

**Wallscourt Foundation**  
(company limited by guarantee)

**Trustees' Report and Financial Statements**

**Year ended 31 August 2022**

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## Walls court Foundation

### Reference and Administrative Details of the Foundation, its Trustees and Advisers

Year ended 31 August 2022

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<b>Trustees</b>	W J Marshall (Chair) R N Burton (resigned 13 June 2022) C A Booy G E Camm J S Laycock S A Moore K J Morgan S G West M J Hagen R J S Holmes S B Mills (appointed 13 June 2022)
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<b>Company Registered Number</b>	02991142
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<b>Charity Registered Number</b>	1050468
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<b>Registered Office</b>	Finance Department University of the West of England Frenchay Campus Bristol BS16 1QY
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<b>Company Secretary</b>	R H Broughton
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<b>Auditor</b>	Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP
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<b>Bankers</b>	NatWest plc 72 Gloucester Road Bishopston Bristol BS7 8BF  Handelsbanken plc 2540 The Quadrant Aztec West Bristol BS32 4AQ
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The trustees, who are also the Foundation's directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 August 2022. They confirm that the trustees' report and financial statements comply with Charities Act 2011, Companies Act 2006 and the Foundation's memorandum and articles of association. They also conform to the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and Republic of Ireland, which became effective in January 2015. The financial statements consolidate the results of the Foundation and its subsidiary which throughout are collectively referred to as the 'group'.

### **Purposes and Activities**

The purposes of the Foundation are to advance and further education and learning at, or in connection with, the University of the West of England.

These purposes are carried out by the provision of funds for a variety of activities to the University or by the provision of physical resources for the use of the University. The Foundation may, from time to time, assist the University in other ways.

The trustees confirm that they refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's activities and setting the grant making policy. In coming to the view that its transactions are for the public good, the trustees have taken into consideration that the University is itself a charity whose activities give rise to public good, as detailed in the University's annual report and financial statements. The University also supports the actions taken by the Office for Students (the principal regulator of universities) to ensure that it complies with and demonstrates its public benefit. Specifically, the Foundation and its subsidiary seek to manage and develop their land and buildings to maximise the benefit for the University while covering their own costs. They do this either by constructing buildings that can be leased to the University or by making grants to the University for specific purposes.

### **Achievements and Performance**

During the year, the Foundation continued to lease existing buildings to the University. The Foundation also continued to build on its bursary programme to Students of the University of the West of England.

The Foundation's subsidiary sold in September 2015 an area of surplus land immediately to the east of Coldharbour Lane close to the University's Frenchay Campus, colloquially known as the 'LECHL'. The proceeds of this sale received from the developer, Taylor Wimpey UK Limited, over three years in instalments have been passed over to the Foundation by gift aid. These funds have allowed the Foundation to be active in supporting the major redevelopment of the University's campuses including the Film and Media building and Design Studios building both at Bower Ashton and the Hillside gardens sports facility near the Frenchay campus.

In June 2022 the University gave the Foundation formal notice to terminate its lease of P Block on the 31 August 2024. At this point P Block will have reached the end of its useful life so as a result within these accounts the Foundation has accelerated the depreciation of this asset (£781,764 charged) and will by 31 August 2024 have written down the asset value to nil.

The Foundation had agreed to fund the Wallscourt Scholarship scheme to assist 30 targeted students each year for a ten year period, at an estimated total cost of £185,000, with the aim of increasing participation from local disadvantaged students. The first cohort of 4 scholars joined the University in October 2016, 9 scholars in October

## **Walls court Foundation**

### **Trustees' Report (continued)**

**Year Ended 31 August 2022**

2017, 10 scholars in October 2018, 11 in October 2019, 10 in October 2020, 10 in October 2021 and 10 in October 2022.

The Foundation had also agreed to fund the Walls court Foundation Chair, a research professorship, for a five year term, at an estimated total cost of £625,000, to enable the development of research at the University. Professor Manuel Giuliani commenced in his post in March 2017 in the Bristol Robotics Laboratory.

The Foundation agreed to set up a £2m fund (with matched funding of £1m of QR funding from Research England) to support the recruitment of staff with a strong profile in high quality research to establish a strong platform for the longer-term growth of high quality research at the University. £637k was committed in the year to 31 August 2022 to this fund.

### **Financial Review**

#### **Results for the Year**

The consolidated unrestricted income of the Group comprised rent receivable of £439k (2021 £439k), investment income of £372k (2021 £332k) and other income of £6,202k (2021 £80k) giving a total unrestricted income of £7,013k (2021 £851k). In addition, there was the receipt of the restricted funds of £1k (2021 £1k), giving a total income of £7,014k (2021 £852k).

The consolidated unrestricted expenditure on charitable activities was £2,107k (2021 £1,421k) and the cost of raising funds was £28k (2021 £(18)k). There was £6k restricted expenditure on charitable activities (2021 nil), giving a total expenditure of £2,141k (2021 £1,403k).

There was a £153k increase in the revaluation of the investment properties (2021 £120k drop).

The resulting net income for the year was £5,026k (2021 net expenditure £671k). This resulted in an unrestricted fund (consolidated) carried forward at the end of the year of £40.8m (2021 £35.7m) and a restricted fund of £135k (2021 £140k).

#### **Funding Sources**

The Foundation's principal sources of funding are rental income from land and buildings leased to the University and other tenants, plus investment income arising from cash held on deposit.

#### **Reserves policy and going concern**

The purpose of the Reserves Policy is to ensure the stability of the ongoing operations of the Foundation and to support the strategy of implementing the programme of support to the University, which is expected to span a number of years.

The group's unrestricted reserves at 31 August 2022 amounted to £40.8m (2021 £35.7m). The Foundation's undesignated free reserves at 31 August 2022 were £18.7m (2021 £10.7m) further details are set out in note 19 of the accounts. The trustees expect that calls upon its existing reserves will increase in the future, with a consequent diminution in the balance of those reserves over the longer term.

The Reserves Policy is to split the unrestricted reserves between designated and undesignated free funds. Designated funds are funds that have been set aside by the Trustees for a specific purpose. These include a Grant Reserve of £474K to meet the ongoing grant commitments of the years ahead and a Property Reserve representing the net book value of the social investment properties and investment properties held by the charity, which would not be easily realisable if needed to meet future liabilities. The remaining unrestricted reserves represent undesignated free reserves of £18.7m, is available for use at the discretion of the Trustees in pursuing the charity's general charitable objectives. In addition, there is a Restricted Reserve in respect of the John Hullah Trust of £135k. The trustees are of the opinion that, in the light of the level of reserves above and the continuing stream of rental income, the group is a going concern.

***Investment Policy***

The Wallscourt Foundation is committed to maintaining sufficient funds in instant access or short notice period accounts to meet its ongoing expenditure needs. Any funds beyond this, will be invested in low risk deposit accounts or fixed term bonds, with notice periods not exceeding one year.

In addition the Foundation has retained 435 Bristol Business Park, which is let on a commercial basis.

The Trustees are satisfied with the investment returns in the current year, the policy will be reviewed annually.

***Future Developments***

The sale of the LECHL in September 2015 and its accumulated reserves provide substantial funds to enable the Foundation to assist the University at a very exciting and crucial stage of its development. To date that plan has been informed by UWE's 2020 strategy which takes into account not only the refurbishment of much of the University's estate but also changes to the teaching and learning experience to create a student-centred approach that puts the University at the forefront of current learning practice. UWE Governors have now approved UWE's strategy 2030, which will shape the University over the next 10 years. The key focus in that strategy will be solving future challenges through outstanding learning, research and a culture of enterprise, creating opportunities for people to thrive and flourish and creating an inspiring university as a global gateway to the future.

**Structure, Governance and Management*****Governing Documents***

Wallscourt Foundation is a company limited by guarantee, governed by its memorandum and articles of association dated November 1994 (amended March 2006) and registered with the Charity Commission since November 1995. If the charity is wound up, its members are liable to pay the sum £1 each.

***Method of Appointment or Election of Trustees***

New trustees are appointed by the members of the Foundation in a general meeting or by the existing trustees. One third of them retire each year by rotation and are eligible to be re-elected.

***Induction and Training of Trustees***

New trustees are provided with appropriate induction and training, taking into account the nature of the Foundation and their previous experience in the charity sector.

**Organisational Structure and Decision Making**

The trustees meet at least three times a year and at other times if necessary. They have delegated the day-to-day running of the Foundation to the company secretary assisted by other staff from the University of the West of England acting under a service contract. The Foundation monitors the performance of its activities by reports and presentations at trustees' meetings. The directors of the Foundation and its subsidiary meet regularly with senior staff of the University to review the effectiveness of the assistance provided to the University.

**Related Parties and Co-operation with Other Organisations**

None of the trustees receive any remuneration, expenses or other benefits from their appointment. The Foundation's only beneficiary is the University of the West of England and the Vice-Chancellor is one of the trustees. Due to the close working relationship between the Foundation and the University, his appointment is considered helpful in order to ensure that the trustees are fully aware of the University's strategic plans and objectives. All transactions between the University and the Foundation are recorded in note 22 of the financial statements.

The charity's wholly owned subsidiary, Bristol Polytechnic Enterprises (Developments) Limited was established to own the LECHL and undertake any other suitable trading or investment activities. The entity gift aids the majority of its profits to the charity.

**Risk Management**

The trustees have a risk management strategy that comprises;

- reviewing the Foundation's risk register at least once a year;
- establishing, policies, systems and procedures to mitigate risks identified in the register; and
- devising procedures designed to minimise the potential impact should those risks materialise.

The trustees believe they have adequate procedures in place to mitigate the risks to which the Foundation is exposed.

The main risk identified, which is still classified as unlikely, is the loss on deposits/investments due to bank defaults. However all investments are made in accordance with the investment policy which has a low risk approach. The Trustees aim to strike a balance between the risks of losses from bank defaults and the desire to obtain a reasonable rate of return on the charity's investments.

The Trustees assessed the impact of the Covid-19 pandemic on the Foundations activities and concluded that there was not likely to be a material impact on its current or future activities.

**Grant Making Policy**

The Foundation has established its grant making policy to achieve its objects for the public benefit. The grant making policy is reviewed annually to ensure it reflects the charity's objects and thereby advances public benefit. The beneficiary of our grant programme is ultimately the University of the West of England and its students.

**Pay Policy**

The directors consider that the board of directors, who are the Foundation's trustees, and the company secretary comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Foundation on a day to day basis. All directors give their time freely and no director received remuneration in the year. See notes 6 and 7 of the accounts.

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**Statement of Trustees' Responsibilities in respect of the Financial Statements**

The trustees, who are the directors of the Foundation for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law require the trustees to prepare financial statements for each financial year that give a true and fair view of the Foundation's state of affairs and of its incoming and outgoing resources, including the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 Foundation will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, the Foundation's financial position and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the Foundation's assets and hence for taking steps for the prevention and detection of fraud and other irregularities.

**Provision of Information to the Auditor**

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken, as trustees, to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Auditor**

The auditor, Mazars LLP, is willing to continue in office and a resolution for its reappointment will be proposed at the forthcoming annual general meeting.

**Approval**

The trustees have prepared this report in accordance with the provisions applicable to companies subject to the small companies' regime.

This report was approved and authorised for issue on 13 February 2023 and signed on its behalf by.



W J Marshall

Trustee



## **Independent auditor's report to the members of Wallscourt Foundation**

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### **Opinion**

We have audited the financial statements of Wallscourt Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Balance Sheet, the Consolidated Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 affairs as at 31 August 2022 and of its income and expenditure 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 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**

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

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

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

### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

## **Independent auditor's report to the members of Wallscourt Foundation (continued)**

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misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, 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 and the parent charity 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 to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

## Independent auditor's report to the members of Wallscourt Foundation (continued)

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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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: Companies Act 2006, Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, Charities Act 2011, the Charities Statement of Recommended Practice, the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion and significant one-off or unusual transactions).

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

## Independent auditor's report to the members of Wallscourt Foundation (continued)

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There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

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



Jonathan Marchant Senior Statutory Auditor

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol

BS1 6DP

Date: 20 February 2023

# Wallscourt Foundation

## Consolidated Statement of Financial Activities

Year Ended 31 August 2022

[including a consolidated income and expenditure account]

	Note	31 August 2022 £000 [12 months] Restricted	31 August 2022 £000 [12 months] Unrestricted	31 August 2022 £000 [12 months] Total	31 August 2021 £000 [12 months] Total
<b>Income</b>					
Income from charitable activities					
Rent receivable	8	-	439	439	439
Investment income	9	1	372	373	333
Other Income		-	6,202	6,202	80
		<u>1</u>	<u>7,013</u>	<u>7,014</u>	<u>852</u>
<b>Expenditure</b>					
Cost of raising funds					
Investment properties		-	20	20	(22)
Trading			8	8	4
Expenditure on charitable activities					
Charitable activities undertaken directly	10	-	1,327	1,327	661
Grant funding of charitable activities	10	6	780	786	760
		<u>6</u>	<u>2,135</u>	<u>2,141</u>	<u>1,403</u>
<b>Net Income (Expenditure) for the Year</b>		(5)	4,878	4,873	(551)
Revaluation of investment properties		-	153	153	(120)
<b>Net Movement of Funds</b>		<u>(5)</u>	<u>5,031</u>	<u>5,026</u>	<u>(671)</u>
Funds brought forward at 01 September 2021	18	140	35,736	35,876	36,547
<b>Funds Carried Forward at 31 August 2022</b>	18	<u>135</u>	<u>40,767</u>	<u>40,902</u>	<u>35,876</u>

The statement of financial activities shows all gains and losses recognised in the year.

All income derives from continuing activities.

# Balance Sheet

At 31 August 2022

		Group		Foundation	
	Note	2022	2021	2022	2021
		£000	£000	£000	£000
		[31 August]	[31 August]	[31 August]	[31 August]
<b>Fixed Assets</b>					
Investment property	12	3,773	3,620	3,650	3,530
Social investment Property	13	17,836	19,085	17,836	19,085
<b>Total fixed assets</b>		<b>21,609</b>	<b>22,705</b>	<b>21,486</b>	<b>22,615</b>
<b>Current Assets</b>					
Debtors	15	6,395	323	297	322
Short term deposits		12,426	12,370	11,604	11,551
Cash at bank		784	804	654	693
<b>Total current assets</b>		<b>19,605</b>	<b>13,497</b>	<b>12,555</b>	<b>12,566</b>
<b>Current Liabilities</b>					
Creditors: Amounts falling due within one year	16	(312)	(326)	(312)	(326)
<b>Net Current Assets</b>		<b>19,293</b>	<b>13,171</b>	<b>12,243</b>	<b>12,240</b>
<b>Total Assets less Current Liabilities</b>		<b>40,902</b>	<b>35,876</b>	<b>33,729</b>	<b>34,855</b>
<b>Net Assets</b>		<b>40,902</b>	<b>35,876</b>	<b>33,729</b>	<b>34,855</b>
<b>Funds of the Foundation</b>					
Restricted funds	18	135	140	135	140
Unrestricted funds	18	40,767	35,736	33,594	34,715
<b>Total Funds</b>		<b>40,902</b>	<b>35,876</b>	<b>33,729</b>	<b>34,855</b>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The accounts are prepared in accordance with the special provisions of part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 to be circulated to members.

The notes on pages 14 to 23 form part of these accounts. The financial statements were approved by the board of trustees on the 13 February 2023 and were signed on its behalf by:

  
W J Marshall  
Trustee

Company Registration Number: 02991142

**Wallscourt Foundation**

**Consolidated Cash Flow Statement**

**for the 12 months ended 31 August 2022**

	<b>Note</b>	<b>31 August 2022 £000 [12 months]</b>	<b>31 August 2021 £000 [12 months]</b>
Net cash (outflow) from operating activities	23	(41)	(518)
<i>Investing activities</i>			
Returns on investments and servicing of finance			
Interest received	9	77	54
Net cash inflow from investing activities		77	54
Increase in cash and cash equivalents		36	(464)
Cash or cash equivalents brought forward		13,174	13,638
Cash or cash equivalents carried forward		13,210	13,174

## 1 General Information

The company was formed on the 16th November 1994, is limited by guarantee (No 02991142) and is a registered charity (No 1050468). The company is registered in England and Wales. The charity's registered office is c/o Finance Dept, University of the West of England, Frenchay Campus, Bristol, BS16 1QY.

## 2 Accounting Policies

The principal accounting policies adopted, judgments and key sources of estimation in the accounts are as follows.

### a *Basis of Accounting*

The financial statements have been prepared in accordance with

- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) which became effective in January 2015
- the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS 102
- the Companies Act 2006.

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

In preparing the financial statements, it has not been necessary to make significant judgments and estimates.

### b *Preparation of the Accounts on a going concern basis*

After reviewing the company's forecasts and projections, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. It, therefore continues to adopt the going concern basis in preparing the financial statements (Trustees report page 3 &4).

### c *Group Accounts*

The statement of financial activities (SOFA) and balance sheet consolidate the results of the Foundation and its subsidiary. The results of the subsidiary are consolidated on a line by line basis and no separate SOFA has been prepared for the Foundation alone as permitted by section 408 of the Companies Act 2006.

### d *Fund Accounting*

Unrestricted funds are funds which are expendable at the trustees' discretion in furtherance of the Foundation's objects. Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used.

### e *Income*

All income is included in the SOFA and can be quantified with reasonable accuracy. The primary income of the Foundation's subsidiary company (UK registered) is from the holding of investment property.

### f *Interest receivable*

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

### g *Taxation*

As a registered charity, the Foundation is exempt from taxation on its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.



## 2 Principal Accounting Policies (continued)

### *h Fixed Asset/Social Investment asset Policy*

Fixed assets/Social investment assets are stated at cost less accumulated depreciation. Depreciation is provided at the following annual rates to write off the cost of the asset over their estimated useful lives:-

Buildings	Estimated life 50 years
Sports Facilities	Estimated life 25 years
Furniture & fittings	Estimated life 1 to 5 years

Where equipment and fittings are provided as part of the building, which is let with annual break clauses in the lease, then that cost is fully depreciated in the first year of the lease.

### *i Debtors*

Debts are recognised at their original value less any provision for impairment in their value.

### *j Creditors*

Creditors are shown at their original value.

### *k Expenditure*

All expenditure is accounted for on an accruals basis. Overhead and other support costs not directly attributable to a particular functional activity are apportioned on the basis of management estimates.

Expenditure by the Foundation's subsidiary, which is consistent with the Foundation's charitable objects, is recorded under 'charitable activities'.

### *l Grants Payable*

Grants payable are recorded in the SOFA when it is believed that there is a constructive obligation under FRS102. As explained in the SORP, a constructive obligation, in this context, arises when the trustees have communicated their funding decision to the University.

### *m Investment Property*

Investment property is land and buildings held for rental income or capital appreciation. They are initially measured at cost and subsequently at fair value with movements recognised in the SOFA. Properties are not depreciated but revalued or reviewed annually.

### *n Financial Instruments*

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

### *o Short Term Deposits and Cash at Bank*

The heading 'cash at bank' includes deposits repayable within 24 hours without penalty, all other deposits being included within the heading 'short term deposits'. All cash at bank and short term deposits are held at approved banks within the United Kingdom.

### *p Leases*

Operating lease rentals are charged to the SOFA on a straight line basis over the period of the lease.

### **Significant Judgements and estimates**

Due to the nature and location of a number of the Foundation's Investment Properties, the Trustees have used a discounted rental valuation approach to ascertain a fair value.

### 3 Legal Status of the Foundation

The Foundation is a company limited by guarantee. In the event of it being wound up, the liability in respect of the guarantee is limited to £1 per member.

### 4 Financial Performance of the Foundation

The consolidated statement of financial activities includes the results of the Foundation's wholly owned subsidiary, Bristol Polytechnic Enterprises (Developments) Limited. The summary position of the Foundation alone is:

Summary profit and loss account	2022 £000 [12 months]	2021 £000 [12 months]
Income	810	770
Expenditure on charitable activities	(2,134)	(1,399)
<b>Net Expenditure</b>	<b>(1,324)</b>	<b>(629)</b>
Revaluation of investment property	120	(120)
<b>Net movement of funds</b>	<b>(1,204)</b>	<b>(749)</b>
Total funds brought forward	34,855	35,355
Gift aid from subsidiary	78	249
<b>Total funds carried forward</b>	<b>33,729</b>	<b>34,855</b>

### 5 Bristol Polytechnic Enterprises (Developments) Limited

The Foundation has a wholly owned subsidiary incorporated in the UK, Bristol Polytechnic Enterprises (Developments) Limited (BPED), whose principal activity is the development of land, and the construction and leasing of buildings for the benefit of the University of the West of England. This activity is consistent with the Foundation's charitable objectives and the relevant costs are, therefore, included within 'charitable activities'. BPED is limited by share capital and is registered in England (No 02388291). Its registered office is c/o Finance Department, University of the West of England, Frenchay Campus, Bristol, BS16 1QY.

BPED's summary financial position is shown below

Summary profit and loss account	2022 £000 [12 months]	2021 £000 [12 months]
Interest receivable	3	2
Other income	6,202	80
<b>Net income</b>	<b>6,205</b>	<b>82</b>
Interest payable	-	-
Other expenditure	(8)	(4)
Revaluation of investment property	33	-
<b>Profit for the period</b>	<b>6,230</b>	<b>78</b>

## 5 Bristol Polytechnic Enterprises (Developments) Limited (continued)

Summary balance sheet	2022 £000 [31 August]	2021 £000 [31 August]
Current Assets	7,173	1,021
Current Liabilities	-	-
Amounts payable in more than one year	-	-
Total net assets	<u>7,173</u>	<u>1,021</u>
Aggregate share capital and reserves	<u>7,173</u>	<u>1,021</u>

## 6 Trustees' Remuneration

No remuneration or expenses have been paid to the Foundation's trustees or the directors of its subsidiary in the year under review or the previous year.

## 7 Staff

The Foundation has no employees, its administration being carried out by staff from the University of the West of England under a service contract.

## 8 Incoming Resources from Charitable Activities

	2022 £000 [12 months]	2021 £000 [12 months]
Rent receivable from land and buildings let to University of the West of England	<u>439</u>	<u>439</u>

## 9 Investment Income

	2022 £000 [12 months]	2021 £000 [12 months]
Bank interest receivable on deposits	77	54
Rent receivable from land and buildings	<u>296</u>	<u>279</u>
	<u>373</u>	<u>333</u>

**10 Analysis of Expenditure on Charitable Activities**

	2022	2021
	£000	£000
	[12 months]	[12 months]
<i>Charitable Activities Undertaken Directly</i>		
Costs relating to land and buildings leased to the University of the West of England		
Operating lease rentals	35	35
Depreciation	1,249	587
	1,284	622
Support and governance costs	43	39
	1,327	661
<i>Grant Funding of Charitable Activities</i>		
Grants to the University of the West of England to further its support of		
Memorial bursary & other support	16	44
Wallscourt scholarships	14	15
Wallscourt Professor & Fellowships	754	699
	784	758
Support and governance costs	2	2
	786	760

This note provides an analysis of the consolidated expenditure of the group as shown in the consolidated statement of financial activities on page 11. The costs have been apportioned between the charitable and the grant funding activities on the basis of an estimate of the time and resources spent.

**11 Analysis of Support and Governance Costs**

	2022	2021
	£000	£000
Management charge (see note 7)	33	34
Governance costs	5	-
Audit fees	7	7
	45	41
<i>Apportioned</i>		
Charitable activities undertaken directly	43	39
Grant funding on charitable activities	2	2
	45	41

The above apportionment has been made using estimates of the time spent on each activity.

**12 Investment property**

Basis of valuation

*Wallscourt Foundation*

The Foundation has one investment property. The property, Building 435 on the Bristol Business Park is let commercially and has been independently valued by Alder King, this valuation is reflected below.

*Bristol Polytechnic Enterprises (Developments) Limited*

The subsidiary's investment land was valued by Alder King at 31st August 2022 this valuation is reflected below.

**12 Investment Property**

	<b>Group</b>		<b>Foundation</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>[31 August]</b>	<b>[31 August]</b>	<b>[31 August]</b>	<b>[31 August]</b>
<b>Historical Cost</b>				
As at 31 August	4,860	4,860	4,770	4,770
	<u>4,860</u>	<u>4,860</u>	<u>4,770</u>	<u>4,770</u>
<b>Valuation</b>				
Balance at 01 September	3,620	3,740	3,530	3,650
Transfer from Property under construction	-	-	-	-
Revaluation of property	153	(120)	120	(120)
Balance at 31 August	<u>3,773</u>	<u>3,620</u>	<u>3,650</u>	<u>3,530</u>

**13 Social Investment Property**

	<b>Group</b>		<b>Foundation</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>[31 August]</b>	<b>[31 August]</b>	<b>[31 August]</b>	<b>[31 August]</b>
<b>Cost</b>				
As at 01 September	20,919	20,919	20,919	20,919
Additions	-	-	-	-
As at 31 August	<u>20,919</u>	<u>20,919</u>	<u>20,919</u>	<u>20,919</u>
<b>Depreciation</b>				
As at 01 September	1,834	1,247	1,834	1,247
Charge for the period	1,249	587	1,249	587
As at 31 August	<u>3,083</u>	<u>1,834</u>	<u>3,083</u>	<u>1,834</u>
<b>Net Book Value</b>				
As at 31 August	<u>17,836</u>	<u>19,085</u>	<u>17,836</u>	<u>19,085</u>

**14 Property under construction**

There are no properties under construction

15 Debtors	Group		Foundation	
	2022	2021	2022	2021
	£000	£000	£000	£000
	[31 August]	[31 August]	[31 August]	[31 August]
Prepayments and accrued income	75	54	74	53
Debtors	6,320	269	223	269
	<u>6,395</u>	<u>323</u>	<u>297</u>	<u>322</u>

There are no long term debtors

16 Creditors: Amounts Falling Due Within One Year

	Group		Foundation	
	2022	2021	2022	2021
	£000	£000	£000	£000
	[31 August]	[31 August]	[31 August]	[31 August]
Accruals	47	52	47	52
Deferred income	237	244	237	244
VAT	28	30	28	30
	<u>312</u>	<u>326</u>	<u>312</u>	<u>326</u>

Deferred income relates solely to rent receivable or other income received in advance of the balance sheet date.

	Group	Foundation
	£000	£000
Balance at 1 September 2021	244	244
Amount released in the year	(244)	(244)
Amount deferred in the year	237	237
Balance as at 31 August 2022	<u>237</u>	<u>237</u>

17 Creditors: Amounts Falling Due After One Year

There are no creditors falling due after more than one year.

18 Reserves	Balance					Balance
	01-Sep-20	Income	Expenditure	Revaluation	Transfers	31-Aug-21
	£000	£000	£000	£000	£000	£000
<b>Unrestricted funds</b>						
General funds (foundation)	8,475	769	(1,399)	-	1,786	9,631
Subsidiary funds	1,192	82	(4)	-	(249)	1,021
<b>Designated funds</b>						
Operating reserve	3,210	-	-	-	(831)	2,379
Social Investment Property reserve	19,672	-	-	-	(587)	19,085
Investment Property reserve	3,740	-	-	(120)	-	3,620
Building development reserve	119	-	-	-	(119)	0
<b>Total unrestricted funds</b>	<b>36,408</b>	<b>851</b>	<b>(1,403)</b>	<b>(120)</b>	<b>-</b>	<b>35,736</b>
<b>Restricted funds</b>						
John Hullah Trust fund	139	1	-	-	-	140
<b>Total restricted funds</b>	<b>139</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140</b>
<b>Total funds</b>	<b>36,547</b>	<b>852</b>	<b>(1,403)</b>	<b>(120)</b>	<b>-</b>	<b>35,876</b>

	Balance					Balance
	01-Sep-21	Income	Expenditure	Revaluation	Transfers	31-Aug-22
	£000	£000	£000	£000	£000	£000
<b>Unrestricted funds</b>						
General funds (foundation)	9,631	808	(2,127)	-	3,199	11,511
Subsidiary funds	1,021	6,205	(8)	-	(45)	7,173
<b>Designated funds</b>						
Grant reserve	2,379	-	-	-	(1,905)	474
Social Investment Property reserve	19,085	-	-	-	(1,249)	17,836
Investment Property reserve	3,620	-	-	153	-	3,773
<b>Total unrestricted funds</b>	<b>35,736</b>	<b>7,013</b>	<b>(2,135)</b>	<b>153</b>	<b>-</b>	<b>40,767</b>
<b>Restricted funds</b>						
John Hullah Trust fund	140	1	(6)	-	-	135
<b>Total restricted funds</b>	<b>140</b>	<b>1</b>	<b>(6)</b>	<b>-</b>	<b>-</b>	<b>135</b>
<b>Total funds</b>	<b>35,876</b>	<b>7,014</b>	<b>(2,141)</b>	<b>153</b>	<b>-</b>	<b>40,902</b>

The Grant designated fund represents amounts set aside to meet future known grant commitments.

The two Property designated funds represent the investment in Social Investment and Investment Properties.

The Building development reserve represents amounts set aside to complete on going property development.

In 2017 funds were transferred from the John Hullah Trust, a dormant charity, into a restricted reserve.

The funds are held as cash and are to be used for the provision of bursaries and other support for the students of the Faculty of Art, Creative Industries and Education.

**19 Analysis of Group Net Assets Between Funds**

	Undesignated				
	Reserve	Property	Operating	Restricted	Total
31.08.2021	£'000	£'000	£'000	£'000	£'000
Social Investment property	-	19,085	-	-	19,085
Investment Property	-	3,620	-	-	3,620
Cash at bank	10,655	-	2,379	140	13,174
Other Net Current Assets	(3)	-	-	-	(3)
Total	<u>10,652</u>	<u>22,705</u>	<u>2,379</u>	<u>140</u>	<u>35,876</u>

	Undesignated				
	Reserve	Property	Grant	Restricted	Total
31.08.2022	£'000	£'000	£'000	£'000	£'000
Social Investment property	-	17,836	-	-	17,836
Investment Property	-	3,773	-	-	3,773
Cash at bank	12,601	-	474	135	13,210
Other Net Current Assets	6,083	-	-	-	6,083
Total	<u>18,684</u>	<u>21,609</u>	<u>474</u>	<u>135</u>	<u>40,902</u>

**20 Financial Instruments**

	2022	2021
	£000	£000
Financial assets measured at amortised cost	19,605	13,497
Financial liabilities measured at amortised cost	(312)	(326)

**21 Other Financial Commitments**

	2022	2021
	£000	£000
Operating leases		
Due: Within one year	39	39
Between one and five years	83	155
After five years	<u>1,687</u>	<u>3,184</u>
	<u>1,809</u>	<u>3,378</u>



**22 Related Parties**

Professor S G West, a trustee of the Foundation, is the Vice-Chancellor of the University of the West of England. The Foundation's transactions and balances with the University are shown below.

	Group		Foundation	
	2022	2021	2022	2021
	£000	£000	£000	£000
	[12 months]	[12 months]	[12 months]	[12 months]
<b>Transactions with the University</b>				
Rent receivable	439	439	439	439
Operating lease rentals	(35)	(35)	(35)	(35)
Grants payable	(778)	(758)	(778)	(758)
Management services	(33)	(33)	(33)	(33)
	<u>(407)</u>	<u>(387)</u>	<u>(407)</u>	<u>(387)</u>
	2022	2021	2022	2021
	£000	£000	£000	£000
	[31 August]	[31 August]	[31 August]	[31 August]
<b>Balances at 31 August</b>				
Debtor	130	130	130	130
Accruals	(40)	(45)	(40)	(45)
	<u>90</u>	<u>85</u>	<u>90</u>	<u>85</u>

**23 Reconciliation of (Loss)/Surplus for the year to Net Operating Cash Flows**

	2022	2021
	£000	£000
	[31 August]	[31 August]
Net income for the year	4,873	(551)
Less interest received	(77)	(54)
Add Depreciation	1,249	587
(Increase)/Decrease in debtors	(6,072)	70
(Decrease) in creditors falling due within one year	(14)	(570)
<b>Net Operating Cash Flows</b>	<u>(41)</u>	<u>(518)</u>

**24 Post Balance Sheet Event**

In September 2022 the Foundation's subsidiary company Bristol Polytechnic Enterprises (Developments) Limited company received £6.097m of overage income in respect of its Overage Deed over the land it sold East of Coldharbour Lane, Bristol to Taylor Wimpey in 2015.

