



The Anchor Society Limited
(Limited by Guarantee)

Trustees' report and unaudited financial statements
for the year ended 31 December 2020

Company registration 05796497
(England and Wales)

Charity registration number 1116392

Contents

	Page
Report of the Trustees	1
Statement of Trustees' responsibilities	3
Report of the Independent Examiner	5
Statement of financial activities	6
Balance Sheet	7
Notes	8

Trustees' Report

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, submit their report and the financial statements of the charity for the year ended 31 December 2020.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reference and administrative details

The Anchor Society Limited is a company limited by guarantee, registered in England and Wales on 26 April 2006 (Number 05796497), and was registered as a charity on 16 October 2006 (Number 1116392).

Each of the members is liable to contribute a sum not exceeding £10 towards the assets of the company in the event of liquidation.

Registered Office

Bennetts Solicitors
Barley Wood Stables,
Long Lane
Wroughton
Bristol
BS40 5SA.

Independent examiner

Lawes & Co UK Limited
Boyce's Building
40-42 Regent Street
Clifton
Bristol
BS8 4HU

Solicitors

Bennetts Solicitors
Barley Wood Stables,
Long Lane
Wroughton
Bristol
BS40 5SA

Bankers

HSBC UK Bank Plc
62 George White Street
Cabot Circus
Bristol
BS1 3BA

Trustees

The following served as Trustees during the year:

MW Griffiths	Chairman	(resigned 13 November 2020)
WJ Marshall	Chairman	(appointed Trustee 16 January 2020 and Chairman 13 November 2020)
HL Wallington	Hon Secretary	
RE Evans	Hon Treasurer	
WHR Durie		
BJ Hanson		(appointed 16 January 2020)

Trustees' Report (continued)

Company Secretary

HL Wallington

Structure and Governance

The Anchor Society Limited is controlled by its governing documents, its memorandum and articles of association as a company limited by guarantee as defined by the Companies Act 2006.

The charity is governed by its board of directors appointed in consultation with The Anchor Society CIO.

The Board can second additional members to advise it as it sees fit. All Board members, whether Trustees or Secondees, are appointed from The Anchor Society CIO's membership and are assessed by the Board as having the required skills and experience to fulfil their responsibilities. Decisions are made by the Board who meet on a quarterly basis.

Objectives and activities for the public benefit

The company was established to develop superior quality housing for older people in the BS and neighbouring postcode areas and to sell (outright or on a shared ownership basis) or rent these properties to qualifying persons. Profits generated are to be used to fund retained property equity shares and to enable future possible development schemes to be identified and progressed. Retained profits in excess of these needs may be transferred to The Anchor Society CIO and used to support its charitable purposes.

The company holds factory premises at Badminton Road, Yate which is let. The company has been given responsibility for applying for planning permission to develop these properties to further enhance the charitable assets of The Anchor Society CIO. The rental income from the factory will fund investigation of new projects in pursuit of its charitable objectives and those of The Anchor Society CIO.

The company also makes available low cost loans to needy individuals, aged over 55, for essential home improvements. These enable them to remain in their own home for longer. The loan is secured and repayable out the proceeds of sale when the owner leaves the property. They are indexed in line with the Consumer Prices Index.

The charity's Trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission on public benefit.

Review of developments, activities and achievements

During the year, The Anchor Society Limited received rents from the factory premises at Badminton Road and made progress on planning applications at the remainder of Home Farm which is owned by The Anchor Society CIO.

A charitable donation of £10,000 was made to The Anchor Society CIO in support of their President's collection.

A grant of £2,200 was received from The Anchor Society CIO that was used for intergenerational project costs.

Trustees' Report (continued)

Financial review

On 31st December 2020 the charity's reserves amounted to £873,033, which are mainly invested in the factory premises at Yate. These premises are currently undergoing a rent review, which may have an impact on the market value. In the Directors' opinion, the value of the factory is likely to exceed £570,000 (the value included in the balance sheet). Determination of the current market value cannot be completed under the review is concluded.

The Trustees review the level of cash and investments held at each meeting of the Board to ensure there are sufficient liquid funds to meet its commitments over the following 12 months. Future income will be used to meet its charitable objectives.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure proper controls are in place to provide reasonable assurance against fraud and error. Risks and their management are formally reviewed every year.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

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

Trustees' Report (continued)

In so far as the Trustees are aware:

- there is no relevant information in relation to the independent examination of which the charitable company's independent examiners are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information in relation to the independent examination and to establish that the independent examiners are aware of that information.

Independent examiner

The independent examiner, Lawes & Co UK Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 21st April 2021 and signed on its behalf by:

RE Evans
Trustee

Report of the independent examiner to the Trustees and members of The Anchor Society Limited (Limited by Guarantee) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the 2011 Act ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr PA Freeman BA FCA FCCA
for and on behalf of Lawes & Co UK Limited

Boyce's Building
40-42 Regent Street
Clifton
Bristol, BS8 4HU

Dated 27th May 2021

Statement of financial activities for the year ended 31 December 2020

(including income and expenditure account)

		2020	2019
	<i>Note</i>	£	£
Income from:			
Grants		2,200	14,218
Cash investments		65	-
Other trading activities	2	81,000	81,000
		<hr/>	<hr/>
		83,265	95,218
Expenditure on:			
Charitable activities	4	11,751	11,496
Raising funds	5	2,200	14,218
		<hr/>	<hr/>
		13,951	25,714
Net income for the year		<hr/>	<hr/>
		69,314	69,504
Other recognised gains/losses:			
Gains/(losses) on soft loans	9	266	526
		<hr/>	<hr/>
Net movement in funds		69,580	70,030
Unrestricted funds brought forward		<hr/>	<hr/>
		803,453	733,423
Unrestricted funds carried forward		<hr/>	<hr/>
		873,033	803,453
		<hr/>	<hr/>

The results for the period derive from continuing activities and there are no gains or losses other than those shown above.

Registered company no. 05796497

Balance sheet
at 31 December 2020

	<i>Note</i>	2020 £	£	2019 £	£
Fixed assets					
Fixed asset investments	8	570,000		570,000	
Current assets					
Debtors	9	55,755		55,489	
Cash at bank		276,914		206,195	
		332,669		261,684	
Current liabilities					
Amounts falling due within one year	10	(29,636)		(28,231)	
Net current assets		303,033		233,453	
Net assets		873,033		803,453	
Represented by:					
Unrestricted funds	11	873,033		803,453	

For the year ending 31 December 2020 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for

- a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

These financial statements were approved by the board of trustees on 21st April 2021 and were signed on its behalf by:

RE Evans
Trustee

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donation income is credited in the year in which it is received, and no adjustments are made for arrears or advance receipts, except where covenanted donations are paid for several years in advance, in which case the balance relating to future periods is included in creditors.
- Donated services and facilities and gifts in kind are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Rental income is included when receivable.
- Investment income is included when receivable.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked with the strategic management of the charity. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Notes (continued)

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Assets with a value of less than £1,000 are not capitalised.

Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Leased assets

Rentals in respect of operating leases are charged directly to the statement of financial activities in the period in which they fall due.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. In addition to the elderly and needy of Bristol, such funds may be held in order to finance capital investment and working capital.

Designated funds are those which the charity may, at its discretion, set aside for a specific purpose which would otherwise form part of the general reserves of the organisation. Specifically, the charity sets aside funds which represent the investment made in freehold property fixed assets for use by the charity and long-term loans to other charities for the provision of services to elderly persons in Bristol and the surrounding area.

2 Other trading activities

	2020 £	2019 £
Rent	81,000	81,000

Notes (continued)

3 Analysis of expenditure by activity

	<i>Note</i>	Assisting the elderly in need £	Support costs £	Total £
Donation to The Anchor Society CIO		10,000	-	10,000
Governance costs	6	-	1,751	1,751
		10,000	1,751	11,751

4 Expenditure on charitable activities

	<i>Note</i>	2020 £	2019 £
Grants			
The Anchor Society CIO		10,000	10,000
Governance costs	6	1,751	1,496
		11,751	11,496

5 Expenditure on raising funds

	2020 £	2019 £
Investment property costs	-	-
Project costs	2,200	14,218
	2,200	14,218

6 Governance costs

	2020 £	2019 £
Independent examiners' remuneration	1,500	1,200
Other costs	251	296
	1,751	1,496

7 Trustees' remuneration and benefits

There were no Trustees' remuneration or other benefits for the year ended 31 December 2020 (2019: £Nil) and no Trustees' expenses were paid for either period.

Notes (continued)

8 Fixed asset investments

	Land and buildings
Net Book Value at 1 January 2020	570,000
Net Book Value at 31 December 2020	570,000

Land and buildings

The net book value of land and buildings comprise:

	£
Freehold property	
Land and buildings at Yate	570,000

These premises are currently undergoing a rent review, which may have an impact on the market value. In the Directors' opinion, the value of the factory is likely to exceed £570,000 (the value included in the balance sheet). Determination of the current market value cannot be completed under the review is concluded.

9 Debtors amounts falling due after more than one year

	2020 £	2019 £
Soft loans		
Debtors at beginning of the year	55,489	16,411
Advanced during the year	-	40,870
Repayments during the year	-	(2,318)
Revaluation	266	526
Debtors at year end	55,755	55,489

Soft loans

These comprises loans made to individuals, aged over 55 years, for improvements to their homes to enable them to remain there.

The loans are secured on the properties and are repayable on disposal of the property. No interest is charged on the loan.

The value of the loans are adjusted in line with the consumer prices index to recognise the change in value during the year in accordance with the loan agreement. Any revaluation is recognised in the Statement of Financial Activities.

Notes (continued)

10 Creditors falling due within one year

	2020 £	2019 £
Accruals	1,500	1,400
Taxation	7,886	6,581
Income in advance	20,250	20,250
	<hr/>	<hr/>
	29,636	28,231
	<hr/>	<hr/>

11 Movement in unrestricted funds

	2020 £	2019 £
At 1 January 2020	803,453	733,423
Net movement in funds	69,580	70,030
	<hr/>	<hr/>
At 31 December 2020	873,033	803,453
	<hr/>	<hr/>

Net movement in funds, included in the above are as follows:

	2020 £	2019 £
Income	83,265	95,218
Expenditure	(13,951)	(25,714)
Gains and losses	266	526
	<hr/>	<hr/>
Net movement in funds	69,580	70,030
	<hr/>	<hr/>

12 Ultimate controlling party

There is no ultimate controlling party. The Anchor Society Limited is a company limited by guarantee.

Each of the members is liable to contribute a sum not exceeding £10 towards the assets of the company in the event of liquidation.

13 Related party transactions

14 During the year, the following relevant transactions occurred:

- a donation of £10,000 was made to The Anchor Society CIO (2019: £10,000) and grants were received from The Anchor Society CIO of £2,200 (2019: £14,218). WJ Marshall, WHR Durie, RE Evans and HL Wallington, trustees, are also trustees of The Anchor Society CIO.