

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 2020



Bristol Charities

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Bristol Charities

Reference and Administrative Details

Patron	Mary Prior M.B.E.
Trustees	Richard Gore, B.A. (Joint Hons.), Solicitor (Chair of Trustees) Paul Staples F.C.A., B.Sc. (Hons), (Vice Chair of Trustees) Harriet Bosnell B.A. (Hons), Cantab Michelle Meredith Jonathan O'Shea F.C.C.A., B.Sc. (Hons) Nolan Webber Chartered F.C.S.I. Rachel Howell M.A., M.Sc., C.Psychol., A.F.B.Ps.S. Olivia Spencer B.A. B.Sc. R.I.B.A. Andy Mennell B.A., M.Sc., C.I.H.C.M Patrick Finch M.B.A., F.R.I.C.S. Keith Low B.Sc. (Hons), M.R.I.C.S. Ian Dunn B.A. (Hons) Elizabeth Carrington-Porter, Cert Mgmt. (Open)
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
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

Bristol Charities

Reference and Administrative Details

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 and CEO's Message for the Year Ended 31 March 2020

Welcome to our 2019/20 Annual Report. As you will see, it has been a busy one for the Charity, but also a year of two parts. Early in 2019, the charity took handover of Haberfield House and has worked during the year to establish the scheme as the Charity's first Extra Care Housing Almshouse. Earlier this year, all three of our Community Development Services were thriving and we worked to deliver a record 685 activity sessions up until February 2020.

Our Grants programme continued to meet demand and need, in the City of Bristol, with an additional round of Grants awarded to Carers organisations working to support both Young and Adult Carers.

Since February 2020, the Charity like so many others has had to work hard to put in place measures to protect our staff and residents, to adapt our services and mitigate the loss of income. Our staff are the real heroes of our response to the pandemic, with our Almshouse staff in particular continuing to work with courage and commitment on the front line of the crisis.

We are grateful for the good governance and strong leadership shown by Trustees during these uncertain times and for the resilience of all our staff as we have all had to adapt to the new normal. Like most charities, we are facing a year of challenges ahead, but strongly believe our flexible approach and the preparations we have already made will put us in a strong position to navigate the likely impact of coronavirus without diminishing our impact.



**Richard Gore,
Chair of Trustees**



**Anne Anketell,
Chief Executive**

Bristol Charities

Mission Statement and Values for the Year Ended 31 March 2020



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

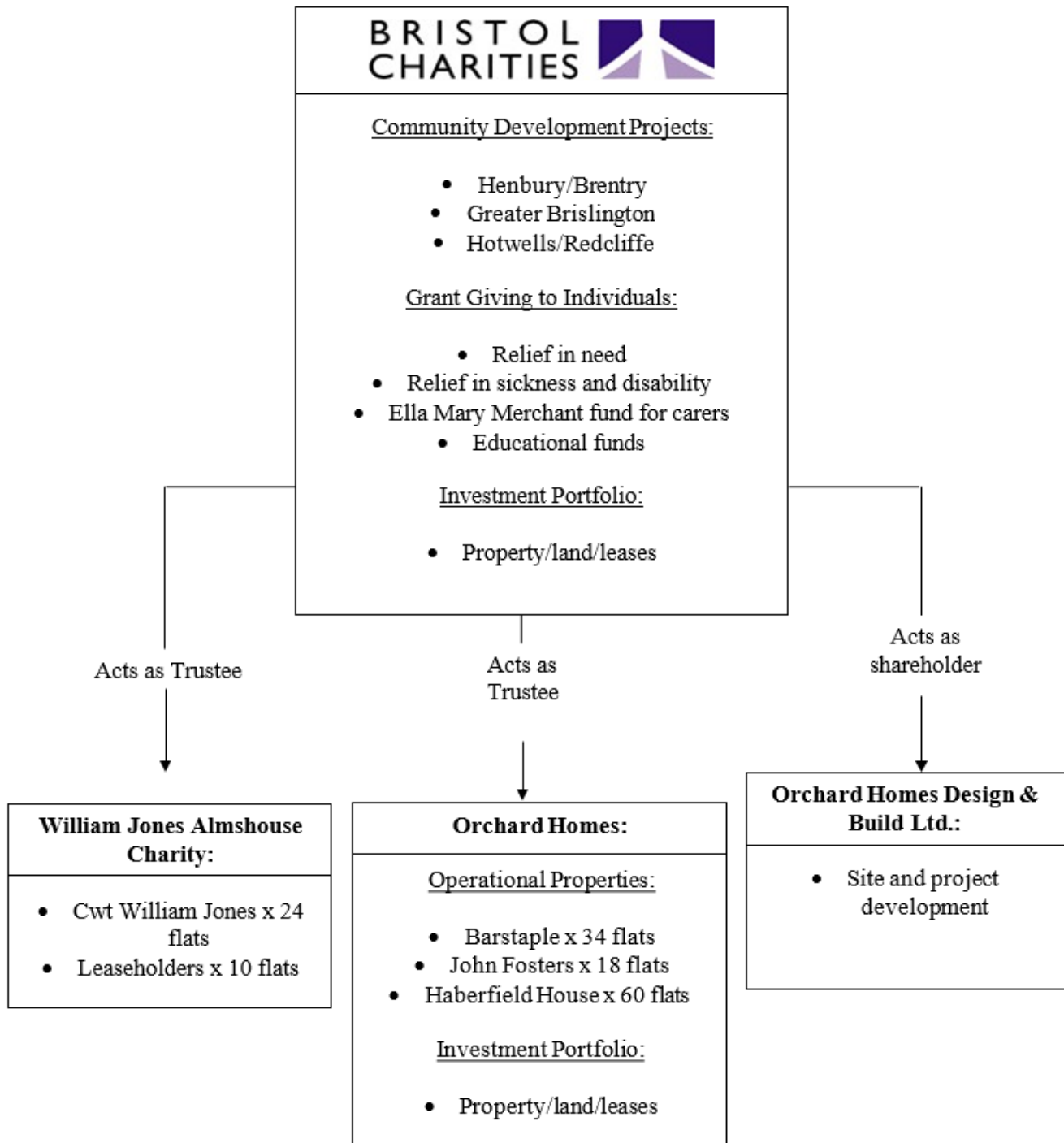
Passion for Our Work: We show pride, enthusiasm and dedication at all times and are committed to making a difference

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Structure:

The charity structure is as follows:



Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

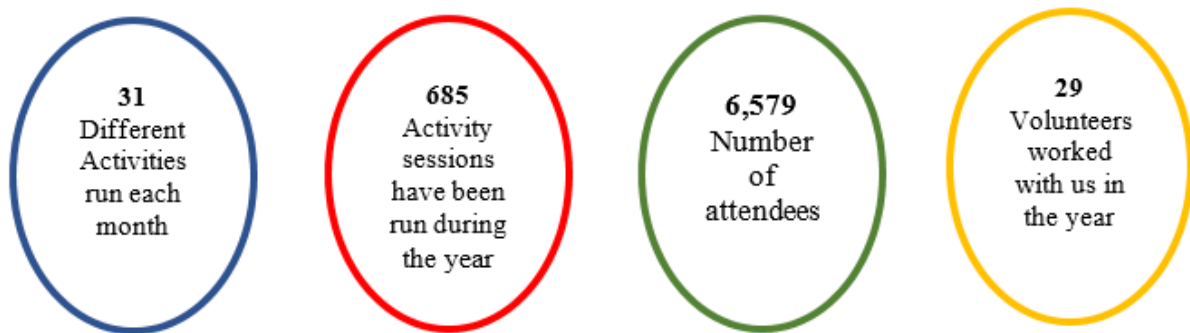
Trustees' Report

Our year in review

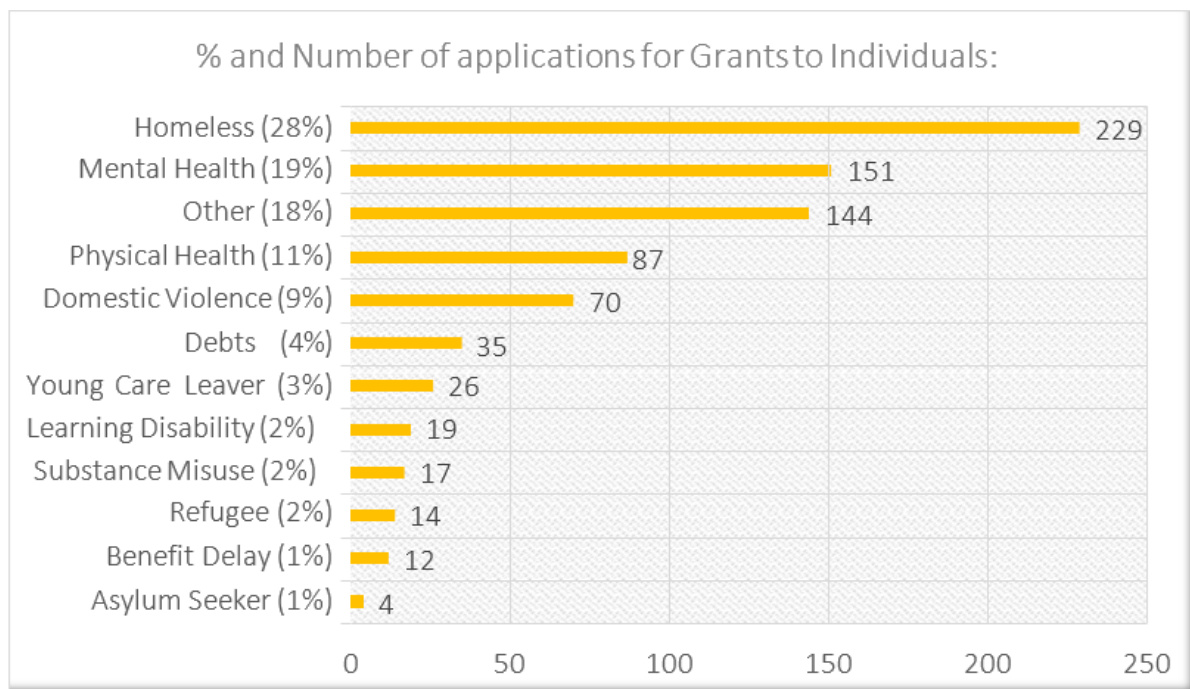
The charity's almshouses continue to thrive and have remained safe during the Covid-19 pandemic. Customer satisfaction received a high overall rating for services at 92% during the year. This is backed by even higher ratings for a number of areas including quality of home (95%), appearance of scheme (93%) and overall customer service (93%).

The charity's three community development projects continued running until late February 2020 when all projects closed due to the Covid-19 pandemic. Until then, the projects were providing a diverse range of activities including a meet your street project in Henbury, lunch clubs, a gardening group in Hotwells and working with the social prescribing project in Brislington.

Jointly, the projects have delivered the following:



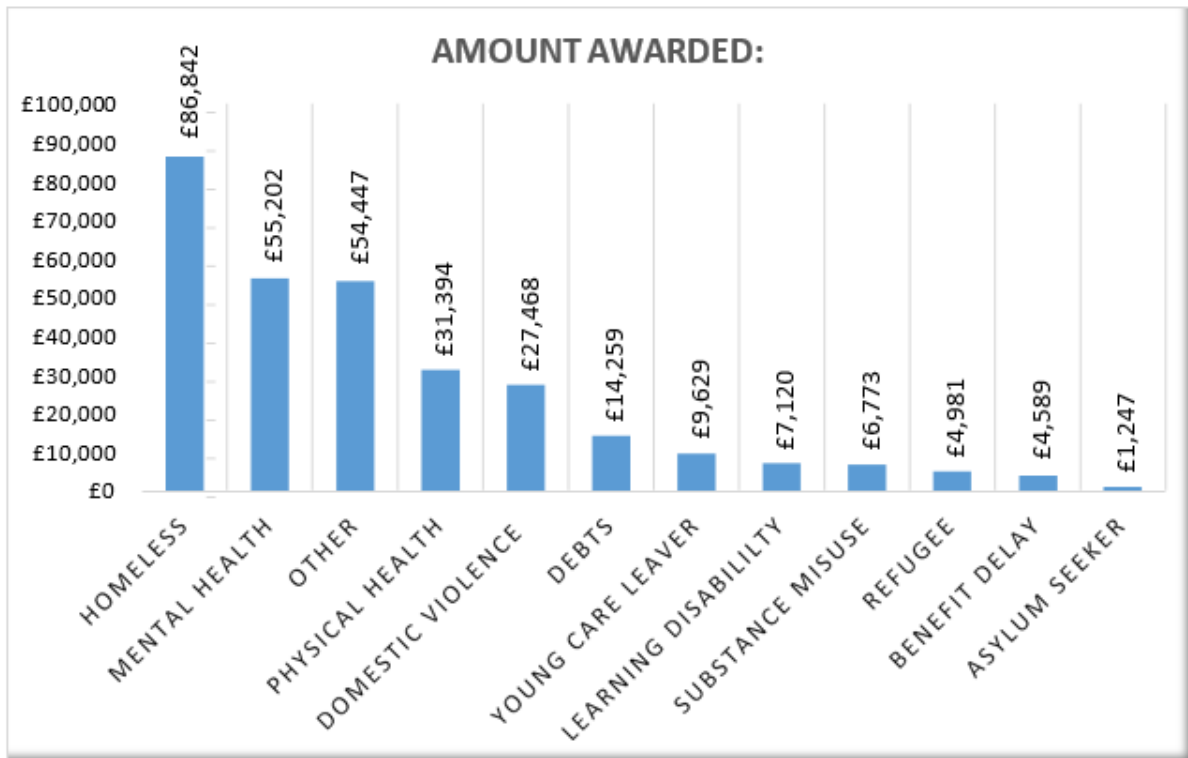
In 2019, we awarded a total of 808 grants to individuals and 52 educational grants to children and young people. The charts below show primary reason for grant giving.



Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report



During the year we also analysed our spend on grants geographically to assess whether grants were going to the areas in Bristol and South Gloucestershire that had been identified as being the most deprived. In February 2020, 65% of grants had been awarded in the most deprived areas of the two authorities.

In 2019/20, we awarded 5 grants to Carers Organisations, a total of £22,787, for projects in support of carers in the City of Bristol. These projects range from adult care activity groups, young carers summer trips, training workshops for adult carers and an outreach project to people and families caring for someone with a drug or alcohol problem.

Towards the end of the year, the charity continued throughout the pandemic to perform vital work supporting the vulnerable in Bristol and in our service in Monmouthshire. The pandemic and ensuing restrictions have meant that we have been forced to reduce and shut down some services and place some staff on furlough leave. The charity has sought to work in new ways when faced with problems such as the closure of supply chains, by diverting grant funding towards food banks and towards local groups that work directly with families and children in need.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

Achievements and performance

Goal A - Increase the number of excellent quality homes we provide

In March 2019, the charity took handover of the Haberfield House Extra Care Scheme. The Scheme has 60 x 1 and 2 bedroom flats for older people and also has a range of communal facilities. Care is delivered by one team employed by our partner care provider, Housing 21. As an Extra Care Scheme, Haberfield House is a fusion of housing and care and the challenge in 2019 has been responding to the competing pressures of care and housing needs.

During the year, we have worked with our care provider and Bristol City Council to ensure the right balance between using the scheme to minimise admissions to residential care in the city and creating a balanced community including those with lower care needs and those with only housing needs.

The Scheme has been slowly increasing its occupancy up until the start of the Covid-19 pandemic in March 2020, with 51 of the 60 flats being let or allocated. Since the pandemic and due to the restrictions on moving to new homes, we have had to stop new admissions to the Scheme.

During 2019, the charity completed an extension of the Barstaple Almshouse Scheme, taking handover of 3 additional 1 x bedroom flats and a newly remodelled communal lounge and kitchen for residents. All 3 flats were let at handover stage.

The charity has continued its search for a possible site for its next development in Bristol. Although we have not identified a suitable site, we have been able to talk to a number of organisations and charities and explore with them the possibility of an intergenerational approach to our next development. This work has resulted in bringing together a consortium of complementary providers who are able to deliver intergenerational living and activity.

Goal B - Improving the services we provide

One of the strategic priorities identified for 2019/20 was to develop a long-term investment strategy for the charity's properties. During the year, we undertook detailed building surveys and analysis and have completed an investment strategy which includes the timing and approach to undertaking cyclical programmes and how these should be funded. In addition to our reactive and planned maintenance programmes, we have developed the following:

- An annual improvement budget with decisions made on spend by residents and local Managers
- Cyclical programmes - long term replacements and renewals including capital works e.g. kitchen and bathroom replacements as well as exterior and communal areas

A conscious decision was made this year to invest in our properties resulting in an annual increase to our maintenance budgets.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

Following the completion of Haberfield House, the charity has undertaken a lessons learnt exercise, reflecting on what went well and what not so well during the development of the Scheme. This has now been documented and will be used to provide future project teams information that can increase the effectiveness and efficiency of future developments. This work also enables the charity to build on the experience learned by the completion of Haberfield House.

During 2019, the charity agreed to take back the management of Cwt William Jones in Monmouthshire, which had previously been outsourced. An on-site Scheme Manager was recruited for the Scheme to provide a Housing Management and Support Service. The repairs and maintenance services at Cwt William Jones are now being provided by the charity's Facilities Manager. This transition went smoothly, and we continue to gather, listen to and respond to feedback from residents.

Goal C - Ensure the Charity remains financially resilient

Our cash and liquidity position remains strong and our unrestricted reserves are well above the minimum level set by our reserves policy. This position means that the charity is resilient and remains healthy after this year's deficit.

The charity's long-term tenant occupying the retail unit at Head Office, 17. St Augustine's Parade vacated the premises during the year. It has not been possible to market the premises during the Covid-19 pandemic. The recent vacancy does, however, enable the charity to evaluate the building as a whole, in order to make key decisions on its long-term future. This will be a priority for the coming year.

The charity has experienced a deficit this year compared to budget. A considerable proportion of this deficit was caused by investment losses as a consequence of the global stock market crash. Aside from these exceptional investment losses, void loss on Haberfield House has also impacted negatively as performance here has been exacerbated by the pandemic affecting our ability to move people into the new flats at Haberfield House.

A great deal of work has been done in the year on our Asset Management Strategy. The charity now has a 30-year costed maintenance plan for all of its buildings. This work has spurred a conscious decision to invest in our properties this year resulting in an overspend on budget.

Goal D - Increase our profile

Work to increase our profile in 2019/20 included an Open Day for Haberfield House in September 2019 attended by a range of stakeholders from Bristol City Council, South Gloucestershire and other charities and organisations in the City alongside local residents and businesses.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

Looking forward

The current Covid-19 pandemic will continue to have an impact on the charity and its work in the year ahead. In terms of investment income, it is likely that this will decrease in the year between 27%-30%. This will affect the charity's grant programme which will need to be reduced in line with the anticipated reduction in investment income. This is particularly problematic as the charity is experiencing a surge in demand for grants as an increasing number of people and families experience economic hardship.

Due to the restrictions around social distancing, the applications process for all of our Schemes was only re-opened in June 2020. This means that there will be an increase in void periods at Haberfield House.

The charity made use of the government's job retention (furlough scheme) offered by the government, placing 4 members of staff on furlough leave from April 2020. It has also closed its head office until it can be made a safe workplace for returning staff later on in the year.

The current restrictions around social distancing have also impacted all of our Community Development activities which have remained closed since March 2020 and will mean that services offered in 2020/21 will be reduced.

A few weeks on from the easing of lockdown restrictions, we are finding that there is a slow move to bring sites for housing development to market and that public and private sector confidence to begin major new projects still remains scarce. The charity recognises that demand for housing will only continue to rise but that there will be an inevitable delay in realising its plans for a new development project.

The Trustees have delayed their strategic planning until later on in the year, which means that a new 3-year strategy has not been set for 2020-2023.

Whilst Covid-19 has had an undeniable impact on the charity sector, Bristol Charities remains in a strong position. We have and will continue to adapt our services to the changing needs of beneficiaries and retain our focus on supporting the more vulnerable members of our community. Our staff continue to embrace new technologies and ways of working and the next year will see our governance arrangements continue to be nimble and adaptable.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

The Trustees have agreed the following objectives for the coming year:

Goal A - Increase the number of excellent quality homes we provide

Objectives:

- Pursue the change in objects of Orchard Homes in order to extend the geographical boundaries and increase opportunity to acquire and develop sites
- Identify and evaluate potential sites for acquisition

Goal B - Improve the services we provide

Objectives:

- Ensure all grant programmes keep to budget
- Complete work on the charity's Asset Management Strategy
- Assess the impact of Covid-19 and revise and adapt plans and strategy as normal
- Maximise income levels in the almshouses
- Review the head office strategy
- Explore partnerships with other charities to help service users access support more seamlessly
- Review opportunities for mergers and acquisitions to ensure continuation of service

Goal C - Maintain and raise the Charity's profile during the current crisis

Objectives:

- Complete refresh of the website
- Develop Communications Plan

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 principal office of the charity as well as names of the charity's Trustees can be found on page 1.

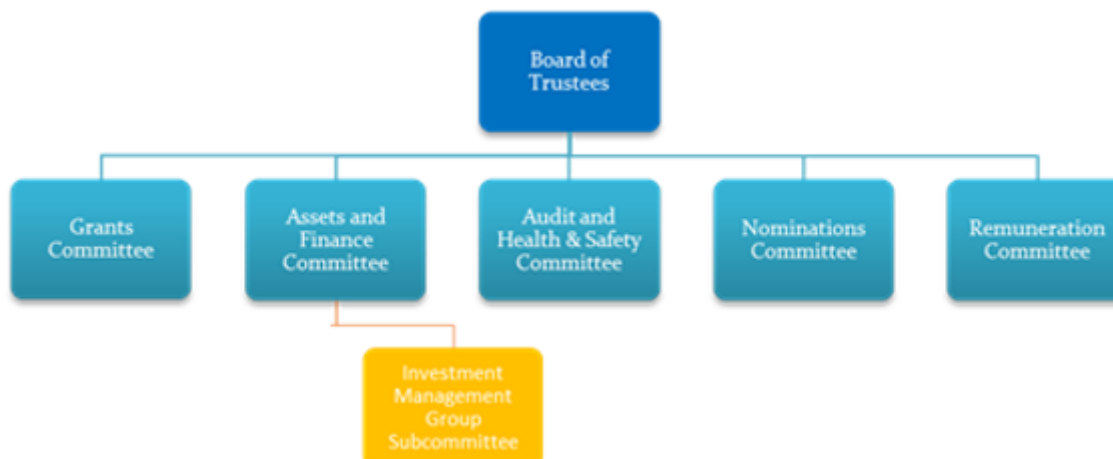
There are 5 standing Committees of the Board. In addition to this there is an Investment Management Group. This group reports back to the Assets & Finance Committee.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

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.

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 & 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 recommends prospective Trustees for election to the Board of Trustees.

Remuneration committee

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

Investment management group

This group meets bi-annually to measure the investment performance and review the service provided by the Investment Managers.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

Recruitment, induction and training of Trustees

Trustee recruitment

Candidates are recruited based on the skills, 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 required to fill those gaps. In 2019, two new Trustees were recruited.

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.

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.

There is a Trustee appraisal policy and procedure in place.

The Board of Trustees is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. An evaluation process is carried out every two years.

Trustees recognise that effective leadership and good decision making is enabled through a diverse board membership, a culture of listening to and acting on diverse perspectives. The Board's aim is to focus on bringing strength to the charity by increasing diversity.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

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 4 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 wellbeing and reducing loneliness and isolation
- Providing grants to support individuals and families living in crisis or hardship when there is nobody to help

The Strategic Report section (pages 6-10) 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

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 follows:

- 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.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

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. The pay of the senior management team is reviewed annually by the Remuneration Committee, for details please see page 12.

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.

As well as their time, volunteers ensure the vital link between the charity and the local communities we work in.

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 and Health & 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 for the Year Ended 31 March 2020

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:

Risks:	Management Actions:
Impact of Covid-19 on the charity's income streams	<ul style="list-style-type: none">• Ongoing monitoring by Investment Managers and Investment Management Group• Quarterly re-forecast of budget• Management scrutiny and action on voids, rental income and arrears
Major outbreak of Covid-19 either in a Scheme or amongst staff resulting in serious illness, death or business interruption	<ul style="list-style-type: none">• Advice to residents on social distancing• Cleaning regime in place for communal areas• Home working for office-based staff• PPE in place for care staff
Failure to secure a new site impacting on the charity's Financial Resilience	<ul style="list-style-type: none">• Agent in place to support the site search• Review of sites brought to market by Bristol City Council• Pursue Change in objects to allow extension of Geographical boundaries
Benefits of outsourced repairs and maintenance service are not realised	<ul style="list-style-type: none">• Monthly reporting in place• KPI's in place• Work completed on cyclical and replacement programmes• Customer satisfaction survey undertaken
IT Security of accounts could be compromised resulting in corruption of business processes and unauthorised access	<ul style="list-style-type: none">• Pro secure portal in place to enhance security• Regular vulnerability scans in place• Annual penetration test carried out• Cyber Essentials Plus accreditation in place• Ongoing monitoring, updating and application of policies by IT Provider

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

Financial review

The Bristol Charities Group reported incoming resources in the year of £2,267,447 (2019: £2,832,079) including profit on sale of property of £205,791 (2019: £Nil). The deficit for the year was £1,717,643 (2019: surplus £1,767,738). The main reason for the reported deficit is the investment valuation losses of £1,817,797 (2019: gain £373,710).

Almhouse services

	2020	2019
	£	£
Income	1,011,578	763,538
Expenditure	(1,465,957)	(844,109)
Deficit for the year	<u>(454,379)</u>	<u>(80,571)</u>

Almshouse rental income by property was:

	2020	2019
	£	£
John Fosters	180,248	172,951
Barnstaple	352,430	330,910
Furber Properties	48,062	60,797
Haberfield House	240,406	-
William Jones's Almshouse	190,432	193,979
Other income	-	4,901
Rental income for the year	<u>1,011,578</u>	<u>763,538</u>
Surplus on sale of 42 Lavington Road	<u>205,791</u>	<u>-</u>

3 new units at Barstaple were completed and residents moved into them in October 2019. Rental income from these 3 units is the reason for the increased revenue reported for Barstaple in the year.

The first residents moved into Haberfield House at the end of April 2019. Occupancy of the almshouse has increased steadily during the year and at the end of the year, 51 out of 60 units were occupied.

Operating costs in the year were £1,431,235 (2019: £844,109). Operating costs for Haberfield House in the year were £553,051 (2019: £64,822). 2019 Haberfield House costs are for the period from practical completion on 15 March 2019 to 31 March 2019.

Property facilities maintenance was outsourced to Alder King in February 2019 and 2019/20 represents the first full year under Alder King's management. Alder King has performed a detailed review of the building and identified several maintenance issues that were addressed in the year. Alder King has also introduced a proactive planned maintenance program for the almshouse whereas previously maintenance was performed on a reactive basis. This change in approach has resulted in increased maintenance costs of £143,763 in the year.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

Grants

	2020	2019
	£	£
Grants awarded to individuals	307,557	375,727
Grants to Institutions	118,567	95,057
	<u>426,124</u>	<u>470,784</u>

Community development services

	Henbury & Brentry	Greater Brislington	Hotwells	2020	2019
	£	£	£	£	£
Lottery funding	-	50,055	-	50,055	50,848
Activities income	6,840	4,883	-	11,723	13,687
Total income	<u>6,840</u>	<u>54,938</u>	<u>-</u>	<u>61,778</u>	<u>64,535</u>
Operating costs	(41,635)	(56,572)	(19,569)	(117,776)	(128,838)
(Deficit) funded by Grant Funding	<u>(34,795)</u>	<u>(1,634)</u>	<u>(19,569)</u>	<u>(55,998)</u>	<u>(64,303)</u>

Henbury & Brentry Community Development Project has been in place for several years and 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 Lottery Funding for this project ceased on 31 March 2020.

The Hotwells Project started part-way through 2017/18 and one part time employee is attached to the project.

Three additional units at Barstaple Almshouse

During the year, the charity completed the development of 3 additional units at Barstaple at a total cost of £581,995. Residents moved into the 3 new flats in October 2019.

Bank loan

On 14 March 2019 Orchard Homes drew down the full £3m available from the loan facility with Handelsbanken. The loan is secured by a fixed charge over the John Fosters and Barstaple Almshouses. Loan interest charged in the year was £87,783 (2019: £4,216) and is calculated at a rate of 2.1% above LIBOR. The £3m loan was repaid in full on 24 June 2020.

Social housing grants

Orchard Homes was successful in applying for a social housing grant from Homes England in the year of £120,000 for the 3 additional Barstaple units. In addition, Homes England agreed that £190,011 of Recycled Capital Grant Fund be allocated against the costs of the 3 units. Total social housing grant recognised in the year amounted to £310,011 (2019: £1,344,000).

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

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.

Barings

	2020	2019
	£	£
Capital (reduction) in the year	(899,840)	(72,121)
Capital (reduction) as a % of market value at 31 March prior year	(14.0%)	(1.11%)
Target capital growth	6.5%	6.8%
Investment income net of management charges	248,087	270,225
Investment income target	214,418	207,568

Smith & Williamson

	2020	2019
	£	£
Capital (reduction)/growth in the year	(917,957)	445,831
Capital (reduction)/growth as a % of market value at 31 March prior year	(12.0%)	6.2%
Target capital growth	6.5%	6.8%
Investment income net of management charges	245,854	232,747
Investment income target	214,418	200,937

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 ending 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 £493,941 (2019: £502,972) and exceeded the target in the year by £65,105 (2019: £87,836).

Total capital reduction in the year from investments was £1,817,797 (2019: growth £373,710). The sharp reduction in value in the year was consistent with how global markets performed.

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

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. Further details are included in notes 14 and 31.

Going concern and reserves policy

Towards the end of the year and also since the year end the pandemic has impacted some of the Charity's activities and this was explained earlier in this report on page 7. Trustees have continued to monitor the effects of the pandemic since the year end and will make further changes to the Charity's operations as deemed necessary.

Under the terms of the Charity's Reserves Policy and in forming a view on the Charity's Going Concern, Trustees noted:

- The charity has a risk management framework which is updated annually. Risks identified are reviewed by the Audit and Health & Safety Committee every six months.
- The charity has adequate insurance cover in place to mitigate against a potential business interruption event which might cause a loss of rental income or the need to relocate its Head Office function away from 17 St Augustines Parade.
- The other risks to the charity and the protective steps taken to mitigate against them.
- The charity does have a financial risk from any potential increases in bank interest rates causing increased loan interest costs against the £3m loan taken out from Handelsbanken. The loan was repaid on 24 June 2020.
- The charity's investment income and almshouse income from residents is secure and voids are closely monitored.

Taking account of these various risks and available mitigants, Trustees have agreed at 31 March 2020 that it would be prudent to retain unrestricted cash reserves of a minimum value as follows:

	£
Increased cost of bank borrowing, +1% interest costs	7,500
6 months Head of projected Head Office costs	253,000
1 month of projected almshouse costs	75,600
Total unrestricted reserves requirement	<u>336,100</u>

Bristol Charities

Trustees' Report for the Year Ended 31 March 2020

Trustees' Report

At 31 March 2020 the unrestricted cash reserves comfortably exceeded reserve requirements:

	Unrestricted £	Restricted £	Endowment £	Total £
Cash reserves	6,085,847	233,377	1,559,670	7,878,894
Less bank loan	-	-	(3,000,000)	(3,000,000)
Net cash reserves	6,085,847	233,377	(1,440,330)	4,878,894
Reserves requirement	336,100			
Cash surplus	5,749,747			

By comparison, total reserves at 31 March 2020 amounted to £37,758,087 (2019: £39,475,730) and included unrestricted reserves of £5,954,714 (2019: £5,823,892).

The total of free reserves as at 31 March 2020 amounted to £20,132,127 (2019: £22,382,292) and are calculated as:

	2020 £	2019 £
Total reserves	37,758,087	39,475,730
Less Housing Property fixed assets	(20,511,722)	(19,976,740)
Less other fixed assets	(114,148)	(116,698)
Add back bank loan	3,000,000	3,000,000
Total free reserves	20,132,217	22,382,292

In light of the above and the current reserve levels 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 for the Year Ended 31 March 2020

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 safeguard 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.

Disclosure of information to auditor

Each Trustee has taken steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditors Milsted Langdon LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The annual report was approved by the Trustees of the charity on 23 September 2020 and signed on their behalf by:

.....
Richard Gore
Chairman of Trustees

Bristol Charities

Independent Auditor's Report to the Members of Bristol Charities

Opinion

We have audited the financial statements of Bristol Charities (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020 and of the group's and parent charitable company's 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 and 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 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 Auditor's 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.

Opinion 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 Chair and CEO's Message and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair and CEO's Message and Trustees' Report have 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 the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair and CEO's Message and the Trustees' Report.

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

- adequate accounting records have not been kept by the group and parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 26), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Bristol Charities

Independent Auditor's Report to the Members of Bristol Charities

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.

Use of our report

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

.....
Mrs S R Jenkins (Senior Statutory Auditor)
For and on behalf of Milsted Langdon LLP,
Chartered Accountants and Statutory Auditor
Freshford House
Redcliffe Way
Bristol
BS1 6NL

Date:.....

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 group and parent 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 group and parent charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent 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 group and parent 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 group and parent charitable company and financial information included on the group and parent charitable company website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees of the charity on 23 September 2020 and signed on their behalf by:

.....

Richard Gore
Chairman of Trustees

Bristol Charities

Consolidated Statement of Financial Activities for the Year Ended 31 March 2020

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Income and Endowments from:						
Donations and legacies	2	2,367	-	-	2,367	492
Charitable activities	3	1,074,309	-	-	1,074,309	828,710
Investment income	4	155,642	506,634	-	662,276	638,484
Other income	5	9,056	3,637	205,791	218,484	20,393
Grants, including capital grants	10	-	-	310,011	310,011	1,344,000
Total income		<u>1,241,374</u>	<u>510,271</u>	<u>515,802</u>	<u>2,267,447</u>	<u>2,832,079</u>
Expenditure on:						
Charitable activities	6	(1,184,572)	(501,850)	(487,523)	(2,173,945)	(1,589,750)
Other expenditure	8	-	(1,910)	-	(1,910)	-
Total expenditure		<u>(1,184,572)</u>	<u>(503,760)</u>	<u>(487,523)</u>	<u>(2,175,855)</u>	<u>(1,589,750)</u>
(Losses)/gains on investment assets		<u>(4,270)</u>	<u>-</u>	<u>(1,813,527)</u>	<u>(1,817,797)</u>	<u>373,710</u>
Net income/(expenditure)		52,532	6,511	(1,785,248)	(1,726,205)	1,616,039
Transfers between funds	15	69,728	(69,728)	-	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	31	<u>8,562</u>	<u>-</u>	<u>-</u>	<u>8,562</u>	<u>151,699</u>
Net movement in funds		130,822	(63,217)	(1,785,248)	(1,717,643)	1,767,738
Reconciliation of funds						
Total funds brought forward		<u>5,823,892</u>	<u>234,203</u>	<u>33,417,635</u>	<u>39,475,730</u>	<u>37,707,992</u>
Total funds carried forward	28	<u>5,954,714</u>	<u>170,986</u>	<u>31,632,387</u>	<u>37,758,087</u>	<u>39,475,730</u>

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

The funds breakdown for 2019 is shown in note 28.

Bristol Charities
(Registration number: 05402303)
Consolidated Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	18	114,148	116,698
Housing properties	17	20,511,722	19,976,740
Investments	19	<u>13,690,284</u>	<u>15,508,081</u>
		<u>34,316,154</u>	<u>35,601,519</u>
Current assets			
Debtors	20	218,275	887,108
Cash at bank and in hand	27	<u>7,878,894</u>	<u>8,157,241</u>
		8,097,169	9,044,349
Creditors: Amounts falling due within one year	21	<u>(3,709,924)</u>	<u>(991,828)</u>
Net current assets		<u>4,387,245</u>	<u>8,052,521</u>
Total assets less current liabilities		38,703,399	43,654,040
Creditors: Amounts falling due after more than one year	22	<u>(945,312)</u>	<u>(4,178,310)</u>
Net assets		<u><u>37,758,087</u></u>	<u><u>39,475,730</u></u>
Funds of the group:			
Endowment funds		31,632,387	33,417,635
Restricted income funds			
Restricted funds		170,986	234,203
Unrestricted income funds			
Unrestricted funds		<u>5,954,714</u>	<u>5,823,892</u>
Total funds	28	<u><u>37,758,087</u></u>	<u><u>39,475,730</u></u>

The financial statements on pages 27 to 78 were approved by the Trustees, and authorised for issue on 23 September 2020 and signed on their behalf by:

.....
Richard Gore
Chairman of Trustees

Bristol Charities
(Registration number: 05402303)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	18	14,603	9,384
Investments		<u>11,867,290</u>	<u>13,443,029</u>
		<u>11,881,893</u>	<u>13,452,413</u>
Current assets			
Debtors	20	143,233	346,590
Cash at bank and in hand	27	<u>468,627</u>	<u>550,837</u>
		611,860	897,427
Creditors: Amounts falling due within one year	21	<u>(283,601)</u>	<u>(427,056)</u>
Net current assets		<u>328,259</u>	<u>470,371</u>
Total assets less current liabilities		12,210,152	13,922,784
Creditors: Amounts falling due after more than one year	22	<u>(200,058)</u>	<u>(242,568)</u>
Net assets		<u>12,010,094</u>	<u>13,680,216</u>
Funds of the charity:			
Endowment funds		11,833,685	13,405,154
Restricted income funds			
Restricted funds		156,509	222,537
Unrestricted income funds			
Unrestricted funds		<u>19,900</u>	<u>52,525</u>
Total funds	28	<u>12,010,094</u>	<u>13,680,216</u>

The financial statements on pages 27 to 78 were approved by the Trustees, and authorised for issue on 23 September 2020 and signed on their behalf by:

.....
Richard Gore
Chairman of Trustees

Bristol Charities

Consolidated Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (expenditure)/income		(1,717,643)	1,767,738
Adjustments to cash flows from non-cash items			
Interest payable		87,783	4,216
Profit on disposal of tangible fixed assets		(205,791)	335
Investment income		(586,049)	(595,249)
Interest receivable		(76,227)	(43,235)
Depreciation		405,252	206,507
		<u>(2,092,675)</u>	<u>1,340,312</u>
Working capital adjustments			
Decrease/(increase) in debtors	20	668,833	(635,432)
Decrease in creditors		<u>(514,902)</u>	<u>(171,206)</u>
Net cash flows from operating activities		<u>(1,938,744)</u>	<u>533,674</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	17, 18	(943,548)	(4,674,868)
Sale of tangible fixed assets		211,655	66
Purchase of investments		(1,119,601)	(1,280,957)
Sale of investments		2,937,398	907,247
Investment income		586,049	595,249
Interest received		76,227	43,235
Net cash flows from investing activities		<u>1,748,180</u>	<u>(4,410,028)</u>
Cash flows from financing activities			
Interest payable		(87,783)	(4,216)
Bank loan drawn down		<u>-</u>	<u>3,000,000</u>
Net cash flows from financing activities		<u>(87,783)</u>	<u>2,995,784</u>
Net decrease in cash and cash equivalents		(278,347)	(880,570)
Cash and cash equivalents at 1 April		<u>8,157,241</u>	<u>9,037,811</u>
Cash and cash equivalents at 31 March		<u><u>7,878,894</u></u>	<u><u>8,157,241</u></u>

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

The company is a qualifying entity for the purposes of FRS 102 and have elected to have exemption under FRS 102 paragraph 1.12(b) not to present the Company Statement of Cash Flows.

Bristol Charities

Consolidated Statement of Cash Flows for the Year Ended 31 March 2020

Analysis of net funds

Group

	At 1 April 2019 £	Financing cash flows £	Other non cash changes £	At 31 March 2020 £
Cash at bank and in hand	8,157,241	(278,347)	-	7,878,894
Debt due within one year	-	-	(3,000,000)	(3,000,000)
Debt due after more than one year	(3,000,000)	-	3,000,000	-
Net debt	<u>5,157,241</u>	<u>(278,347)</u>	<u>-</u>	<u>4,878,894</u>

	At 1 April 2018 £	Financing cash flows £	At 31 March 2019 £
Cash at bank and in hand	9,037,811	(880,570)	8,157,241
Debt due after more than one year	(3,000,000)	-	(3,000,000)
Net debt	<u>6,037,811</u>	<u>(880,570)</u>	<u>5,157,241</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Bristol Charities meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the charitable company, and rounded to the nearest £.

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 and William Jones'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 £619,550 (2019: £887,859) and a deficit for the year of £1,583,162 (2019: surplus of £514,428) largely due to investment losses.

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 2020

Going concern

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

Bristol Charities manages its activities with positive unrestricted bank balances. The Trustees' forecasts and projections, taking account the impact of Covid-19 and 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.

Key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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.

Other income

Interest income and expenses are recognised using the effective interest rate method.

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

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

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).

Irrecoverable VAT

Bristol Charities, Orchard Homes and William Jones's Almshouse Charity are not registered for VAT and cannot recover input VAT. Input VAT charged to these entities is non-recoverable and is aggregated to the net invoiced cost and expensed in the SOFA as incurred.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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.

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.

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.
- 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.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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.

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.

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

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.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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.

2 Income from donations and legacies

	Unrestricted funds		
	General £	Total 2020 £	Total 2019 £
Donations and legacies;			
Sundry donations	2,367	2,367	492
	<u>2,367</u>	<u>2,367</u>	<u>492</u>

In the year ended 31 March 2019 there was £334 attributable to unrestricted funds, £158 attributable to restricted and £Nil attributable to endowment funds.

3 Income from charitable activities

	Unrestricted funds		
	Day Services and Community Development £	Total 2020 £	Total 2019 £
LinkAge activities income	62,732	62,732	64,535
Outreach income	-	-	637
Weekly maintenance charges and rental income	1,110,401	1,110,401	719,075
Service charges for utilities	91,677	91,677	68,566
Losses from voids	(207,061)	(207,061)	(24,103)
Sundry income	16,560	16,560	-
	<u>1,074,309</u>	<u>1,074,309</u>	<u>828,710</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

In the year ended 31 March 2019 there was £828,710 attributable to unrestricted funds and £Nil to restricted and endowment funds.

4 Investment income

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	General £	£	£	£
Other income from fixed asset investments	<u>155,642</u>	<u>506,634</u>	<u>662,276</u>	<u>638,484</u>

In the year ended 31 March 2019 there was £123,897 attributable to unrestricted funds, £514,587 attributable to restricted funds and £Nil attributable to endowment funds.

5 Other income

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
	General £	£	Expendable £	£	£
Sundry income	9,056	3,637	-	12,693	20,728
Gains/(losses) on sale of tangible fixed assets	<u>-</u>	<u>-</u>	<u>205,791</u>	<u>205,791</u>	<u>(335)</u>
	<u>9,056</u>	<u>3,637</u>	<u>205,791</u>	<u>218,484</u>	<u>20,393</u>

The surplus on the sale of fixed assets of £205,791 is from the sale of the Furber Property, 42 Lavington Road.

In the year ended 31 March 2019 there was £20,728 attributable to unrestricted funds, £Nil attributable to restricted funds and £335 loss attributable to endowment funds.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

6 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Endowment funds			
	General		Expendable	Total	Total	
	£	£	£	2020	2019	
				£	£	
Depreciation and amortisation	32,292	-	372,962	405,254	206,506	
Grant funding	-	501,680	-	501,680	290,315	
Allocated support	1,120,330	1,910	114,561	1,236,801	1,063,641	
Governance	30,039	171	-	30,210	29,288	
	<u>1,182,661</u>	<u>503,761</u>	<u>487,523</u>	<u>2,173,945</u>	<u>1,589,750</u>	

	Day Services and Community Development	Grant giving	Almshouse Services	Other	Total	Total
	£	£	£	£	2020	2019
					£	£
Staff costs, direct expenditure	81,616	-	101,697	38,766	222,079	214,323
Staff costs, allocated expenditure	6,455	40,626	72,945	-	120,026	63,459
Service costs: support, activities, transport, meals	7,718	-	-	-	7,718	10,506
Property costs: maintenance and depreciation	3,023	-	565,624	12,265	580,912	267,385
Administration	15,974	-	3,079	16,252	35,305	141,739
Grants made	-	426,124	-	-	426,124	470,784
Governance	-	-	10,160	20,050	30,210	24,566
Allocated support costs	4,188	34,931	221,819	-	260,938	195,124
Almshouse property depreciation	-	-	402,850	-	402,850	197,648
Loan interest	-	-	87,783	-	87,783	4,216
	<u>118,974</u>	<u>501,681</u>	<u>1,465,957</u>	<u>87,333</u>	<u>2,173,945</u>	<u>1,589,750</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Expenditure on charitable activities was £2,173,945 (2019 - £1,589,750) of which £1,184,572 (2019 - £770,128) was attributable to unrestricted funds, £501,850 (2019 - £550,758) to restricted funds and £487,523 (2019 - £268,864) to endowment funds.

Analysis of charitable expenditure by fund is separately analysed in note 28.

In addition to the expenditure analysed above, there are also governance costs of £Nil (2019 - £Nil) which relate directly to charitable activities. See note 9 for further details.

7 Head office costs and allocation of support costs

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

	2020	2019
	£	£
Salary costs	359,957	331,966
Property costs	60,075	42,012
Administration costs	165,706	133,673
Depreciation	592	857
	<u>586,330</u>	<u>508,508</u>
 Staff costs, allocated expenditure	 185,045	 191,551
Allocated support costs	<u>401,285</u>	<u>316,957</u>
	<u>586,330</u>	<u>508,508</u>

Allocated support costs consist of:

	Salary costs	Property & depreciation	Administration	2020 Total
	£	£	£	£
Day Services and Community Development	-	2,397	6,547	8,944
Almshouses	72,319	46,510	127,038	245,867
Grant giving	39,496	7,853	21,449	68,798
Assets in construction - in fixed assets	9,724	1,617	4,417	15,758
Future property sales - in prepayments	49,179	648	1,771	51,598
Common Investment Pool Fund (CIPF)	<u>4,194</u>	<u>1,642</u>	<u>4,484</u>	<u>10,320</u>
Year ended 31 March 2020	<u>174,912</u>	<u>60,667</u>	<u>165,706</u>	<u>401,285</u>
Year ended 31 March 2019	<u>140,416</u>	<u>42,868</u>	<u>133,673</u>	<u>316,957</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Other expenditure

	Note	Restricted funds £	Total 2020 £
Allocated support costs	9	1,910	1,910
		<u>1,910</u>	<u>1,910</u>

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Audit fees				
Audit of the financial statements	25,489	171	25,660	24,700
Other fees paid to auditors	4,550	-	4,550	4,588
	<u>30,039</u>	<u>171</u>	<u>30,210</u>	<u>29,288</u>

10 Government grants

During the year social housing grants of £310,011 (2019 - £1,344,000) were received for the purposes of adding 3 units to the Barstaple almshouse (2019 - for Haberfield House).

The amount of grants received recognised in the financial statements was £310,011 (2019 - £1,344,000).

11 Staff costs

	2020 £	2019 £
Salaries and wages	403,950	376,863
Social security costs	35,456	35,554
Other pension costs	48,530	43,994
	<u>487,936</u>	<u>456,411</u>

The number of employees whose emoluments fell within the following bands was:

	2020 No	2019 No
£90,001 - £100,000	<u>1</u>	<u>1</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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 £183,958 (2019: £179,471).

The average number of staff employed by the Group during the year was as follows:

	2020 Average	2020 FTE	2019 Average	2019 FTE
Almshouse Staff	5	3	3	3
Clerical Staff	7	6	7	6
Day Service Staff including Community Development	3	3	3	3
	<u>15</u>	<u>12</u>	<u>13</u>	<u>12</u>

12 Net (income)/expenditure

Net (income)/expenditure resources for the year include:

	2020 £	2019 £
Depreciation of tangible fixed assets	15,880	7,613
Depreciation of housing properties	389,372	198,893
(Surplus)/deficit on disposal of fixed assets	(205,791)	335
Fees for the audit of the parent Charity's financial statements	13,500	14,450
Fees for the audit of the Charity's subsidiaries' financial statements	12,160	10,250
Social housing grant income	<u>(310,011)</u>	<u>(1,344,000)</u>

13 Trustees' remuneration and expenses

	2020 £	2019 £
1 Trustee's travel and accommodation to meet the Haberdashers Trustees	151	328
1 Trustee's parking costs to attend Board Meetings	84	-
Trustee Recruitment advertising costs	<u>343</u>	<u>-</u>
	<u>578</u>	<u>328</u>

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

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

14 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 31.

Growth Plan Scheme for Current Staff

The Charity also contributes to the Pensions Trust Growth Plan schemes for current staff (see note 31 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.

Pensions creditor: the pension contributions payable at the year end were £1,073 (2019 debtor: £501).

Pension costs in the year:

	2020 £	2019 £
Pension deficit interest, historic final salary	3,000	8,000
Pension deficit interest, Growth Plan 3 Scheme	319	493
Contributions to the Pensions Trust Growth Plan 4 Scheme for current staff	11,588	10,490
Contributions to other money purchase schemes for current staff	36,942	33,504
	<u>51,849</u>	<u>52,487</u>

Further details on the 2 Pension schemes which are in deficit are provided in note 31.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

15 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 Henbury and Brentry Community Hub	34,795	(34,795)	-
Donation from Relief In Need subsidising Greater Brislington Community Hub	1,634	(1,634)	-
Donation from Relief In Need subsidising Hotwells Community Hub	19,569	(19,569)	-
Grant allocation from Dr George Owen's Charity to Orchard Homes	14,985	(14,985)	-
William Jones's Almshouse Charity contribution to the Sinking Fund	(1,255)	1,255	-
Total transfers between funds to 31 March 2020	<u>69,728</u>	<u>(69,728)</u>	<u>-</u>
Total transfers between funds to 31 March 2019	<u>78,228</u>	<u>(78,228)</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.

16 Taxation

The group 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.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

17 Housing Properties

Group

	Assets in the course of construction £	Almshouses £	Housing £	Total £
Cost				
At 1 April 2019	80,639	20,920,731	124,543	21,125,913
Additions	501,355	428,863	-	930,218
Disposals	-	-	(7,292)	(7,292)
Transfers	(581,994)	581,994	-	-
At 31 March 2020	<u>-</u>	<u>21,931,588</u>	<u>117,251</u>	<u>22,048,839</u>
Depreciation				
At 1 April 2019	-	1,125,509	23,664	1,149,173
Charge for the year	-	388,157	1,215	389,372
Eliminated on disposals	-	-	(1,428)	(1,428)
At 31 March 2020	<u>-</u>	<u>1,513,666</u>	<u>23,451</u>	<u>1,537,117</u>
Net book value				
At 31 March 2020	<u>-</u>	<u>20,417,922</u>	<u>93,800</u>	<u>20,511,722</u>
At 31 March 2019	<u>80,639</u>	<u>19,795,222</u>	<u>100,879</u>	<u>19,976,740</u>

The Housing balance of £93,800 (2019: £100,879) represents the net book value of the Furber Fund housing properties.

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 2019 is the cost spent on the 3 additional units being built in the Barstaple Almshouse. During the year these 3 units were completed for a total cost of £581,996.

One Furber Property was vacated in the year and has been put up for sale in 2020/21.

The value of land included in housing properties is £1,757,648 (2019: £1,757,648).

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

18 Tangible fixed assets

Group

	Alterations to leasehold property £	Furniture and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2019	32,183	122,014	73,343	227,540
Additions	-	5,003	8,327	13,330
At 31 March 2020	32,183	127,017	81,670	240,870
Depreciation				
At 1 April 2019	32,183	21,614	57,045	110,842
Charge for the year	-	11,889	3,991	15,880
At 31 March 2020	32,183	33,503	61,036	126,722
Net book value				
At 31 March 2020	-	93,514	20,634	114,148
At 31 March 2019	-	100,400	16,298	116,698

Charity

	Alterations to leasehold property £	Computer equipment £	Total £
Cost			
At 1 April 2019	32,183	56,673	88,856
Additions	-	7,623	7,623
At 31 March 2020	32,183	64,296	96,479
Depreciation			
At 1 April 2019	32,183	47,289	79,472
Charge for the year	-	2,404	2,404
At 31 March 2020	32,183	49,693	81,876
Net book value			
At 31 March 2020	-	14,603	14,603
At 31 March 2019	-	9,384	9,384

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

19 Fixed asset investments

Group

Other investments

	Listed investments £
Cost or Valuation	
At 1 April 2019	15,508,081
Additions	1,119,601
Disposals	(1,283,788)
Investment management charge	(36,860)
Adjustment to market value	<u>(1,616,750)</u>
At 31 March 2020	<u>13,690,284</u>
Net book value	
At 31 March 2020	<u>13,690,284</u>
At 31 March 2019	<u>15,508,081</u>

The historical cost of the fund at 31 March 2020 was £12,724,620 (2019 - £12,724,620).

Investments at market value comprised:

	2020 £	2019 £
Investment properties	1,397,000	1,397,000
UK fixed interest bonds	894,531	1,341,131
Private equity	1,456,720	1,124,678
UK quoted equities	1,808,072	2,463,175
UK Investment & Unit trusts	320,735	448,130
Overseas equities	1,995,333	2,215,556
Barings pooled funds	5,535,511	6,435,351
Cash	<u>282,382</u>	<u>83,060</u>
Market value at 31 March	<u>13,690,284</u>	<u>15,508,081</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Realised and unrealised gains and losses in the year were:

	2020 £	2019 £
Realised gains	93,469	69,578
Unrealised gains/(unrealised losses)	<u>(1,911,266)</u>	<u>304,132</u>
(Losses)/gains	<u><u>(1,817,797)</u></u>	<u><u>373,710</u></u>

Included in the Common Pool Investment Fund are investment properties with a market value of £1,397,000 (2019: £1,397,000). The properties which make up this valuation are:

	Valuation £
17 St Augustines Parade, Bristol, BS1 4UL	515,000
Playground at Blackdown Road, Portishead, BS20 6DN	12,000
26-29 St Augustines Parade Bristol, BS1 4UL	245,000
John Milton Clinic, Crow Lane, Brentry, Bristol, BS10 7DP	465,000
	<u>1,237,000</u>
100% owned by Bristol Charities	
Amelia Court, Pipe Lane, Bristol, BS1 5AA	160,000
	<u>1,397,000</u>

The valuation assigned to Amelia Court, Pipe Lane is based on the market valuation of income receivable from the site which is split 60% to Bristol City Council and 40% to Bristol Charities.

The last formal valuation of the investment properties portfolio was carried out as at 31 March 2016. The Trustees consider that rent valuations may have increased since then, but that it is reasonable to assume that this uplift will have been eliminated in the prevailing market conditions. As such, the Trustees are satisfied that the current valuation is reasonably stated and plan to undertake the next formal valuation as at 31 March 2021.

At 31 March 2020 the Group held 2,682,612 units in the Bristol Charities Common Pooled Investment Fund (2019: 2,682,612 units).

Investments over 5% of the total value being the Barings pooled fund £5,535,511 (2019: £6,435,351)

See notes 23 and 30 for more information.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2019	1	1
At 31 March 2020	1	1
Net book value		
At 31 March 2020	1	1
At 31 March 2019	1	1

Other investments

	Listed investments £
Cost or Valuation	
At 1 April 2019	13,443,028
Additions	970,515
Disposals	(1,112,839)
Investment management charge	(31,952)
Adjustment to market value	(1,401,463)
At 31 March 2020	11,867,289
Net book value	
At 31 March 2020	11,867,289
At 31 March 2019	13,443,028

The historical cost of the fund at 31 March 2020 was £10,992,012 (2019 - £10,992,012).

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Investments at market value comprised:

	2020	2019
	£	£
Investment properties	1,210,975	1,210,975
UK fixed interest bonds	775,415	1,162,546
Private equity	1,262,743	974,916
UK quoted equities	1,567,310	2,135,179
UK Investment & Unit trusts	278,026	388,457
Overseas equities	1,729,635	1,920,533
Barings pooled funds	4,798,404	5,578,421
Investment in Orchard Homes Design and Build	1	1
Cash	244,781	72,001
	<u>11,867,290</u>	<u>13,443,029</u>
Market value at 31 March		

At 31 March 2020 the Charity held 2,325,396 units in the Bristol Charities Common Pooled Investment Fund (2019: 2,325,396 units). See notes 23 and 30 for more information.

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

	2020	2019
	£	£
Realised gains	81,022	125,813
(Unrealised losses)	<u>(1,656,762)</u>	<u>(185,402)</u>
(Losses)	<u>(1,575,740)</u>	<u>(59,589)</u>

Included in the Common Pool Investment Fund is investment properties, Bristol Charities' share of these properties had a market value of £1,210,976 (2019: £1,210,976). 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 £4,798,404 (2019: £5,578,421).

Investment in Orchard Homes Design and Build Limited

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

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

20 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	78,402	18,023	43,401	5,530
Due from group undertakings	-	-	32,038	197,453
Prepayments	75,920	415,904	9,359	57,980
Accrued income	57,444	412,878	57,414	76,878
Other debtors	6,509	40,303	1,021	8,749
	<u>218,275</u>	<u>887,108</u>	<u>143,233</u>	<u>346,590</u>

21 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	3,000,000	-	-	-
Trade creditors	35,143	175,552	24,328	105,757
William Jones's School Foundation Loan	480	480	-	-
Due to group undertakings	-	-	29,627	61,185
Deferred income	37,279	26,984	21,450	26,984
Pensions deficit	51,815	36,557	51,815	36,557
Other taxation and social security	743	-	743	-
Other creditors	150,528	120,051	84,302	77,624
Accruals	433,936	632,204	71,336	118,949
	<u>3,709,924</u>	<u>991,828</u>	<u>283,601</u>	<u>427,056</u>

See information on the Pensions deficit in notes 14 and 31.

Deferred income

Deferred income is made up of commercial and almshouse property rents invoiced in advance and £6,046 donated by LinkAge for the Meet Your Street Project:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Balance at 1 April	26,984	22,167	26,984	19,884
Amount released to incoming resources	(26,984)	(22,167)	(26,984)	(19,884)
Amount deferred in year	37,279	26,984	21,450	26,984
Balance at 31 March	<u>37,279</u>	<u>26,984</u>	<u>21,450</u>	<u>26,984</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

22 Creditors: amounts falling due after one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	-	3,000,000	-	-
William Jones school loan	1,920	2,400	-	-
Pensions deficit	200,058	242,568	200,058	242,568
Social Housing Grant - Recycled Grant Funding	743,334	933,342	-	-
	<u>945,312</u>	<u>4,178,310</u>	<u>200,058</u>	<u>242,568</u>

See information on the pensions' deficit in notes 14 and 31.

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. Homes England approved for these funds to be transferred into Orchard Homes to be used in the Haberfield House development. In the year £190,011 of the Recycled Grant Funding was allocated to the 3 new units built at Barstaple Almshouse.

Bank loan

The bank loan is from Handelsbanken Plc and was drawn down in full by Orchard Homes on 14 March 2019 to provide funding for almshouse development. The loan is secured by a first priority legal charge over the John Fosters and Barstaple Almshouses. Loan interest is charged at LIBOR plus a margin of 2.1%. Interest accrued on the loan of £87,783 (2019: £4,216) is included in creditors in note 21.

The Trustees took the decision to repay the loan in full and this was completed on 24 June 2020.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

23 Common Pooled Investment Fund units holding and values

Group

			2020 £	2019 £
Unit value at year end			5.10334	5.78096
	2020 Units	2019 Units	2020 £	2019 £
Endowment Funds: Grant-giving charities				
Relief in Need Charity	1,182,325	1,182,325	6,033,807	6,834,978
Bristol Relief of Sickness and Disability Charity	496,933	496,933	2,536,019	2,872,752
Educational Charities	29,503	29,503	150,564	170,556
Barry T Jones Fund	86,351	86,351	440,680	499,192
Miss E M Merchant Trust	80,620	80,620	411,430	466,060
Dr Owen's Charity	423,981	423,981	2,163,720	2,451,019
Rev Dr T White's Essex Estates	10,959	10,959	55,928	63,354
Rev Dr T White's Garys Inn Lane Trust	8,421	8,421	42,974	48,680
	2,319,093	2,319,093	11,835,122	13,406,591
Almshouse charities				
Orchard Homes Endowment Reserves	357,216	357,216	1,822,996	2,065,053
Unrestricted Funds				
Bristol Charities Unrestricted Reserves	6,303	6,303	32,166	36,437
Total Common Pooled Investment Funds Holding				
As at 31 March 2020	2,682,612	2,682,612	13,690,284	15,508,081
As at 31 March 2019	2,682,612	2,727,749	15,508,082	15,134,372

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Charity

	2020 £	2019 £
Unit value at year end	<u>5.10334</u>	<u>5.78096</u>

	2020 Units	2019 Units	2020 £	2019 £
Endowment Funds: Grant-giving charities				
Relief in Need Charity	1,182,325	1,182,325	6,033,807	6,834,978
Bristol Relief of Sickness and Disability Charity	496,933	496,933	2,536,019	2,872,752
Educational Charities	29,503	29,503	150,564	170,556
Barry T Jones Fund	86,351	86,351	440,679	499,192
Miss E M Merchant Trust	80,620	80,620	411,431	466,060
Dr Owen's Charity	423,981	423,981	2,163,720	2,451,019
Rev Dr T White's Essex Estates	10,959	10,959	55,928	63,354
Rev Dr T White's Garys Inn Lane Trust	<u>8,421</u>	<u>8,421</u>	<u>42,975</u>	<u>48,681</u>
	2,319,093	2,319,093	11,835,123	13,406,592

Unrestricted Funds

Bristol Charities Unrestricted Reserves	6,303	6,303	32,166	36,437
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Total Common Pooled Investment Funds Holding

As at 31 March 2020	<u>2,325,396</u>	<u>2,325,396</u>	<u>11,867,289</u>	<u>13,443,029</u>
As at 31 March 2019	<u>2,325,396</u>	<u>2,325,396</u>	<u>13,443,029</u>	<u>13,083,523</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

24 Consolidated Endowment Funds

	2020 Total £	2019 Total £
Relief in Need Charity	6,033,807	6,834,979
Bristol Relief of Sickness and Disability Charity	2,536,019	2,872,753
Educational Charities	150,564	170,556
Barry T Jones Fund	440,680	499,192
Miss E M Merchant Trust	411,430	466,060
Dr Owen's Charity	2,163,720	2,451,019
Rev Dr T White's Essex Estates	55,928	63,354
Rev Dr T White's Garys Inn Lane Trust	42,975	48,681
	<u>11,835,123</u>	<u>13,406,594</u>
Almshouse charities		
Orchard Homes	<u>1,822,997</u>	<u>2,065,053</u>
Investments in Common Pooled Investment Funds	<u>13,658,120</u>	<u>15,471,647</u>
 Housing Property:		
Orchard Homes	18,769,682	18,185,118
William Jones's Almshouse Charity	<u>1,389,685</u>	<u>1,414,115</u>
Total Housing Property	<u>20,159,367</u>	<u>19,599,233</u>
 Current Assets, Orchard Homes	1,559,670	2,281,539
Current Liabilities: Bristol Charities	(3,001,438)	(1,439)
Creditors more than 1 year: Orchard Homes	<u>(743,332)</u>	<u>(3,933,344)</u>
Total Endowment Funds	<u><u>31,632,387</u></u>	<u><u>33,417,636</u></u>
	2020 Total £	2019 Total £
Bristol Charities	11,833,686	13,405,155
Orchard Homes	18,646,664	18,598,366
William Jones's Almshouse Charity	<u>1,152,037</u>	<u>1,414,115</u>
Total Endowment Funds	<u><u>31,632,387</u></u>	<u><u>33,417,636</u></u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

25 Restricted Funds

	Balance 1 April 2019 £	Total income £	Total expenditure £	Gains/(losses) and transfers £	Balance 31 March 2020 £
Grant-giving charities					
Relief in Need Charity	183,181	258,296	(243,422)	(55,998)	142,057
Bristol Relief of Sickness and Disability Charity	(16,592)	108,561	(118,125)	-	(26,156)
Educational Charities	8,761	6,445	(10,507)	-	4,699
Barry T Jones Fund	3,120	18,864	(20,429)	-	1,555
Miss E M Merchant Trust	44,068	17,612	(27,325)		34,355
Dr Owen's Charity	(1)	92,624	(77,639)	(14,985)	(1)
Rev Dr T White's Essex Estates	-	2,394	(2,394)	-	-
Rev Dr T White's Garys Inn Lane Trust	-	1,840	(1,840)	-	-
Charity Restricted Funds Movement	222,537	506,636	(501,681)	(70,983)	156,509
Almshouse charities					
William Jones's leaseholders service charges	11,666	3,637	(2,081)	1,255	14,477
Total restricted funds held	234,203	510,273	(503,762)	(69,728)	170,986

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

The purpose of each fund in existence at 31 March 2020 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 2020

Income

	Donations and legacies £	Investment income £	Interest receivable £	Other income £	Total income £
Grant-giving charities					
Relief in Need Charity	-	258,296		-	258,296
Bristol Relief of Sickness and Disability Charity	-	108,561	-	-	108,561
Educational Charities	-	6,445	-	-	6,445
Barry T Jones Fund	-	18,864	-	-	18,864
Miss E M Merchant Trust	-	17,612	-	-	17,612
Dr Owen's Charity	-	92,624	-	-	92,624
Rev Dr T White's Essex Estates	-	2,394	-	-	2,394
Rev Dr T White's Garys Inn Lane Trust	-	1,840	-	-	1,840
Charity Restricted Funds Movement	-	506,636	-	-	506,636
William Jones's, leaseholders service charges	-	-	-	3,637	3,637
Total restricted funds income year ended 31 March 2020	-	506,636	-	3,637	510,273
Total restricted funds income year ended 31 March 2019	158	514,587	-	3,953	518,698

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Expenditure

	Direct grants payable £	Charitable expenditure £	Other expenditure £	Total expenditure £
Grant-giving charities				
Relief in Need Charity	197,838	45,584	-	243,422
Bristol Relief of Sickness and Disability Charity	98,966	19,159	-	118,125
Educational Charities	9,370	1,137	-	10,507
Barry T Jones Fund	17,100	3,329	-	20,429
Miss E M Merchant Trust	24,217	3,108	-	27,325
Dr Owen's Charity	74,639	3,000	-	77,639
Rev Dr T White's Essex Estates	2,274	120	-	2,394
Rev Dr T White's Garys Inn Lane Trust	1,720	120	-	1,840
Charity Restricted Funds Movement	426,124	75,557	-	501,681
William Jones's, leaseholders service charges	-	-	2,081	2,081
Total restricted funds income year ended 31 March 2020	<u>426,124</u>	<u>75,557</u>	<u>2,081</u>	<u>503,762</u>
Total restricted funds income year ended 31 March 2019	<u>470,784</u>	<u>77,592</u>	<u>2,382</u>	<u>550,758</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

26 Grant-making

Grants to institutions comprise:

	2020	2019
	£	£
Paid from Dr Owen's Charity		
Bristol Grammar School	74,687	75,898
Dr T Whites Essex Estates & Grays Inn	3,994	4,060
Paid from Miss EM Merchant Trust		
DHI Bath Reach Out 2020	3,711	-
Carers Support Centre	14,075	-
Age UK Help for New Carers	5,000	-
Paid from Barry T Jones Fund		
Clifton High School	7,500	3,099
Red Maids' School	-	2,000
Badminton School	-	5,000
OEH School	9,600	-
Bristol Grammar School	-	5,000
Total grants paid to institutions	118,567	95,057
Grants paid to individuals	307,557	375,727
Total grants paid	426,124	470,784

27 Cash and cash equivalents

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Cash at bank	7,878,894	8,157,241	468,627	550,837

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

28 Funds

Group

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds						
General	5,823,892	1,241,374	(1,188,842)	69,728	8,562	5,954,714
Restricted funds	234,203	510,271	(503,760)	(69,728)	-	170,986
Endowment funds						
Expendable	<u>33,417,635</u>	<u>515,802</u>	<u>(487,523)</u>	<u>-</u>	<u>(1,813,527)</u>	<u>31,632,387</u>
Total funds	<u>39,475,730</u>	<u>2,267,447</u>	<u>(2,180,125)</u>	<u>-</u>	<u>(1,804,965)</u>	<u>37,758,087</u>
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2019 £
Unrestricted funds						
General	5,393,500	969,716	(769,251)	78,228	151,699	5,823,892
Restricted funds	344,491	518,698	(550,758)	(78,228)	-	234,203
Endowment funds						
Expendable	<u>31,970,001</u>	<u>1,343,665</u>	<u>(268,864)</u>	<u>-</u>	<u>372,833</u>	<u>33,417,635</u>
Total funds	<u>37,707,992</u>	<u>2,832,079</u>	<u>(1,588,873)</u>	<u>-</u>	<u>524,532</u>	<u>39,475,730</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Charity

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds						
General	52,525	112,916	(210,101)	55,998	8,562	19,900
Restricted funds	222,537	506,634	(516,664)	(55,998)	-	156,509
Endowment funds						
Expendable	13,405,154	-	-	-	(1,571,469)	11,833,685
Total funds	<u>13,680,216</u>	<u>619,550</u>	<u>(726,765)</u>	<u>-</u>	<u>(1,562,907)</u>	<u>12,010,094</u>

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2019 £
Unrestricted funds						
General	(251,948)	293,850	(205,379)	64,303	151,699	52,525
Restricted funds	335,651	594,008	(642,819)	(64,303)	-	222,537
Endowment funds						
Expendable	13,082,085	-	-	-	323,069	13,405,154
Total funds	<u>13,165,788</u>	<u>887,858</u>	<u>(848,198)</u>	<u>-</u>	<u>474,768</u>	<u>13,680,216</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

29 Analysis of net assets between funds

Group

	Unrestricted funds		Endowment funds	
	General £	Restricted funds £	Expendable £	Total funds £
Tangible fixed assets	466,504	-	20,159,366	20,625,870
Fixed asset investments	32,163	-	13,658,121	13,690,284
Current assets	6,246,708	290,791	1,559,670	8,097,169
Current liabilities	(588,680)	(119,805)	(3,001,439)	(3,709,924)
Creditors over 1 year	(201,978)	-	(743,334)	(945,312)
Total net assets as at 31 March 2020	<u>5,954,717</u>	<u>170,986</u>	<u>31,632,384</u>	<u>37,758,087</u>
Unrestricted funds - general	6,192,425			
Unrestricted funds - pension deficit	(237,712)			
Total Unrestricted funds	<u>5,954,713</u>			

The pension deficit of £237,712 comprises:

Scottish Voluntary Sector Final Salary Pension Scheme	217,000
Growth Plan Series 3	20,712
	<u>237,712</u>

	Unrestricted funds		Endowment funds	
	General £	Restricted funds £	Expendable £	Total funds £
Tangible fixed assets	494,206	-	19,599,232	20,093,438
Fixed asset investments	36,435	-	15,471,646	15,508,081
Current assets	6,361,508	401,302	2,281,539	9,044,349
Current liabilities	(823,290)	(167,099)	(1,439)	(991,828)
Creditors over 1 year	(244,968)	-	(3,933,342)	(4,178,310)
Total net assets as at 31 March 2019	<u>5,823,891</u>	<u>234,203</u>	<u>33,417,636</u>	<u>39,475,730</u>

The breakdown of the restricted funds are separately analysed in note 25.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Charity

	Unrestricted funds		Endowment funds	
	General £	Restricted funds £	Expendable £	Total funds £
Tangible fixed assets	14,603	-	-	14,603
Fixed asset investments	32,168	-	11,835,122	11,867,290
Current assets	335,546	276,314	-	611,860
Current liabilities	(162,357)	(119,805)	(1,439)	(283,601)
Creditors over 1 year	(200,058)	-	-	(200,058)
Total net assets as at 31 March 2020	<u>19,902</u>	<u>156,509</u>	<u>11,833,683</u>	<u>12,010,094</u>
Unrestricted funds - general	257,614			
Unrestricted funds - pension deficit	(237,712)			
Total Unrestricted funds	<u>19,902</u>			

The pension deficit of £237,712 comprises:

Scottish Voluntary Sector Final Salary Pension Scheme	217,000
Growth Plan Series 3	20,712
	<u>237,712</u>

	Unrestricted funds		Endowment funds	
	General £	Restricted funds £	Expendable £	Total funds £
Tangible fixed assets	9,384	-	-	9,384
Fixed asset investments	36,436	-	13,406,593	13,443,029
Current assets	507,791	389,636	-	897,427
Current liabilities	(258,518)	(167,099)	(1,439)	(427,056)
Creditors over 1 year	(242,568)	-	-	(242,568)
Total net assets as at 31 March 2019	<u>52,525</u>	<u>222,537</u>	<u>13,405,154</u>	<u>13,680,216</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

30 Bristol Charities Common Pooled Investment Fund

(a) Income account (return)

	2020	2019
	£	£
Gross income:		
Managed portfolios	493,941	502,972
Income from investment in property	104,108	104,277
	<u>598,049</u>	<u>607,249</u>
Charges:		
Property expenses	-	-
Bristol Charities	(12,000)	(12,000)
	<u>586,049</u>	<u>595,249</u>
Final distribution	(586,049)	(595,249)
Undistributed income carried forward	<u>-</u>	<u>-</u>
Distribution pence per unit	<u>21.85</u>	<u>22.19</u>

(b) Balance sheet

	2020	2019
	£	£
Managed portfolios at market value	12,293,284	14,111,081
Investment in property at market value	1,397,000	1,397,000
Net investment fund	<u>13,690,284</u>	<u>15,508,081</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

(c) Statement of movement in net assets

	Total 2020 £	Total 2019 £
Net assets at start of year	<u>15,508,081</u>	<u>15,134,372</u>
Investment gains/(losses) for the year		
	2020 £	2019 £
Realised gains/(losses) on investments sold during the year	(1,817,797)	373,710
Additions	1,119,601	897,822
Proceeds of investment disposals	(1,377,257)	(942,756)
Cash withdrawn in year	-	-
Valuation gains/(losses) for the year	294,516	79,004
Portfolio Manager charges	<u>(36,860)</u>	<u>(34,070)</u>
	<u>(1,817,797)</u>	<u>373,710</u>
Net assets at end of year	<u><u>13,690,284</u></u>	<u><u>15,508,081</u></u>
 Investment in property comprises:	 2020	 2019
	£	£
Investment properties	<u><u>1,397,000</u></u>	<u><u>1,397,000</u></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 2020

31 Pension and other schemes

Scottish Voluntary Sector Final Salary Pension Scheme

The group 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 group 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 group 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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2026: (payable monthly and increasing by 3% each on 1st April) £1,400,000 per annum.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £88.2m, liabilities of £122.1m and a deficit of £33.9m. 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 2016 to 31 October 2029: (payable monthly and increasing by 3% each on 1st April) £1,323,116 per annum.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the group 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.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Present Values of Provision

	31 March 2020 £'000s	31 March 2019 £'000s	31 March 2018 £'000s
Present value of provision	<u>217</u>	<u>254</u>	<u>400</u>

Reconciliation of Opening and Closing Provisions

	2020 Total £'000s	2019 Total £'000s
Provision of 1 April	254	400
Unwinding of the discount factor (interest expense)	3	8
Deficit contribution paid in the year	(32)	(33)
Re-measurements - impact of any change in assumptions	(8)	5
Re-measurements - amendments to the contribution schedule	-	(126)
Provision at 31 March	<u>217</u>	<u>254</u>

Income and Expenditure Impact

	2020 Total £'000s	2018 Total £'000s
Interest expense	3	8
Re-measurements - impact of any change in assumptions	(8)	5
Re-measurements - amendments to the contribution schedule	-	(126)
Costs paid in respect of future service	-	-

Assumptions	31 March 2020 %	31 March 2019 %	31 March 2018 %
Rate of discount per annum	<u>2.57</u>	<u>1.46</u>	<u>2.01</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

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 2020 £'000s	31 March 2019 £'000s	31 March 2018 £'000s
Year 1	33	32	33
Year 2	34	33	34
Year 3	35	34	35
Year 4	36	35	36
Year 5	38	36	37
Year 6	39	38	38
Year 7	20	39	39
Year 8	-	20	41
Year 9	-	-	42
Year 10	-	-	43
Year 11	-	-	44
Year 12	-	-	27

The group 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 groups balance sheet liability.

Growth Plan Series 3

The group participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the group 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.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

The scheme is classified as a 'last-man standing arrangement'. Therefore the group 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.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2019 to 31 January 2025: (payable monthly and increasing by 3% each on 1st April) £11,243,000 per annum.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

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 in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the group 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 2020 £	31 March 2019 £	31 March 2018 £
Present value of provision	<u>20,712</u>	<u>25,125</u>	<u>30,824</u>

Reconciliation of Opening and Closing Provisions

	2020 Total £	2019 Total £
Provision of 1 April	25,125	30,824
Unwinding of the discount factor (interest expense)	319	493
Deficit contribution paid in the year	(4,170)	(3,972)

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Re-measurements - impact of any change in assumptions	(562)	230
Re-measurements - amendments to the contribution schedule	-	(2,450)
Provision at 31 March	<u>20,712</u>	<u>25,125</u>

Income and Expenditure Impact	2020 Total £	2019 Total £
Interest expense	319	493
Re-measurements - impact of any change in assumptions	(562)	230
Re-measurements - amendments to the contribution schedule	-	(2,450)
Costs paid in respect of future service	<u>-</u>	<u>-</u>

Assumptions	31 March 2020 %	31 March 2019 %	31 March 2018 %
Rate of discount per annum	<u>2.53</u>	<u>1.39</u>	<u>1.71</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 group and the scheme at each year end period:

Year Ending	31 March 2020 £	31 March 2019 £	31 March 2018 £
Year 1	4,295	4,170	3,972
Year 2	4,423	4,295	4,091
Year 3	4,556	4,423	4,214
Year 4	4,693	4,556	4,340
Year 5	4,028	4,693	4,471
Year 6	-	4,028	4,605
Year 7	-	-	4,743
Year 8	-	-	2,443

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Deficit Contributions Schedule

The group 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 groups balance sheet liability.

32 Principal subsidiaries

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

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.

The total reserves for each subsidiary are:

	2020 Total £	2019 Total £
Orchard Homes	21,706,917	21,976,313
William Jones's Almshouse Charity	1,358,745	1,410,218
Orchard Homes Design and Build Limited	33,130	207,857

The income and expenditure for each subsidiary in 2020 and 2019 were:

<i>Orchard Homes</i>	2020 Total £	2019 Total £
Income	1,235,630	732,959
Expenditure	(1,262,968)	(647,620)
Other gains and transfers	(242,058)	49,764
Surplus for the year	<u>(269,396)</u>	<u>135,103</u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

William Jones's Almhouse Charity

	2020 Total £	2019 Total £
Income	194,790	198,212
Expenditure	<u>(246,263)</u>	<u>(192,322)</u>
Surplus for the year	<u><u>(51,473)</u></u>	<u><u>5,890</u></u>

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

	2020 Total £	2019 Total (as restated) £
Income	183,775	4,687,238
Expenditure	<u>(150,646)</u>	<u>(4,479,382)</u>
(Deficit)/Surplus for the year	<u><u>33,129</u></u>	<u><u>207,856</u></u>

33 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 Inn Bristol.

In the previous year, a capital commitment had been entered into by the subsidiary undertaking, Orchard Homes. The commitment consisted of a contract with a building contractor to develop and build 3 units at the Barstaple Almshouse in Bristol.

The total amount contracted for but not provided in the financial statements was £33,919 (2019 - £362,497).

Operating commitments

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	1,285	1,285
Later than one year and not later than five years	<u>3,854</u>	<u>5,139</u>
	<u><u>5,139</u></u>	<u><u>6,424</u></u>

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £29,258 (2019 - £31,879).

Charity

Operating commitments

The total of future minimum lease payments is as follows:

	2020	2019
	£	£
Not later than one year	1,285	1,285
Later than one year and not later than five years	3,854	5,139
	<u>5,139</u>	<u>6,424</u>

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £4,213 (2019 - £4,877).

34 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.

35 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.

36 Non-adjusting events after the financial period

Consistent with other organisations in our sector, the global Covid-19 pandemic gives rise to uncertainty in relation to future activities. However, the Trustees are assured that the management actions as detailed in the Trustees' report, along with the group's and parent charitable company's financial position detailed in the Going Concern accounting policy, will effectively mitigate related risks and uncertainties during the forthcoming year. Trustees also note that the £3m bank loan was repaid in full in June 2020. As such, no adjustment is considered necessary in respect of the group's and parent charitable company's results to 31 March 2020.

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

37 Committees

Trustees

Total of 11 as of August 2020

Assets and Finance Committee

Jonathan O'Shea (Chair)

Richard Gore

Paul Staples

Nolan Webber

Harriet Bosnell

Patrick Finch

Keith Low

Olivia Spencer

Rachel Howell

Audit and Health & Safety Committee

Paul Staples (Chair)

Jonathan O'Shea (Deputy Chair)

Nolan Webber

Harriet Bosnell

Andy Mennell

Grants Committee

Olivia Spencer (Chair)

Richard Gore

Michelle Meredith

Harriet Bosnell

Rachel Howell

Nominations Committee

Richard Gore (Chair)

Nolan Webber

Rachel Howell

Remuneration Committee

Richard Gore (Chair)

Andy Mennell

Jonathan O'Shea

Paul Staples

Internal Investment Management Group

Nolan Webber (Chair)

Jonathan O'Shea

Olivia Spencer

Paul Staples

Richard Gore

Harriet Bosnell

Bristol Charities

Notes to the Financial Statements for the Year Ended 31 March 2020

Board of Trustees

Richard Gore (Chair Board of Trustees)

Paul Staples

Jonathan O'Shea

Nolan Webber

Harriet Bosnell

Michelle Meredith

Rachel Howell

Andy Mennell

Olivia Spencer

Keith Low

Patrick Finch

Ian Dunn (co-opted)

Elizabeth Carrington-Porter (co-opted)