) for the year before other recognised gains and losses | | <u>248,190</u> | <u>144,213</u> | <u>4,129,323</u> | <u>4,521,726</u> | <u>3,903,292</u> |
| Other recognised gains and (losses) | | | | | | |
| Actuarial gains on defined benefit pension schemes | | <u>6,450</u> | <u>-</u> | <u>-</u> | <u>6,450</u> | <u>(22,079)</u> |
| Net movement in funds | | 254,640 | 144,213 | 4,129,323 | 4,528,176 | 3,881,213 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | <u>5,138,859</u> | <u>200,278</u> | <u>27,840,679</u> | <u>33,179,816</u> | <u>29,298,603</u> |
| Total funds carried forward | 25 | <u>5,393,499</u> | <u>344,491</u> | <u>31,970,002</u> | <u>37,707,992</u> | <u>33,179,816</u> |

All of the Group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2017 is shown in note 25.

Bristol Charities

(Registration number: 05402303) Consolidated Balance Sheet as at 31 March 2018

| | Note | 2018 £ | 2017 £ |
|--|------|--------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 16 | 24,916 | 38,700 |
| Housing properties | 15 | 15,600,554 | 13,401,314 |
| Investments | 17 | <u>15,134,372</u> | <u>15,457,875</u> |
| | | <u>30,759,842</u> | <u>28,897,889</u> |
| Current assets | | | |
| Debtors | 18 | 248,929 | 357,005 |
| Cash at bank and in hand | | <u>9,037,811</u> | <u>5,212,313</u> |
| | | 9,286,740 | 5,569,318 |
| Creditors: Amounts falling due within one year | 19 | <u>(1,014,594)</u> | <u>(604,004)</u> |
| Net current assets | | <u>8,272,146</u> | <u>4,965,314</u> |
| Total assets less current liabilities | | 39,031,988 | 33,863,203 |
| Creditors: Amounts falling due after more than one year | 20 | <u>(1,323,996)</u> | <u>(683,387)</u> |
| Net assets | | <u>37,707,992</u> | <u>33,179,816</u> |
| Funds of the Group: | | | |
| Endowment funds | | <u>31,970,002</u> | <u>27,840,679</u> |
| Restricted income funds | | <u>344,491</u> | <u>200,278</u> |
| Unrestricted income funds | | | |
| Unrestricted income funds | | 5,824,323 | 5,603,559 |
| Other unrestricted funds | | <u>(430,824)</u> | <u>(464,700)</u> |
| Total unrestricted funds | | <u>5,393,499</u> | <u>5,138,859</u> |
| Total funds | 25 | <u>37,707,992</u> | <u>33,179,816</u> |

The financial statements on pages 28 to 79 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Richard Gore
Chair of Trustees

Bristol Charities

(Registration number: 05402303) Charity Balance Sheet as at 31 March 2018

| | Note | 2018 £ | 2017 £ |
|--|------|-------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 16 | 2,541 | 9,836 |
| Investments | 17 | <u>13,119,084</u> | <u>13,178,673</u> |
| | | <u>13,121,625</u> | <u>13,188,509</u> |
| Current assets | | | |
| Debtors | 18 | 262,603 | 111,167 |
| Cash at bank and in hand | | <u>377,080</u> | <u>4,812,682</u> |
| | | 639,683 | 4,923,849 |
| Creditors: Amounts falling due within one year | 19 | <u>(207,265)</u> | <u>(4,649,437)</u> |
| Net current assets | | <u>432,418</u> | <u>274,412</u> |
| Total assets less current liabilities | | 13,554,043 | 13,462,921 |
| Creditors: Amounts falling due after more than one year | 20 | <u>(388,254)</u> | <u>(423,360)</u> |
| Net assets | | <u>13,165,789</u> | <u>13,039,561</u> |
| Funds of the Group: | | | |
| Endowment funds | | <u>13,082,086</u> | <u>13,141,513</u> |
| Restricted income funds | | <u>335,651</u> | <u>190,815</u> |
| Unrestricted income funds | | | |
| Unrestricted income funds | | 178,876 | 171,933 |
| Other unrestricted funds | | <u>(430,824)</u> | <u>(464,700)</u> |
| Total unrestricted funds | | <u>(251,948)</u> | <u>(292,767)</u> |
| Total funds | 25 | <u>13,165,789</u> | <u>13,039,561</u> |

The financial statements on pages 28 to 79 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Richard Gore
Chair of Trustees

Bristol Charities

Consolidated Statement of Cash Flows for the Year Ended 31 March 2018

| | Note | 2018 £ | 2017 £ |
|--|--------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash income | | 4,528,176 | 3,881,213 |
| Adjustments to cash flows from non-cash items | | | |
| Profit on disposal of housing properties | | (4,078,542) | (394,906) |
| Profit on disposal of tangible fixed assets | | (6,203) | (3,078) |
| Investment income | | (543,929) | (522,965) |
| Interest receivable | | (34,735) | (11,436) |
| Depreciation | | 184,229 | 368,531 |
| | | <u>48,996</u> | <u>3,317,359</u> |
| Working capital adjustments | | | |
| Decrease/(increase) in debtors | 18 | 108,076 | (128,978) |
| Decrease in creditors | | 1,051,199 | 606,533 |
| Unrealised gains/losses on investments | | 45,863 | (1,556,765) |
| Net cash flows from operating activities | | <u>1,254,134</u> | <u>2,238,149</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | 15, 16 | (3,239,883) | (1,304,106) |
| Sale of tangible fixed assets | | 4,954,940 | 410,584 |
| Purchase of investments | | (2,823,621) | (3,922,414) |
| Sale of investments | | 3,101,262 | 4,900,390 |
| Investment income | | 543,931 | 522,965 |
| Interest received | | 34,735 | 11,436 |
| Bank loan | | 250,000 | - |
| Net cash flows from investing activities | | <u>2,821,364</u> | <u>618,855</u> |
| Cash flows from financing activities | | | |
| Repayment of bank loan | | (250,000) | - |
| Net increase in cash and cash equivalents | | 3,825,498 | 2,857,004 |
| Cash and cash equivalents at 1 April | | <u>5,212,313</u> | <u>2,355,309</u> |
| Cash and cash equivalents at 31 March | | <u><u>9,037,811</u></u> | <u><u>5,212,313</u></u> |

All of the cash flows are derived from continuing operations during the above two periods.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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.

Basis of preparation

Bristol Charities meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value.

Basis of consolidation

Following the incorporation of Bristol Charities as at 1 April 2005, consolidated accounts have been prepared. The group's financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Orchard Homes, Orchard Homes Design and Build Limited, William Jones's Almshouse Charity and Lady Habefield's Almshouse Charity are consolidated within these accounts as Bristol Charities is the sole Trustee of the entities.

Bristol Charities recorded gross income for the year of £675,631 (2017: £731,187) and a surplus for the year of £126,228 (2017: £1,208,387).

Bristol Charities has taken exemption from presenting its unconsolidated statement of financial activities under section 408 of Companies Act 2006.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Going concern

Bristol Charities' activities and future plans are set out in the Trustees' report.

Bristol Charities' subsidiary Orchard Homes, has a £3m loan facility with Handelsbanken which was unused at 31 March 2018. Bristol Charities manages its activities with positive unrestricted bank balances. The Trustees' forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure, show that Bristol Charities should be able to continue to operate on this basis.

Investment and rental income represent Bristol Charities' largest income streams with substantial investments in the Common Pooled Investment Fund held. Two firms, Baring Asset Management and Smith & Williamson Investment Management Limited, were appointed to manage the non-property investments and each was allocated 50% of the portfolio. The investment policy is for a balanced return with a medium level of risk. The Trustees seek to produce the optimum total return, commensurate with at least maintaining the capital value in line with inflation, as defined by the National Statistics.

The Trustees consider that the demand for the Charity's services will continue as almshouses are currently nearly fully occupied and demand is high.

Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Income and endowments

Voluntary income including donations, gifts and legacies and grants that provide core funding, or are of general nature, are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Rental income from investment properties is included on an accruals basis.

Investment income from the Common Pooled Investment Fund and other investment income is included on an accruals basis. Income relating to grant endowments is restricted, and income relating to Orchard Homes endowments is unrestricted.

Interest receivable is recognised on an accruals basis.

Other income is recognised on an accruals basis and is recognised when there is entitlement, and the receipt is probable and the amount can be measured with sufficient reliability.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Investment income

Unable to render Xml:

<para><inline condition="reporting.Queries.CategoryValueOrZero('SOFA1 1 3 1';, 0.01m, 'CurrentPeriod';, null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA1 1 3 1';, 0.01m, 'PriorPeriod';, null, null, false, null)!=0">Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the <ws/><data>EntityDescription</data>

; this is normally upon notification of the interest paid or payable by the bank.</inline>

<inline condition="reporting.Queries.CategoryValueOrZero('SOFA1 1 3 2';, 0.01m, 'CurrentPeriod';, null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA1 1 3 2';, 0.01m, 'PriorPeriod';, null, null, false, null)!=0">Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.</inline>

</para>

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('SOFA1 1 3 1', 0.01m, 'CurrentPeriod', null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA1 1 3 1', 0.01m, 'PriorPeriod', null, null, false, null)!=0'. (Exception has been thrown by the target of an invocation.)"

Expenditure

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a constructive obligation arises that results in the payment becoming due.

- Charitable activities include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources (e.g. allocating staff costs on the time spent and other costs by their usage).

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Grant expenditure

Unable to render Xml:

```
<para><inline condition="reporting.Queries.CategoryValueOrZero(&apos;SOFA2 1 1 3&apos;; 0.01m,
&apos;CurrentPeriod&apos;; null, null, false, null)!=0
or
reporting.Queries.CategoryValueOrZero(&apos;SOFA2 1 1 3&apos;; 0.01m, &apos;PriorPeriod&apos;; null,
null, false, null)!=0">Grants payable are payments made to third parties in the furtherance of the charitable
objectives. Where the <ws/><data>EntityDescription</data>
<ws/> gives a grant with conditions for its payment being a specific level of service or output to be provided,
such grants are only recognised in the Statement of Financial Activities once the recipient of the grant has
provided the specific service or output.
<br/>
<br/>Grants payable without performance conditions are recognised in the accounts when a commitment has
been made and communicated to the recipient, and there are no conditions to be met relating to the grant which
remain in the control of the <ws/><data>EntityDescription</data>
.</inline>
</para>
```

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('SOFA2 1 1 3', 0.01m, 'CurrentPeriod', null, null, false, null)!=0 or reporting.Queries.CategoryValueOrZero('SOFA2 1 1 3', 0.01m, 'PriorPeriod', null, null, false, null)!=0'. (Exception has been thrown by the target of an invocation.)"

Governance costs

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```
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&apos;CurrentPeriod&apos;; null, null, false, null)!=0
or
reporting.Queries.CategoryValueOrZero(&apos;SOFA2 3&apos;; 0.01m, &apos;PriorPeriod&apos;; null, null,
false, null)!=0">These include the costs attributable to the <ws/><data>EntityDescription</data>
's compliance with constitutional and statutory requirements, including audit, strategic management and
Trustee's meetings and reimbursed expenses.</inline>
</para>
```

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('SOFA2 3', 0.01m, 'CurrentPeriod', null, null, false, null)!=0 or reporting.Queries.CategoryValueOrZero('SOFA2 3', 0.01m, 'PriorPeriod', null, null, false, null)!=0'. (Exception has been thrown by the target of an invocation.)"

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Fund structure

Unrestricted funds comprise those funds that the Trustees are free to use in accordance with the charitable objects of the charity.

Restricted funds are funds that have been given for particular purposes by other charities for which Bristol Charities is now trustee.

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

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<para><inline condition="reporting.Queries.CategoryValueOrZero(&apos;UFDes&apos;, 0.01m, &apos;CurrentPeriod&apos;, null, null, false, null)!=0 or reporting.Queries.CategoryValueOrZero(&apos;UFDes&apos;, 0.01m, &apos;PriorPeriod&apos;, null, null, false, null)!=0">Designated funds are unrestricted funds are resources set aside for specific purposes at the discretion of the trustees.</inline></para>
```

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('UFDes', 0.01m, 'CurrentPeriod', null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('UFDes', 0.01m, 'PriorPeriod', null, null, false, null)!=0'. (Exception has been thrown by the target of an invocation.)"

Intangible assets

Unable to render Xml:

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```

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('B01 2', 0.01m, 'CurrentPeriod', null, null, false)!=0

or

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or

reporting.Queries.CategoryValueOrZero('B01 3', 0.01m, 'PriorPeriod', null, null, false)!=0'. (Exception has been thrown by the target of an invocation.)"

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Tangible fixed assets

Tangible fixed assets are capitalised at cost where the asset has a useful economic life that is more than a year.

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold property (excluding land) is depreciated over fifty to one hundred years on a straight-line basis. Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use and the assets are transferred to other categories.

Housing properties are stated at cost. The cost of such properties includes the cost of acquiring land and buildings and development expenditure. Interest is capitalised up to the date of practical completion of the relevant scheme.

Amortisation

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&apos;CurrentPeriod&apos;,, null, null, false)!=0
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false)!=0
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false)!=0
or
reporting.Queries.CategoryValueOrZero(&apos;B01 2 2&apos;,, 0.01m, &apos;PriorPeriod&apos;,, null, null,
false)!=0
or
reporting.Queries.CategoryValueOrZero(&apos;B01 3 2&apos;,, 0.01m, &apos;CurrentPeriod&apos;,, null, null,
false)!=0
or
reporting.Queries.CategoryValueOrZero(&apos;B01 3 2&apos;,, 0.01m, &apos;PriorPeriod&apos;,, null, null,
false)!=0">Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated
residual value, over their expected useful economic life as follows:</inline>
</para>
```

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('B01 1 2', 0.01m, 'CurrentPeriod', null, null, false)!=0

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or
reporting.Queries.CategoryValueOrZero('B01 1 2', 0.01m, 'PriorPeriod', null, null, false)!=0
or
reporting.Queries.CategoryValueOrZero('B01 2 2', 0.01m, 'CurrentPeriod', null, null, false)!=0
or
reporting.Queries.CategoryValueOrZero('B01 2 2', 0.01m, 'PriorPeriod', null, null, false)!=0
or
reporting.Queries.CategoryValueOrZero('B01 3 2', 0.01m, 'CurrentPeriod', null, null, false)!=0
or
reporting.Queries.CategoryValueOrZero('B01 3 2', 0.01m, 'PriorPeriod', null, null, false)!=0'. (Exception has
been thrown by the target of an invocation.)"
```

[Amortisation rates](#)

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Depreciation and amortisation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated lives as follows:

- Alterations to leasehold properties are capitalised on completion and depreciated over between five and fifty years on a straight-line basis over the period of the lease.
- Motor vehicles are depreciated at 25% per annum on a reducing balance basis.
- Computers, other office equipment, fixtures and equipment are depreciated over between three and ten years on a straight-line basis.

An impairment review will be undertaken when an indication of impairment has been identified.

Redundancy and Payment In Lieu of Notice

Staff made redundant are compensated by the Charity making a payment for redundancy. The redundancy payment is calculated in accordance with statutory redundancy guidelines published by the HM Government. Where staff are not required to work out their full notice the Charity will make a Payment In Lieu of notice based on their daily salary for the period not worked.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Pension costs

The Charity implemented auto-enrolment for its employees in March 2016. The Charity contributes to the Growth Plan 4 Scheme for certain staff, a scheme which is run by The Pensions Trust. The assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged to the Statement of Financial Activities as they become payable. This scheme is a defined contribution scheme.

The Charity makes deficit contributions to a final salary scheme, the Scottish Voluntary Sector Final Salary Pension Scheme, for certain members of staff. The scheme is in a separate fund where the assets are held and administered by The Pensions Trust. Service costs, net interest expense and measurements in respect of the scheme are charged to the Statement of Financial Activities. The scheme closed to new members in January 2000 and closed to future accrual at 1 March 2011.

The Charity also makes deficit contributions to the Growth Plan 3 Scheme. The scheme closed to future accruals on 1 March 2011. This scheme was a defined benefit scheme which closed to future contributions in October 2013.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Impairment of fixed assets

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Unable to render Xml:

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or

reporting.Queries.CategoryValueOrZero('SOFA2 1 2 15 7';, 0.01m, 'CurrentPeriod';, null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA2 1 2 15 7';, 0.01m, 'PriorPeriod';, null, null, false, null)!=0

or

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or

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or

reporting.Queries.CategoryValueOrZero('SOFA2 3 6 6';, 0.01m, 'PriorPeriod';, null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA2 4 6 6';, 0.01m, 'CurrentPeriod';, null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA2 4 6 6';, 0.01m, 'PriorPeriod';, null, null, false, null)!=0">Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An impairment loss is recognised where the recoverable amount is less than the carrying value.</inline>

</para>

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('SOFA2 1 1 8 6', 0.01m, 'CurrentPeriod', null, null, false, null)!=0

or

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or

reporting.Queries.CategoryValueOrZero('SOFA2 1 2 15 7', 0.01m, 'CurrentPeriod', null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA2 1 2 15 7', 0.01m, 'PriorPeriod', null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA2 2 1 13 6', 0.01m, 'CurrentPeriod', null, null, false, null)!=0

or

reporting.Queries.CategoryValueOrZero('SOFA2 2 1 13 6', 0.01m, 'PriorPeriod', null, null, false, null)!=0

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or

reporting.Queries.CategoryValueOrZero('SOFA2 4 6 6', 0.01m, 'CurrentPeriod', null, null, false, null)!=0

or

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

reporting.Queries.CategoryValueOrZero('SOFA2 4 6 6', 0.01m, 'PriorPeriod', null, null, false, null)!=0'.
(Exception has been thrown by the target of an invocation.)"

Investment properties

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<para><inline condition="reporting.Queries.CategoryValueOrZero(''B03 1', 0.01m, 'CurrentPeriod', null, null, false)!=0

or

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Programme related investments

Unable to render Xml:

<para><inline condition="reporting.Queries.CategoryValueOrZero('B03a', 0.01m, 'CurrentPeriod', null, null, false)!=0

or

reporting.Queries.CategoryValueOrZero('B03a', 0.01m, 'PriorPeriod', null, null, false)!=0">Programme related investments are made in furtherance of the

<ws/><data>EntityDescription</data>
<ws/> 's objects and any investment return is secondary to the charitable purpose supported by the investment. Such investments are included at their cost. Any loss or impairment arising from such investments is charged as part of charitable activities within the Statement of Financial Activities.</inline>

</para>

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('B03a', 0.01m, 'CurrentPeriod', null, null, false)!=0

or

reporting.Queries.CategoryValueOrZero('B03a', 0.01m, 'PriorPeriod', null, null, false)!=0'. (Exception has been thrown by the target of an invocation.)"

Fixed asset investments

Investments are included at their mid-market value at the balance sheet date. Any gain or loss on valuation is taken to the endowment fund and reflected in the Statement of Financial Activities.

Government grants

Social housing grants are booked to the Income and Expenditure account in the year of receipt in the consolidated accounts in accordance with Charities SORP FRS 102. This accounting treatment is different from how the grants are dealt with in Orchard Homes' annual accounts whereby the grant income is booked to creditors and amortised to the income and expenditure account over the expected useful life of the almshouse. Social Housing Grant is repayable in certain circumstances, primarily following the sale of a relevant property when the repayable amount will often be restricted to the net proceeds of sale.

Provisions

Unable to render Xml:

<para><inline condition="reporting.Queries.CategoryValueOrZero('B14', 0.01m, 'CurrentPeriod', null, null, null, null, null, false)!=0 or

reporting.Queries.CategoryValueOrZero('B14', 0.01m, 'PriorPeriod', null, null, null, null, null, false)!=0">Provisions are recognised when the

<ws/><data>EntityDescription</data>
<ws/> has an obligation at the reporting date as a result of a past event, it is probable that the

<ws/><data>EntityDescription</data>
<ws/> will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.</inline>

</para>

Expression failed to evaluate for 'condition' at line 1 line position 39. Error: "Error while evaluating expression 'reporting.Queries.CategoryValueOrZero('B14', 0.01m, 'CurrentPeriod', null, null, null, null, null, false)!=0 or reporting.Queries.CategoryValueOrZero('B14', 0.01m, 'PriorPeriod', null, null, null, null, null, false)!=0'. (Exception has been thrown by the target of an invocation.)"

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Taxation

Bristol Charities is a registered charity and as such is entitled to relevant tax exemptions on its charitable income and gains properly applied under normal circumstances for its charitable purposes.

Grants payable

Grants payable are charged in the year when the offer is pledged to the recipient.

Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

2 Income from donations and legacies

| | Unrestricted funds | Restricted funds | Total 2018 | Total 2017 |
|-------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| | General | funds | £ | £ |
| | £ | £ | | |
| Donations and legacies; | | | | |
| Sundry donations | 8,845 | 15 | 8,860 | 540 |
| | 8,845 | 15 | 8,860 | 540 |

In the year ended 31 March 2017 there was £520 attributable to unrestricted funds, £20 attributable to restricted and £nil attributable to endowment funds.

3 Income from charitable activities

| | Total 2018 | Total 2017 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Funding received from Social Services | (46) | 166,237 |
| Payments from attendees | 322 | 55,605 |
| Charges for client and community meals | 85 | 29,849 |
| Contributions received for use of facilities | (85) | 7,957 |
| LinkAge activities income | 56,698 | 6,103 |
| Outreach income | 6,594 | - |
| Weekly maintenance charges and rental income | 676,908 | 697,438 |
| Service charges for utilities | 69,004 | 63,938 |
| Losses from voids | (7,091) | - |
| Social housing grant | 310,531 | - |
| | 1,112,920 | 1,027,127 |

In the year ended 31 March 2017 there was £1,027,127 attributable to unrestricted funds and £nil to restricted and endowment funds.

4 Investment income

| | Unrestricted funds | Restricted funds | Total 2018 | Total 2017 |
|---|-------------------------------|-----------------------------|-----------------------|-----------------------|
| | General | funds | £ | £ |
| | £ | £ | | |
| Other income from fixed asset investments | 109,161 | 483,427 | 592,588 | 534,401 |
| | 109,161 | 483,427 | 592,588 | 534,401 |

In the year ended 31 March 2017 there was £103,237 attributable to unrestricted funds, £431,164 attributable to restricted funds and £nil attributable to endowment funds.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

5 Other income

| | Unrestricted funds | Endowment funds | Total 2018 | Total 2017 |
|--|-----------------------|--------------------|------------------|----------------|
| | General £ | Expendable £ | £ | £ |
| Sundry income | 4,197 | 60 | 4,257 | 4,781 |
| Gains on sale of tangible fixed assets | 6,203 | 4,078,542 | 4,084,745 | 397,984 |
| | <u>10,400</u> | <u>4,078,602</u> | <u>4,089,002</u> | <u>402,765</u> |

In the year ended 31 March 2017 there was £4,757 attributable to unrestricted funds, £3,102 attributable to restricted funds and £394,906 attributable to endowment funds.

Redcross Mews and Perrett House were sold in the year generating a surplus of £4,078,542.

6 Acquisition

On 1 March 2017, Lady Haberfield's Almshouse Charity (charity number: 201350) merged with Bristol Charities. The merger was effected by Lady Haberfield's Almshouse Charity becoming a subsidiary of Bristol Charities. The transaction has been accounted for as an acquisition.

Lady Haberfield's Almshouse Charity is a registered charity with aims and objectives similar to Bristol Charities, namely the provision of almshouse accommodation and the provision for poor persons of good character who are resident in Bristol.

On the date of acquisition, the trade and assets of Lady Haberfield's Almshouse Charity were transferred to Bristol Charities. All post acquisition results of the acquired charity are therefore presented within the results of Bristol Charities. Since the assets are held at fair value, there has been no adjustment. The net assets transferred comprised:

Year ended 31 March 2017

| | Book value £ | Fair value adjustment £ | Fair value £ |
|-------------------------------|------------------|-------------------------------|------------------|
| Investments | 1,817,303 | - | 1,817,303 |
| Current assets | 319,892 | - | 319,892 |
| Current liabilities | (25,755) | - | (25,755) |
| Net current assets | 2,111,440 | - | 2,111,440 |
| Long term liabilities | (256,667) | - | (256,667) |
| Net assets | <u>1,854,773</u> | <u>-</u> | <u>1,854,773</u> |
| Fair value of assets acquired | | | 1,854,773 |
| Consideration | | | - |
| Net assets acquired | | | <u>1,854,773</u> |

No acquisitions were made in the year ended 31 March 2018.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

7 Expenditure on charitable activities

| | Day Services and Community Development £ | Grant giving £ | Almshouse Services £ | Other £ | Total 2018 £ | Total 2017 £ |
|--|--|-------------------|----------------------------|----------------|--------------------|--------------------|
| Staff costs, direct expenditure | 66,422 | - | 75,833 | - | 142,255 | 362,199 |
| Staff costs, allocated expenditure | 56,723 | - | 37,612 | 1,000 | 95,335 | 77,261 |
| Service costs: support, activities, transport, meals | 2,146 | - | 7,223 | - | 9,369 | 60,652 |
| Property costs: maintenance and depreciation | 3,196 | - | 204,982 | 4,003 | 212,181 | 512,230 |
| Administration | 26,654 | - | 61,070 | - | 87,724 | 50,107 |
| Grants made | - | 208,104 | - | - | 208,104 | 88,609 |
| LH Source Housing Grant previously amortised to I&E | - | - | - | 35,296 | 35,296 | - |
| Governance | - | - | 30,098 | 162 | 30,260 | 29,015 |
| Provision for operational deficit to closure of Day Services in April 2017 | - | - | - | - | - | 9,720 |
| Allocated support costs | 28,954 | - | 136,895 | 89,863 | 255,712 | 115,693 |
| Almshouse property depreciation | - | - | 159,545 | - | 159,545 | 167,593 |
| | <u>184,095</u> | <u>208,104</u> | <u>713,258</u> | <u>130,324</u> | <u>1,235,781</u> | <u>1,473,079</u> |

Expenditure on charitable activities was £1,235,781 (2017 - £1,473,079) of which £737,561 (2017 - £1,190,267) was attributable to unrestricted funds, £293,825 (2017 - £115,219) to restricted funds and £204,395 (2017 - £167,593) to endowment funds.

Analysis of charitable expenditure by fund is separately analysed in notes 23 and 24.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

8 Head office costs and allocation of support costs

Total Head office costs, including allocated support costs, consist of:

| | 2018 | 2017 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Salary costs | 306,374 | 288,439 |
| Property costs | 41,781 | 40,019 |
| Administration costs | 111,480 | 75,122 |
| Depreciation | 364 | 339 |
| | <u>459,999</u> | <u>403,919</u> |
| | | |
| Staff costs, allocated expenditure | 186,877 | 149,499 |
| Allocated support costs | 273,122 | 254,420 |
| | <u>459,999</u> | <u>403,919</u> |

Allocated support costs consist of:

| | Salary costs | Property & depreciation | Administration | 2018 Total |
|--|---------------------|------------------------------------|-----------------------|-------------------|
| | £ | £ | £ | £ |
| Day Services and Community Development | - | 1,295 | 3,427 | 4,722 |
| Almshouses | 36,968 | 19,563 | 51,746 | 108,277 |
| Grant giving | 33,404 | 7,031 | 18,597 | 59,032 |
| Assets in construction - in fixed assets | 43,650 | 12,317 | 32,580 | 88,547 |
| Future property sales - in prepayments | 2,779 | 250 | 660 | 3,689 |
| CIPF | 2,695 | 1,690 | 4,470 | 8,855 |
| | <u>119,496</u> | <u>42,146</u> | <u>111,480</u> | <u>273,122</u> |
| Year ended 31 March 2018 | | | | |
| | <u>138,940</u> | <u>40,358</u> | <u>75,122</u> | <u>254,420</u> |
| Year ended 31 March 2017 | | | | |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

| | 2018 | 2017 |
|--|------------------|-------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 8,364 | 28,585 |
| Depreciation of housing properties | 175,865 | 178,700 |
| Write down of Summerhill Centre Building improvements | - | 161,246 |
| Surplus on disposal of fixed assets | (4,078,542) | (397,984) |
| Fees for the audit of the parent Charity's financial statements | 16,080 | 16,800 |
| Fees for the audit of the Charity's subsidiaries' financial statements | 14,060 | 12,216 |
| Social housing grant income | <u>(310,531)</u> | <u>-</u> |

10 Staff costs

| | 2018 | 2017 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Salaries and wages | 365,354 | 511,814 |
| Social security costs | 34,063 | 36,790 |
| Other pension costs | <u>40,423</u> | <u>45,564</u> |
| | <u>439,840</u> | <u>594,168</u> |

Redundancy and payment in lieu of notice costs of £nil (2017: £32,500) are included in the above costs. Redundancy payments of £nil (2017: £29,650) were paid to staff free of tax and national insurance. Payments in lieu of notice of £nil (2017: £2,940) were paid to staff subject to deduction of income tax and national insurance. All redundancy and payments in lieu of notice costs were paid after the year end and are included as liabilities in these accounts.

Staff costs include:

| | No | No |
|---|-----------|-----------|
| Staff with emoluments in the range £90,000 to £100,000 | 1 | - |
| £80,000 to £90,000 | <u>-</u> | <u>1</u> |

The Charity considers key management personnel to be the Chief Executive and the Assistant Director of Finance. The total employee benefits, including employer pension contributions, of the key management personnel of the Charity were £176,499 (2017: £174,340).

The monthly average number of persons (including senior management team) employed by the Group during the year expressed as full time equivalents was as follows:

| | 2018 | 2017 |
|---|-------------|-------------|
| | No | No |
| Almshouse Staff | 4 | 4 |
| Clerical Staff | 6 | 6 |
| Day Service and Community Development Staff | <u>3</u> | <u>14</u> |
| | <u>13</u> | <u>24</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

The reduction in Staff numbers is due to the closure of the Day Services in April 2017.

11 Trustees' remuneration and expenses

| | 2018 £ | 2017 £ |
|---|------------|------------|
| Travel costs for one Trustee to attend a training course on the role of a Trustee | - | 407 |
| Training course for one Trustee | - | 446 |
| Travel and accommodation for one Trustee to meet the Haberdashers Trustees | 468 | - |
| | <u>468</u> | <u>853</u> |

No trustees, nor any persons connected with them, have received any remuneration from the charity during either the current or prior year.

12 Pension costs

Historic Final Salary Pension Scheme

Bristol Charities used to offer a final salary pension scheme, but this scheme was closed to new members with effect from January 2000. The assets of the scheme are held separately from those of Bristol Charities in an independently held fund administered by The Pensions Trust.

The scheme is in deficit, and there is a deficit reduction plan. The required deficit contributions are reviewed every three years, and a new level was set to run from April 2016. Contributions will increase by 3% in each year. The contributions required after that will depend on the findings of the next review.

The scheme closed to future accrual at 31 March 2010 and from 1 April 2011 contributions in respect of future service have ceased. The two current members are, from 1 April 2011, members of the Pension Trust Growth Plan scheme.

Further information on this scheme, the Scottish Voluntary Sector Final Salary Pension Scheme is included in note 28.

Growth Plan Scheme for Current Staff

The Charity also contributes to the Pensions Trust Growth Plan schemes for current staff (see note 28 for more information). The assets of the scheme are held separately from those of the Charity. The annual contributions are charged to expenses as they become payable.

Growth Plan 3 Scheme Deficit

Contributions for current staff were being invested in Growth Plan 3. The capital invested by employees in Growth Plan 3 were guaranteed. This scheme is in deficit, and a deficit reduction plan was put in place at the start of the financial year.

The Pensions Trust closed Growth Plan 3 to contributions in October 2013, and future contributions are now made to Growth Plan 4, which is a money purchase scheme.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Pensions debtor: the pension contributions receivable at the year end were £637 (2017 debtor: £404).

Pension costs in the year:

| | 2018 | 2017 |
|--|---------------|---------------|
| | £ | £ |
| Pension deficit interest, historic final salary | 8,000 | 10,000 |
| Pension deficit interest, Growth Plan 3 Scheme | 430 | 717 |
| Contributions to the Pensions Trust Growth Plan 4 Scheme for current staff | 7,716 | 12,847 |
| Contributions to other money purchase schemes for current staff | 32,707 | 32,717 |
| | 48,853 | 56,281 |
| | 48,853 | 56,281 |

Further details on the 2 Pension schemes which are in deficit are provided in note 28.

13 Sponsorship of day centre places

| Charity | Day Centre | Total 2018 | Total 2017 |
|----------------------|-------------------|-----------------------|-----------------------|
| | | £ | £ |
| Relief in Need | Barstaple | - | 4,320 |
| Relief in Sickness | Barstaple | - | 4,640 |
| Relief in Sickness | Summerhill | - | 2,080 |
| The EM Merchant Fund | Barstaple | - | 360 |
| | | - | 11,400 |
| | | - | 11,400 |

This represents funding provided out of restricted funds for individuals to attend day centres.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

14 Gross transfers between funds

The following amounts have been transferred during the year:

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ |
|--|----------------------------|--------------------------|-------------------------|
| Donation from Relief In Need subsidising Summerhill Day Centre | (709) | 709 | - |
| Donation from Relief In Need subsidising Henbury and Brentry Community Hub | 24,606 | (24,606) | - |
| Donation from Relief In Sickness and Disability Charity subsidising the Barstaple Day Centre | (941) | 941 | - |
| Donation from Relief In Need subsidising Greater Brislington Community Hub | 1,256 | (1,256) | - |
| Donation from Relief In Need subsidising Hotwells Community Hub | 8,243 | (8,243) | - |
| Grant allocation from Dr George Owen's Charity to Orchard Homes | 14,204 | (14,204) | - |
| William Jones's Almshouse Charity contribution to the Sinking Fund | (1,255) | 1,255 | - |
| Total transfers between funds to 31 March 2018 | <u>45,404</u> | <u>(45,404)</u> | <u>-</u> |
| Total transfers between funds to 31 March 2017 | <u>504,648</u> | <u>(504,648)</u> | <u>-</u> |

All transfers have been made in accordance with restrictions attached to original donations.

The allocation from the Dr George Owen's Charity is the amount that is allocated to Orchard Homes.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

15 Housing Properties

Group

| | Assets in the course of construction £ | Almshouses £ | Houses £ | Total £ |
|-------------------------|---|-------------------|----------------|-------------------|
| Cost | | | | |
| At 1 April 2017 | 1,910,083 | 12,486,642 | 124,543 | 14,521,268 |
| Additions | 3,238,592 | - | - | 3,238,592 |
| Disposals | - | (1,209,026) | - | (1,209,026) |
| At 31 March 2018 | <u>5,148,675</u> | <u>11,277,616</u> | <u>124,543</u> | <u>16,550,834</u> |
| Depreciation | | | | |
| At 1 April 2017 | - | 1,098,780 | 21,174 | 1,119,954 |
| Charge for the year | - | 174,620 | 1,245 | 175,865 |
| Eliminated on disposals | - | (345,539) | - | (345,539) |
| At 31 March 2018 | <u>-</u> | <u>927,861</u> | <u>22,419</u> | <u>950,280</u> |
| Net book value | | | | |
| At 31 March 2018 | <u>5,148,675</u> | <u>10,349,755</u> | <u>102,124</u> | <u>15,600,554</u> |
| At 31 March 2017 | <u>1,910,083</u> | <u>11,387,862</u> | <u>103,369</u> | <u>13,401,314</u> |

The Housing balance of £102,124 (2017: £103,369) represents the net book value of the Furber Fund housing properties.

The Almshouses disposed were Perrett House and Redcross Mews. These properties were sold for gross proceeds of £6.15m. The full amount of Social housing grants allocated to these properties and subsequently recycled amounted to £933,342 and this liability is shown in creditors falling due after more than one year, note 20.

All of the housing properties are held in subsidiary charities and so no Housing Properties note has been prepared for the charity Bristol Charities, only the consolidated note above.

The Assets in the course of construction balance at 31 March 2018 is the cost spent on the Haberfield House development.

The value of land included in housing properties is £1,757,648 (2017: £1,895,481).

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

16 Tangible fixed assets

Group

| | Alterations to leasehold property £ | Motor vehicles £ | Computer equipment £ | Total £ |
|-------------------------|--|------------------------|----------------------------|------------------|
| Cost | | | | |
| At 1 April 2017 | 257,928 | 43,202 | 117,026 | 418,156 |
| Additions | - | - | 1,291 | 1,291 |
| Disposals | <u>(225,745)</u> | <u>(38,486)</u> | <u>(22,749)</u> | <u>(286,980)</u> |
| At 31 March 2018 | <u>32,183</u> | <u>4,716</u> | <u>95,568</u> | <u>132,467</u> |
| Depreciation | | | | |
| At 1 April 2017 | 257,928 | 35,809 | 85,719 | 379,456 |
| Charge for the year | - | 171 | 8,193 | 8,364 |
| Eliminated on disposals | <u>(225,745)</u> | <u>(31,775)</u> | <u>(22,749)</u> | <u>(280,269)</u> |
| At 31 March 2018 | <u>32,183</u> | <u>4,205</u> | <u>71,163</u> | <u>107,551</u> |
| Net book value | | | | |
| At 31 March 2018 | <u>-</u> | <u>511</u> | <u>24,405</u> | <u>24,916</u> |
| At 31 March 2017 | <u>-</u> | <u>7,393</u> | <u>31,307</u> | <u>38,700</u> |

Charity

| | Land and buildings £ | Motor vehicles £ | Computer equipment £ | Total £ |
|-------------------------|----------------------------|------------------------|----------------------------|------------------|
| Cost | | | | |
| At 1 April 2017 | 257,928 | 38,486 | 68,965 | 365,379 |
| Additions | - | - | 1,291 | 1,291 |
| Disposals | <u>(225,745)</u> | <u>(38,486)</u> | <u>(22,749)</u> | <u>(286,980)</u> |
| At 31 March 2018 | <u>32,183</u> | <u>-</u> | <u>47,507</u> | <u>79,690</u> |
| Depreciation | | | | |
| At 1 April 2017 | 257,928 | 31,775 | 65,840 | 355,543 |
| Charge for the year | - | - | 1,875 | 1,875 |
| Eliminated on disposals | <u>(225,745)</u> | <u>(31,775)</u> | <u>(22,749)</u> | <u>(280,269)</u> |
| At 31 March 2018 | <u>32,183</u> | <u>-</u> | <u>44,966</u> | <u>77,149</u> |
| Net book value | | | | |
| At 31 March 2018 | <u>-</u> | <u>-</u> | <u>2,541</u> | <u>2,541</u> |
| At 31 March 2017 | <u>-</u> | <u>6,711</u> | <u>3,125</u> | <u>9,836</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

The disposal of improvements to leasehold property is the Summerhill Day Centre which was handed back to Bristol City Council in May 2017.

17 Fixed asset investments

Group

Other investments

| | Listed investments £ |
|------------------------------|-------------------------------------|
| Cost or Valuation | |
| At 1 April 2017 | 15,457,875 |
| Additions | 2,823,621 |
| Disposals | (2,488,890) |
| Investment management charge | (39,681) |
| Cash withdrawn | (310,531) |
| Adjustment to market value | <u>(308,022)</u> |
| At 31 March 2018 | <u>15,134,372</u> |
| Net book value | |
| At 31 March 2018 | <u>15,134,372</u> |
| At 31 March 2017 | <u>15,457,875</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

The historical cost of the fund at 31 March 2018 was £12,986,852 (2017 - £13,223,945).

Investments at market value comprised:

| | 2018 | 2017 |
|-----------------------------|-------------------|-------------------|
| | £ | £ |
| Investment properties | 1,397,000 | 1,397,000 |
| UK fixed interest bonds | 1,549,997 | 2,018,677 |
| Private equity | 722,981 | 304,713 |
| UK quoted equities | 2,317,299 | 2,596,406 |
| UK Investment & Unit trusts | 543,010 | 943,441 |
| Overseas equities | 2,024,834 | 2,224,938 |
| Barings pooled funds | 6,507,472 | 5,626,027 |
| Cash | 71,779 | 346,673 |
| | <u>15,134,372</u> | <u>15,457,875</u> |
| Market value at 31 March | | |

Realised and unrealised gains and losses in the year were:

| | 2018 | 2017 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Realised gains | 155,693 | 503,921 |
| (Unrealised losses)/unrealised gains | <u>(201,556)</u> | <u>1,052,844</u> |
| (Losses)/gains | <u>(45,863)</u> | <u>1,556,765</u> |

Included in the Common Pool Investment Fund are investment properties with a market value of £1,397,000 (2017: £1,397,000). The most recent valuation was carried out in 2016 by Alder King LLP, RICS Registered Valuers. The Trustees have considered the value of investment properties to be included in the accounts and deem that there is no material difference from the last valuation.

At 31 March 2018 the Group held 2,682,612 units in the Bristol Charities Common Pooled Investment Fund (2017: 2,727,749 units). See notes 22 and 27 for more information.

Investments over 5% of the total value being the Barings pooled fund £6,507,472 (2017: £5,626,027).

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Charity

Other investments

| | Listed investments £ |
|------------------------------|-------------------------------------|
| Cost or Valuation | |
| At 1 April 2017 | 13,178,673 |
| Additions | 1,276,775 |
| Disposals | (1,050,650) |
| Investment management charge | (37,066) |
| Adjustment to market value | <u>(248,648)</u> |
| At 31 March 2018 | <u>13,119,084</u> |
| Net book value | |
| At 31 March 2018 | <u>13,119,084</u> |
| At 31 March 2017 | <u>13,178,673</u> |

The historical cost of the fund at 31 March 2018 was £11,257,526 (2017 - £10,970,649).

Investments at market value comprised:

| | 2018 £ | 2017 £ |
|--|-------------------|-------------------|
| Investment properties | 1,210,975 | 1,380,850 |
| UK fixed interest bonds | 1,343,600 | 1,218,885 |
| Private equity | 626,709 | 301,191 |
| UK quoted equities | 2,008,729 | 2,172,619 |
| UK Investment & Unit trusts | 470,703 | 652,843 |
| Overseas equities | 1,755,208 | 1,867,618 |
| Barings pooled funds | 5,640,938 | 5,560,987 |
| Investment in Orchard Homes Design and Build | 1 | 1 |
| Cash | 62,221 | 23,679 |
| Market value at 31 March | <u>13,119,084</u> | <u>13,178,673</u> |

At 31 March 2018 the Charity held 2,325,396 units in the Bristol Charities Common Pooled Investment Fund (2017: 2,325,396 units). See notes 22 and 27 for more information.

Bristol Charities' share of realised and unrealised gains and losses in the year were:

| | 2018 £ | 2017 £ |
|--------------------------------------|-------------------|-------------------|
| Realised gains | 125,813 | 403,750 |
| (Unrealised losses)/unrealised gains | <u>(185,402)</u> | <u>870,795</u> |
| (Losses)/gains | <u>(59,589)</u> | <u>1,274,545</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Included in the Common Pool Investment Fund is investment properties, Bristol Charities' share of these properties had a market value of £1,210,976 (2017: £1,380,850). The most recent valuation was carried out in 2016 by Alder King LLP, RICS Registered Valuers. The Trustees have considered the value of investment properties to be included in the accounts and deem that there is no material difference from the last valuation.

Investments over 5% of the total value being the Barings pooled fund £5,640,938 (2017: £5,626,027).

18 Debtors

| | Group | | Charity | |
|-----------------------------|----------------|----------------|----------------|----------------|
| | 2018 £ | 2017 £ | 2018 £ | 2017 £ |
| Trade debtors | 53,029 | 24,646 | 35,555 | 9,062 |
| Due from group undertakings | - | - | 159,596 | 37,980 |
| Prepayments | 134,736 | 331,226 | 6,288 | 62,992 |
| Accrued income | 59,944 | - | 59,944 | - |
| Other debtors | 1,220 | 1,133 | 1,220 | 1,133 |
| | <u>248,929</u> | <u>357,005</u> | <u>262,603</u> | <u>111,167</u> |

19 Creditors: amounts falling due within one year

| | Group | | Charity | |
|---|------------------|----------------|----------------|------------------|
| | 2018 £ | 2017 £ | 2018 £ | 2017 £ |
| Trade creditors | 50,090 | 40,617 | 29,799 | 12,191 |
| William Jones's School Foundation Loan | 480 | 480 | - | - |
| Due to group undertakings | - | - | - | 4,417,488 |
| Deferred income | 22,167 | 54,351 | 19,884 | 32,158 |
| Pensions deficit | 42,570 | 41,340 | 42,570 | 41,340 |
| Other creditors | 113,021 | 136,484 | 73,788 | 110,874 |
| Accruals | 786,266 | 330,732 | 41,224 | 35,386 |
| | <u>1,014,594</u> | <u>604,004</u> | <u>207,265</u> | <u>4,649,437</u> |

See information on the Pensions deficit in notes 12 and 28.

Orchard Homes has a £3m loan facility secured on Barstaple and John Fosters Almshouses. The loan facility is with Handelsbanken and was obtained to provide finance for Haberfield House. Under the terms of the facility Orchard Homes drew down £250,000 and then immediately repaid it in full during the year. No loan liability is outstanding at 31 March 2018 and the full £3m facility is available for draw down in the year ended 31 March 2019.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Deferred income

Deferred income is made up of commercial and almshouse property rents invoiced in advance:

| | Group | | Charity | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Balance at 1 April | 54,351 | 25,577 | 32,158 | 21,186 |
| Amount released to incoming resources | (54,351) | (25,577) | (32,158) | (21,186) |
| Amount deferred in year | 22,167 | 54,351 | 19,884 | 32,158 |
| Balance at 31 March | <u>22,167</u> | <u>54,351</u> | <u>19,884</u> | <u>32,158</u> |

20 Creditors: amounts falling due after one year

| | Group | | Charity | |
|-----------------------------------|------------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| William Jones's School Foundation | | | | |
| Loan | 2,400 | 3,360 | - | - |
| Pensions deficit | 388,254 | 423,360 | 388,254 | 423,360 |
| Social Housing Grant - Recycled | | | | |
| Grant Funding | <u>933,342</u> | <u>256,667</u> | <u>-</u> | <u>-</u> |
| | <u>1,323,996</u> | <u>683,387</u> | <u>388,254</u> | <u>423,360</u> |

See information on the pensions' deficit in notes 12 and 28.

The Recycled Grant Funding is monies previously advanced by the Homes England to Lady Haberfield's Almshouse Charity to be re-invested into qualifying almshouse property. The Homes England approved for these funds to be transferred into Orchard Homes to be used in the Haberfield House development.

As per note 15, Perrett House and Redcross Mews were sold in May 2017. Social Housing grant previously amortised as income of £933,343 has been deducted from the profit on sale to enable the liability to be included in creditors falling due after more than one year. Homes England require these grant monies to be re-invested into a qualifying project by May 2020 or to be repaid.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

21 Common Pooled Investment Fund units holding and values

| | | | 2018 £ | 2017 £ |
|---|-----------------------|-----------------------|-------------------|-------------------|
| Unit value at year end | | | 5,641,666 | 5,666,900 |
| | 2018 Units | 2017 Units | 2018 £ | 2017 £ |
| Endowment Funds: Grant-giving charities | | | | |
| Relief in Need Charity | 1,182,325 | 1,182,325 | 6,670,271 | 6,700,568 |
| Bristol Relief of Sickness and Disability Charity | 496,933 | 496,933 | 2,803,524 | 2,816,259 |
| Educational Charities | 29,503 | 29,503 | 166,446 | 167,202 |
| Barry T Jones Fund | 86,351 | 86,351 | 487,163 | 489,375 |
| Miss E M Merchant Trust | 80,620 | 80,620 | 454,831 | 456,896 |
| Dr Owen's Charity | 423,981 | 423,981 | 2,391,954 | 2,402,819 |
| Rev Dr T White's Essex Estates | 10,959 | 10,959 | 61,827 | 62,108 |
| Rev Dr T White's Garys Inn Lane Trust | 8,421 | 8,421 | 47,508 | 47,724 |
| | 2,319,093 | 2,319,093 | 13,083,524 | 13,142,951 |
| Almshouse charities | | | | |
| Orchard Homes Endowment Reserves | 357,216 | 27,356 | 2,015,289 | 154,133 |
| Unrestricted Funds | | | | |
| Bristol Charities Unrestricted Reserves | 6,303 | 6,303 | 35,559 | 35,721 |
| Lady Haberfield Unrestricted Reserves | - | 374,997 | - | 2,125,070 |
| Total Common Pooled Investment Funds Holding | | | | |
| As at 31 March 2018 | 2,682,612 | 2,727,749 | 15,134,372 | 15,457,875 |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

22 Consolidated Endowment Funds

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | Total | Total |
| | £ | £ |
| Relief in Need Charity | 6,670,272 | 6,700,568 |
| Bristol Relief of Sickness and Disability Charity (see note 20) | 2,803,524 | 2,816,259 |
| Educational Charities | 166,446 | 167,202 |
| Barry T Jones Fund | 487,163 | 489,375 |
| Miss E M Merchant Trust | 454,830 | 456,896 |
| Dr Owen's Charity | 2,391,954 | 2,402,818 |
| Rev Dr T White's Essex Estates | 61,827 | 62,108 |
| Rev Dr T White's Garys Inn Lane Trust | 47,508 | 47,724 |
| | 13,083,524 | 13,142,950 |
| Almshouse charities | | |
| Orchard Homes | 2,015,290 | 154,133 |
| Investments in Common Pooled Investment Funds | 15,098,814 | 13,297,083 |
| Housing Property: | | |
| Orchard Homes | 13,547,614 | 11,153,630 |
| William Jones's Almshouse Charity | 1,438,545 | 1,463,062 |
| Total Housing Property | 14,986,159 | 12,616,692 |
| Current Assets, Orchard Homes | 2,819,811 | 1,929,542 |
| Current Liabilities: Bristol Charities | (1,439) | (2,638) |
| Creditors more than 1 year: Orchard Homes | (933,343) | - |
| Total Endowment Funds | 31,970,002 | 27,840,679 |
| | 2018 | 2017 |
| | Total | Total |
| | £ | £ |
| Bristol Charities | 13,082,085 | 13,141,513 |
| Orchard Homes | 17,449,372 | 13,236,104 |
| William Jones's Almshouse Charity | 1,438,545 | 1,463,062 |
| Total Endowment Funds | 31,970,002 | 27,840,679 |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

23 Restricted Funds

| | Balance 1 April 2017 £ | Total income £ | Total expenditure £ | Gains/(losses) and transfers £ | Balance 31 March 2018 £ |
|---|------------------------------|-------------------|---------------------------|--------------------------------------|-------------------------------|
| Grant-giving charities | | | | | |
| Relief in Need Charity | 164,299 | 244,801 | (109,796) | (33,396) | 265,908 |
| Bristol Relief of Sickness and Disability Charity | (13,969) | 102,883 | (66,748) | 941 | 23,107 |
| Educational Charities | 12,187 | 6,108 | (7,442) | | 10,853 |
| Barry T Jones Fund | 9,410 | 17,878 | (23,241) | | 4,047 |
| Miss E M Merchant Trust | 18,253 | 16,691 | (3,207) | | 31,737 |
| Dr Owen's Charity | 635 | 87,781 | (74,213) | (14,204) | (1) |
| Rev Dr T White's Essex Estates | - | 2,270 | (2,270) | - | - |
| Rev Dr T White's Garys Inn Lane Trust | - | 1,743 | (1,743) | - | - |
| Charity Restricted Funds Movement | 190,815 | 480,155 | (288,660) | (46,659) | 335,651 |
| Almshouse charities | | | | | |
| William Jones's leaseholders service charges | 9,463 | 3,287 | (5,165) | 1,255 | 8,840 |
| Total restricted funds held | 200,278 | 483,442 | (293,825) | (45,404) | 344,491 |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

The purpose of each fund in existence at 31 March 2018 is:

Relief in Need: The relief of persons resident in the City of Bristol who are in need, hardship or distress.

Bristol Relief of Sickness and Disability Charity: The relief of persons resident in the City of Bristol who are sick, convalescent, disabled or infirm by relieving their suffering or assisting their recovery.

Educational Charities: The provision of grants to create access to opportunities for young people who are resident in the City of Bristol where no loans or public funds are available.

Barry T Jones Fund: The provision of grants to charitable independent schools engaged in Secondary education within the City and County of Bristol.

Miss E M Merchant Trust: The provision of grants to Carers who have limited means living in the City of Bristol or in an area of 10 miles from Bristol city centre.

Dr Owen's Charity: Income accrued from this fund is required to be distributed 83.33% to Bristol Grammar School and 16.67% to Orchard Homes.

Rev Dr T White's Essex Estates: Income accrued from this fund is required to be distributed to Reverend Dr White.

Rev Dr T White's Grays Inn Lane Trust: Income accrued from this fund is required to be distributed 50% to Bristol Grammar School and 50% to Reverend Dr White.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Income

| | Donations and legacies £ | Investment income £ | Interest receivable £ | Other income £ | Total income £ |
|---|-----------------------------------|---------------------------|-----------------------------|----------------------|----------------------|
| Grant-giving charities | | | | | |
| Relief in Need Charity | 15 | 244,786 | | - | 244,801 |
| Bristol Relief of Sickness and Disability Charity | - | 102,883 | - | - | 102,883 |
| Educational Charities | - | 6,108 | - | - | 6,108 |
| Barry T Jones Fund | - | 17,878 | - | - | 17,878 |
| Miss E M Merchant Trust | - | 16,691 | - | - | 16,691 |
| Dr Owen's Charity | - | 87,781 | - | - | 87,781 |
| Rev Dr T White's Essex Estates | - | 2,270 | - | - | 2,270 |
| Rev Dr T White's Garys Inn Lane Trust | - | 1,743 | - | - | 1,743 |
| Charity Restricted Funds Movement | 15 | 480,140 | - | - | 480,155 |
| William Jones's, leaseholders service charges | - | - | - | 3,287 | 3,287 |
| Total restricted funds income year ended 31 March 2018 | <u>15</u> | <u>480,140</u> | <u>-</u> | <u>3,287</u> | <u>483,442</u> |
| Total restricted funds income year ended 31 March 2017 | <u>20</u> | <u>430,773</u> | <u>391</u> | <u>3,102</u> | <u>434,286</u> |

Expenditure

| | Direct grants payable £ | Charitable expenditure £ | Other expenditure £ | Total expenditure £ |
|---|----------------------------------|--------------------------------|---------------------------|---------------------------|
| Grant-giving charities | | | | |
| Relief in Need Charity | 61,471 | 48,325 | - | 109,796 |
| Bristol Relief of Sickness and Disability Charity | 46,978 | 19,770 | - | 66,748 |
| Educational Charities | 6,268 | 1,174 | - | 7,442 |
| Barry T Jones Fund | 18,527 | 4,714 | - | 23,241 |
| Miss E M Merchant Trust | - | 3,207 | - | 3,207 |
| Dr Owen's Charity | 71,021 | 3,192 | - | 74,213 |
| Rev Dr T White's Essex Estates | 2,172 | 98 | - | 2,270 |
| Rev Dr T White's Garys Inn Lane Trust | 1,667 | 76 | - | 1,743 |
| Charity Restricted Funds Movement | 208,104 | 80,556 | - | 288,660 |
| William Jones's, leaseholders service charges | - | - | 5,165 | 5,165 |
| Total restricted funds income year ended 31 March 2018 | <u>208,104</u> | <u>80,556</u> | <u>5,165</u> | <u>293,825</u> |
| Total restricted funds income year ended 31 March 2017 | <u>93,202</u> | <u>19,407</u> | <u>2,610</u> | <u>115,219</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

24 Grant-making

| Grants to institutions comprise: | 2018 | 2017 |
|---|-----------------------|----------------------|
| | £ | £ |
| Paid from Dr Owen's Charity | | |
| Bristol Grammer School | 71,021 | 62,036 |
| Dr T Whites Essex Estates & Grays Inn | 3,839 | - |
| Paid from Barry T Jones Fund | | |
| QEH School | 5,500 | - |
| Red Maids' School | 3,027 | - |
| Clifton High School | - | 7,785 |
| Bristol Grammar School | 10,000 | 5,277 |
| Total grants paid to institutions | <u>93,387</u> | <u>75,098</u> |
| Grants paid to individuals | 114,717 | 18,104 |
| Total grants paid | <u><u>208,104</u></u> | <u><u>93,202</u></u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

25 Funds

Group

| | Balance at 1 April 2017 £ | Incoming resources £ | Resources expended £ | Gains/losses and transfers £ | Balance at 31 March 2018 £ |
|-----------------------------------|--|-------------------------------------|-------------------------------------|---|---|
| Unrestricted funds | | | | | |
| <i>Unrestricted general funds</i> | | | | | |
| General | 5,603,559 | 894,939 | (729,131) | (1,782,167) | 3,987,200 |
| Pensions deficit | (464,700) | 35,856 | (8,430) | 6,450 | (430,824) |
| Lady Haberfield reserves | - | - | - | 1,837,123 | 1,837,123 |
| | <u>5,138,859</u> | <u>930,795</u> | <u>(737,561)</u> | <u>61,406</u> | <u>5,393,499</u> |
| Restricted funds | | | | | |
| Restricted funds | 200,278 | 483,442 | (293,825) | (45,404) | 344,491 |
| Endowment funds | | | | | |
| <i>Expendable endowment funds</i> | | | | | |
| Endowment funds | 27,840,679 | 4,389,133 | (204,395) | (55,415) | 31,970,002 |
| | <u>27,840,679</u> | <u>4,389,133</u> | <u>(204,395)</u> | <u>(55,415)</u> | <u>31,970,002</u> |
| Total funds | <u>33,179,816</u> | <u>5,803,370</u> | <u>(1,235,781)</u> | <u>(39,413)</u> | <u>37,707,992</u> |
| | Balance at 1 April 2016 £ | Incoming resources £ | Resources expended £ | Gains/losses and transfers £ | Balance at 31 March 2017 £ |
| Unrestricted funds | | | | | |
| <i>Unrestricted general funds</i> | | | | | |
| General | 3,316,287 | 2,955,670 | (1,179,550) | 511,152 | 5,603,559 |
| Pensions deficit | (466,648) | 34,744 | (10,717) | (22,079) | (464,700) |
| | <u>2,849,639</u> | <u>2,990,414</u> | <u>(1,190,267)</u> | <u>489,073</u> | <u>5,138,859</u> |
| Restricted funds | | | | | |
| Restricted funds | 385,859 | 434,286 | (115,219) | (504,648) | 200,278 |
| Endowment funds | | | | | |
| <i>Expendable endowment funds</i> | | | | | |
| Endowment funds | 26,063,105 | 394,906 | (167,593) | 1,550,261 | 27,840,679 |
| | <u>26,063,105</u> | <u>394,906</u> | <u>(167,593)</u> | <u>1,550,261</u> | <u>27,840,679</u> |
| Total funds | <u>29,298,603</u> | <u>3,819,606</u> | <u>(1,473,079)</u> | <u>1,534,686</u> | <u>33,179,816</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Charity

| | Balance at 1 April 2017 £ | Incoming resources £ | Resources expended £ | Gains/losses and transfers £ | Balance at 31 March 2018 £ |
|-----------------------------------|---------------------------------|----------------------------|----------------------------|---------------------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| <i>Unrestricted general funds</i> | | | | | |
| General | 171,933 | 159,620 | (184,970) | 32,293 | 178,876 |
| Pension deficit | (464,700) | 35,856 | (8,430) | 6,450 | (430,824) |
| | <u>(292,767)</u> | <u>195,476</u> | <u>(193,400)</u> | <u>38,743</u> | <u>(251,948)</u> |
| Restricted funds | | | | | |
| Restricted funds | 190,815 | 480,155 | (302,864) | (32,455) | 335,651 |
| Endowment funds | | | | | |
| <i>Expendable endowment funds</i> | | | | | |
| Endowment funds | <u>13,141,513</u> | - | - | <u>(59,427)</u> | <u>13,082,086</u> |
| | <u>13,141,513</u> | - | - | <u>(59,427)</u> | <u>13,082,086</u> |
| Total funds | <u><u>13,039,561</u></u> | <u><u>675,631</u></u> | <u><u>(496,264)</u></u> | <u><u>(53,139)</u></u> | <u><u>13,165,789</u></u> |
| | | | | | |
| | Balance at 1 April 2016 £ | Incoming resources £ | Resources expended £ | Gains/losses and transfers £ | Balance at 31 March 2017 £ |
| Unrestricted funds | | | | | |
| <i>Unrestricted general funds</i> | | | | | |
| General | 299,712 | 300,003 | (672,898) | 245,116 | 171,933 |
| Pension deficit | (466,648) | - | - | 1,948 | (464,700) |
| | <u>(166,936)</u> | <u>300,003</u> | <u>(672,898)</u> | <u>247,064</u> | <u>(292,767)</u> |
| Restricted funds | | | | | |
| Restricted funds | 128,338 | 431,184 | (125,100) | (243,607) | 190,815 |
| Endowment funds | | | | | |
| <i>Expendable endowment funds</i> | | | | | |
| Endowment funds | <u>11,869,772</u> | - | - | <u>1,271,741</u> | <u>13,141,513</u> |
| | <u>11,869,772</u> | - | - | <u>1,271,741</u> | <u>13,141,513</u> |
| Total funds | <u><u>11,831,174</u></u> | <u><u>731,187</u></u> | <u><u>(797,998)</u></u> | <u><u>1,275,198</u></u> | <u><u>13,039,561</u></u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

26 Analysis of net assets between funds

Group

| | Unrestricted funds | | Endowment funds | Total funds |
|--------------------------------------|--------------------|------------------|-------------------|-------------------|
| | General funds | Restricted funds | Expendable funds | |
| | £ | £ | £ | £ |
| Tangible fixed assets | 639,311 | - | 14,986,159 | 15,625,470 |
| Fixed asset investments | 35,558 | - | 15,098,814 | 15,134,372 |
| Current assets | 6,032,041 | 434,888 | 2,819,811 | 9,286,740 |
| Current liabilities | (922,758) | (90,397) | (1,439) | (1,014,594) |
| Creditors over 1 year | (390,653) | - | (933,343) | (1,323,996) |
| Total net assets | 5,393,499 | 344,491 | 31,970,002 | 37,707,992 |
| Unrestricted funds - general | 3,987,200 | | | |
| Unrestricted funds - pension deficit | (430,824) | | | |
| Unrestricted funds - Lady Haberfield | 1,837,123 | | | |
| Total Unrestricted funds | 5,393,499 | | | |

Charity

| | Unrestricted funds | | Endowment funds | Total funds |
|--------------------------------------|--------------------|------------------|-------------------|-------------------|
| | General funds | Restricted funds | Expendable funds | |
| | £ | £ | £ | £ |
| Tangible fixed assets | 2,541 | - | - | 2,541 |
| Fixed asset investments | 35,559 | - | 13,083,525 | 13,119,084 |
| Current assets | 213,635 | 426,048 | - | 639,683 |
| Current liabilities | (115,429) | (90,397) | (1,439) | (207,265) |
| Creditors over 1 year | (388,254) | - | - | (388,254) |
| Total net assets | (251,948) | 335,651 | 13,082,086 | 13,165,789 |
| Unrestricted funds - general | 178,876 | | | |
| Unrestricted funds - pension deficit | (430,824) | | | |
| Total Unrestricted funds | (251,948) | | | |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

27 Bristol Charities Common Pooled Investment Fund

(a) Income account (return)

| | 2018 | 2017 |
|--------------------------------------|-------------|-------------|
| | £ | £ |
| Gross income: | | |
| Managed portfolios | 452,878 | 435,494 |
| Income from investment in property | 104,237 | 104,277 |
| | 557,115 | 539,771 |
| Charges: | | |
| Property expenses | (700) | (268) |
| Bristol Charities | (12,484) | (16,538) |
| | 543,931 | 522,965 |
| Final distribution | (543,931) | (522,965) |
| Undistributed income carried forward | - | - |
| Distribution pence per unit | 20.28 | 18.22 |

(b) Balance sheet

| | 2018 | 2017 |
|--|-------------|-------------|
| | £ | £ |
| Managed portfolios at market value | 13,737,372 | 14,060,875 |
| Investment in property at market value | 1,397,000 | 1,397,000 |
| Net investment fund | 15,134,372 | 15,457,875 |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

(c) Statement of movement in net assets

| | Total 2018 £ | Total 2017 £ |
|---|-----------------------------|-----------------------------|
| Net assets at start of year | <u>15,457,875</u> | <u>14,879,086</u> |
| Investment gains/(losses) for the year | | |
| Realised gains/(losses) on investments sold during the year | (45,863) | 503,609 |
| Additions | 2,500,901 | 3,922,414 |
| Proceeds of investment disposals | (1,331,295) | (3,230,421) |
| Cash withdrawn in year | (310,531) | (3,100,000) |
| Valuation gains/(losses) for the year | (1,097,034) | 2,516,663 |
| Portfolio Manager charges | <u>(39,681)</u> | <u>(33,476)</u> |
| | <u>(323,503)</u> | <u>578,789</u> |
| Net assets at end of year | <u><u>15,134,372</u></u> | <u><u>15,457,875</u></u> |
| | | |
| Investment in property comprises: | 2018 | 2017 |
| | £ | £ |
| Investment properties | <u>1,397,000</u> | <u>1,397,000</u> |

A desk-top valuation of investment properties as at 31 March 2016 has been completed by Alder King and is incorporated in these accounts. The Trustees have considered the value of investment properties to be included in the accounts and deem that there is no material difference from the last valuation.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

28 Pension and other schemes

Scottish Voluntary Sector Final Salary Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Actuarial values and deficit contributions in the following 3 paragraphs are attributable to the multi-employer scheme in total and are not wholly attributable to Bristol Charities.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £66.21m, liabilities of £95.04m and a deficit of £28.83m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £88.22m, liabilities of £122.15m and a deficit of £33.93m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

| | |
|--|----------------------|
| From 1 April 2013 to 31 March 2028: (payable monthly and increasing by 3% each on 1st April) | £1,490,000 per annum |
| From 1 April 2016 to 31 October 2029: (payable monthly and increasing by 3% each on 1st April) | £1,703,000 per annum |

The recovery plan contributions are allocated to each participating employer, including Bristol Charities, in line with their estimated share of the scheme liabilities. Bristol Charities has agreed to fund its share of the liability by following a contribution plan which will finish in 2029 and has recognised in its balance sheet a liability for this obligation.

The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision

| | 31 March 2018 £'000s | 31 March 2017 £'000s | 31 March 2016 £'000s |
|----------------------------|----------------------------|----------------------------|----------------------------|
| Present value of provision | <u>400</u> | <u>430</u> | <u>430</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Reconciliation of Opening and Closing Provisions

| | 2018 | 2017 |
|---|---------------|---------------|
| | Total | Total |
| | £'000s | £'000s |
| Provision of 1 April | 430 | 430 |
| Unwinding of the discount factor (interest expense) | 8 | 10 |
| Deficit contribution paid in the year | (32) | (31) |
| Re-measurements - impact of any change in assumptions | (6) | 21 |
| Re-measurements - amendments to the contribution schedule | - | - |
| Provision at 31 March | 400 | 430 |

Income and Expenditure Impact

| | 2018 | 2017 |
|---|---------------|---------------|
| | Total | Total |
| | £'000s | £'000s |
| Interest expense | 8 | 10 |
| Re-measurements - impact of any change in assumptions | (6) | 21 |
| Re-measurements - amendments to the contribution schedule | - | - |
| Costs paid in respect of future service | - | - |

| | 31 March | 31 March | 31 March |
|----------------------------|-----------------|-----------------|-----------------|
| Assumptions | 2018 | 2017 | 2016 |
| | % | % | % |
| Rate of discount per annum | 2.01 | 1.76 | 2.55 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

| | 31 March | 31 March | 31 March |
|-------------|-----------------|-----------------|-----------------|
| Year Ending | 2018 | 2017 | 2016 |
| | £'000s | £'000s | £'000s |
| Year 1 | 33 | 32 | 31 |
| Year 2 | 34 | 33 | 32 |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

| | | | |
|---------|----|----|----|
| Year 3 | 35 | 34 | 33 |
| Year 4 | 36 | 35 | 34 |
| Year 5 | 37 | 36 | 35 |
| Year 6 | 38 | 37 | 36 |
| Year 7 | 39 | 38 | 37 |
| Year 8 | 41 | 39 | 38 |
| Year 9 | 42 | 41 | 39 |
| Year 10 | 43 | 42 | 41 |
| Year 11 | 44 | 43 | 42 |
| Year 12 | 27 | 44 | 43 |
| Year 13 | - | 27 | 44 |
| Year 14 | - | - | 27 |

The company must recognise a liability measured as the present value of the contributions payable that a rise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Growth Plan Series 3

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Actuarial values and deficit contributions in the following 2 paragraphs are attributable to the multi-employer scheme in total and are not wholly attributable to Bristol Charities.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

From 1 April 2016 to 30 September 2025: (payable monthly and increasing by 3% each on 1st April) £12,945,440 per annum

From 1 April 2016 to 30 September 2028 £54,560 per annum

The recovery plan contributions are allocated to each participating employer, including Bristol Charities, in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Bristol Charities has agreed to fund its share of the liability by following the first contribution plan which will finish on 30 September 2025.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision

| | 31 March 2018 £ | 31 March 2017 £ | 31 March 2016 £' |
|----------------------------|--------------------------------|--------------------------------|---------------------------------|
| Present value of provision | 30,824 | 34,700 | 36,648 |

Reconciliation of Opening and Closing Provisions

| | 2018 Total £ | 2017 Total £ |
|---|-----------------------------|-----------------------------|
| Provision of 1 April | 34,700 | 36,648 |
| Unwinding of the discount factor (interest expense) | 430 | 717 |
| Deficit contribution paid in the year | (3,856) | (3,744) |
| Re-measurements - impact of any change in assumptions | (450) | 1,079 |
| Re-measurements - amendments to the contribution schedule | - | - |
| Provision at 31 March | 30,824 | 34,700 |

Income and Expenditure Impact

| | 2018 Total £ | 2017 Total £ |
|---|-----------------------------|-----------------------------|
| Interest expense | 430 | 717 |
| Re-measurements - impact of any change in assumptions | (450) | 1,079 |
| Re-measurements - amendments to the contribution schedule | - | - |
| Costs paid in respect of future service | - | - |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

| Assumptions | 31 March 2018 % | 31 March 2017 % | 31 March 2016 % |
|----------------------------|-----------------------|-----------------------|-----------------------|
| Rate of discount per annum | <u>1.71</u> | <u>1.32</u> | <u>2.07</u> |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

| Year Ending | 31 March 2018 £ | 31 March 2017 £ | 31 March 2016 £ |
|-------------|-----------------------|-----------------------|-----------------------|
| Year 1 | 3,972 | 3,856 | 3,744 |
| Year 2 | 4,091 | 3,972 | 3,856 |
| Year 3 | 4,214 | 4,091 | 3,972 |
| Year 4 | 4,340 | 4,214 | 4,091 |
| Year 5 | 4,471 | 4,340 | 4,214 |
| Year 6 | 4,605 | 4,471 | 4,340 |
| Year 7 | 4,743 | 4,605 | 4,471 |
| Year 8 | 2,443 | 4,743 | 4,605 |
| Year 9 | - | 2,443 | 4,743 |
| Year 10 | - | - | 2,443 |

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

29 Principal subsidiaries

Bristol Charities has four principal subsidiaries which have been consolidated into the group financial statements. These are Orchard Homes (registered charity number 1109141/17), William Jones's Almshouse Charity (registered charity number 230514), Orchard Homes Design and Build Limited (company registration number 9864047) and Lady Haberfield's Almshouse Charity (registered charity number 201350).

Orchard Homes is a registered social landlord and also a registered charity. Orchard Homes is a provider of almshouse accommodation for older people. Orchard Homes operates solely in the UK. Orchard Homes is unincorporated and has no share capital. It is included on the basis of a uniting direction issued by the Charities Commission dated 20 May 2005. Orchard Homes is under the sole control of Bristol Charities.

The William Jones's Almshouse Charity is a registered charity and a provider of almshouse accommodation for older people. It is consolidated as it is under the sole control of Bristol Charities, as Bristol Charities is its sole trustee.

Orchard Homes Design and Build Limited was incorporated on 9 November 2015 to provide design and construction services for Bristol Charities.

Lady Haberfield's Almshouse Charity is a social landlord and registered charity. Lady Haberfield's Almshouse Charity is under the sole control of Bristol Charities.

The total reserves for each subsidiary are:

| | 2018 | 2017 |
|--|--------------|--------------|
| | Total | Total |
| | £ | £ |
| Orchard Homes | 21,841,210 | 15,142,532 |
| William Jones's Almshouse Charity | 1,404,328 | 1,373,779 |
| Orchard Homes Design and Build Limited | - | - |
| Lady Haberfield's Almshouse Charity | - | 1,858,070 |

The income and expenditure for each subsidiary in 2018 and 2017 were:

| <i>Orchard Homes</i> | 2018 | 2017 |
|---------------------------|------------------|----------------|
| | Total | Total |
| | £ | £ |
| Income | 7,220,839 | 1,132,193 |
| Expenditure | (526,173) | (550,679) |
| Other gains and transfers | 4,012 | 278,520 |
| Surplus for the year | <u>6,698,678</u> | <u>860,034</u> |

| <i>William Jones's Almshouse Charity</i> | 2018 | 2017 |
|--|---------------|---------------|
| | Total | Total |
| | £ | £ |
| Income | 193,538 | 187,560 |
| Expenditure | (162,989) | (173,105) |
| Surplus for the year | <u>30,549</u> | <u>14,455</u> |

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Orchard Homes Design and Build Limited (incorporated 9 November 2015)

| | 2018 Total £ | 2017 Total £ |
|--------------------------------|-----------------------------|-----------------------------|
| Income | 3,232,013 | 546,195 |
| Expenditure | <u>(3,232,013)</u> | <u>(551,425)</u> |
| (Deficit)/Surplus for the year | <u>-</u> | <u>(5,230)</u> |

Lady Haberfield's Almshouse Charity (Trusteeship transferred to Bristol Charities on 28 February 2017)

| | 2018 Total £ | 2017 Total £ |
|------------------------------------|-----------------------------|-----------------------------|
| Income | 285,123 | 2,654 |
| Expenditure | (2,152,907) | (2,405) |
| Other gains/(losses) and transfers | <u>9,714</u> | <u>3,048</u> |
| (Deficit)/surplus for the year | <u>(1,858,070)</u> | <u>3,297</u> |

30 Commitments

Group

Capital commitments

At the balance sheet date a capital commitment had been entered into by the subsidiary undertaking Orchard Homes Design and Build Limited. The commitment consisted of a contract with a building contractor to develop and build an almshouse at Stockwood in Bristol.

The total amount contracted for but not provided in the financial statements was £4,402,143 (2017 - £7,543,337).

31 Parent and ultimate parent undertaking

Ultimate controlling parties

Ultimate control over the entity is held by the Trustees of Bristol Charities, as listed on page 1, Reference and Administrative Details.

32 Related party transactions

The Charity has taken advantage of the exemption under FRS 102 Section 33 not to disclose transactions with charities, 100% of whose voting rights are wholly-controlled within Bristol Charities.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

33 Committees

Assets and Finance Committee

J O'Shea (Chair)
T Harris
L Claydon
R Gore
P Staples
N Webber
J Webster
H Bosnell

Audit and Health & Safety Committee

P Staples (Chair)
J O'Shea
T Harris
R Gore
N Webber

Grants Committee

R Kennedy (Chair)
R Gore
M Meredith
H Bosnell

Nominations Committee

R Gore (Chair)
L Claydon
R Kennedy

Remuneration Committee

R Gore (Chair)
L Claydon
T Harris
J Webster

Investment Management Group Subcommittee (instated 3/5/16)

N Webber (Chair)
J O'Shea
T Harris

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2018

Haberfield House Project Group Subcommittee

J Webster (Chair)
R Gore
L Claydon
R Kennedy
P Staples
S Chaundhry