# THE BUILT ENVIRONMENT TRUST

England & Wales · Charity number 1163419

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 09631202 |
| **Registered** | 2015-09-04 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | The Building Centre<br>26 Store Street<br>London<br>WC1E 7BT |
| **Phone** | 02076926204 |
| **Email** | BET@buildingcentre.co.uk |
| **Website** | www.buildingcentre.co.uk |

## Activities

**Objects:** TO MAINTAIN AND PROMOTE EDUCATION IN RELATION TO ARCHITECTURE, BUILDING, DECORATING, DESIGNING, ENGINEERING AND SURVEYING. (FOR FURTHER DETAILS SEE TRUST DEED).

**Activities:** The Built Environment Trust promotes and delivers education with the aim of improving the quality of our built environment. It inspires and educates both professionals and the general public, through a range of activities including holding exhibitions, organising lectures, seminars and events, providing and distributing information and providing facilities for research, innovation and discussion.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Environment/conservation/heritage
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

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## Geography

- Throughout England And Wales

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £2,735,087 | £2,933,772 | £3,438,150 | 17 |
| 2024-03-31 | £2,606,526 | £2,731,983 | £3,515,495 | 0 |
| 2023-03-31 | £2,495,362 | £2,907,140 | £3,853,984 | 0 |
| 2022-03-31 | £2,119,821 | £2,747,819 | £4,045,757 | 14 |
| 2021-03-31 | £2,046,852 | £2,243,958 | £4,063,464 | 14 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| Anna Beatrice Reiter | | 2024-06-19 |
| Anna Edith Moore | | 2023-09-20 |
| David Robert Hughes | | 2023-09-20 |
| Dr Richard Antony Robinson | | 2023-12-20 |
| KATAYOUN GHAHREMANI | | 2017-12-06 |
| Oyinkansola Onile-Ere | | 2023-12-20 |
| Sara Elizabeth Anne Lipscombe-Nott | | 2023-12-20 |
| Valery Jane Goddard | | 2023-12-20 |

## Linked charities

- THE BUILDING CENTRE TRUST (1163419-1)

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**THE BUILT ENVIRONMENT TRUST**

England & Wales - Charity number 1163419

# Accounts

Registered Company No. 9631202
Registered Charity No. 1163419

# The Built Environment Trust

## Trustees' Report and Consolidated Financial Statements For the year ended 31 March 2025

**The Built Environment Trust**

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**The Built Environment Trust**

**Trustees and trust information**
**Year ended 31 March 2025**

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| | |
|---|---|
| **Patron** | HRH The Duke of Gloucester KG GCVO |
| **President** | Spencer de Grey CBE RA |
| **Trustees** | Antony Oliver<br>Katy Ghahremani<br>Susan Ann Allen MBE (Chair)<br>Anna Moore<br>David Hughes<br>Oyinkansola Onile-Ere<br>Sara Lipscombe-Nott<br>Dr Richard Robinson<br>Valery Jane Goddard<br>Anna Reiter |
| **Chief Executive**<br>**Interim Chief Executive** | Colin Tweedy (resigned 31 December 2024)<br>Matthew Leach (appointed 22 April 2025) |
| **Auditors** | Saffery LLP<br>71 Queen Victoria Street<br>London<br>EC4V 4BE |
| **Investment managers** | Ruffer LLP<br>80 Victoria Street<br>London<br>SW1E 5JL |
| **Bankers** | Royal Bank of Scotland PLC<br>Drummond House<br>1 Redheughs Avenue<br>Edinburgh<br>EH12 9JN |
| **Charity number** | 1163419 |
| **Company number** | 9631202 |
| **Principal office and registered office** | 26 Store Street<br>London<br>WC1E 7BT |

**The Built Environment Trust**

**Report of the Trustees**
**Year ended 31 March 2025**

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The Trustees have pleasure in presenting their Report together with the financial statements for the year ended 31 March 2025.

## OBJECTIVES AND ACTIVITIES

The Built Environment Trust's objective is to promote education and insight in relation to the issues shaping our built environment.

### Our vision
We see the built environment as a shared project for the whole of society and seek to encourage and enable the conversations and learning necessary that make this a reality.

### Our mission
Our mission is to inspire, connect and empower people in order that they might work together to improve our collective understanding of the built environment and collaborate in improving it.

### Our purpose
We act as a convener for the industries that make up the built environment sector, the diversity of professionals working within those industries, and the wider public. In doing so, we champion positive engagement, cross-sectoral collaboration, increased understanding, whilst promoting inclusion, innovation, and sustainability in everything that we do.

### Who we are
The Built Environment Trust is a charity which promotes and delivers education, insight and collaboration in relation to the built environment through our stewardship of the Building Centre. We believe that we can contribute to improving the quality of the built environment by inspiring and educating people, professionals and the general public, about the built environment, its value and importance to their lives, and the issues and challenges that shape it. Acting as a hub for the built environment sector and a contact point between the sector and the general public, we help convene the conversations that enable this, promote shared learning and provide the thought leadership and action needed to achieve long term change.

### What we do
The Built Environment Trust operates the Building Centre, a public exhibition centre and office hub for organisations leading and representing the built environment sector. This is the primary hub for all of its activities and has been the historic home of the built environment since 1931. The Trust aims to advance understanding of quality in the built environment, working with the leading partners across the construction, architecture, engineering, design industries and other related areas. We achieve our objectives through a variety of activities and through partnership with others. Our activities include:

- Exhibitions and events
- Lectures and seminars
- Encouraging and providing facilities for discussion and debate
- Providing facilities for those working in the built environment industry to collaborate and share learning
- A materials gallery providing the public with access and education on the latest built environment technologies
- Associated learning programmes

OBJECTIVES AND ACTIVITIES continued

We gratefully acknowledge the assistance we received from external advisers and experts, and from companies and individuals who made voluntary contributions of time and materials.

ACHIEVEMENTS AND PERFORMANCE

The year ended 31 March 2025 has been the start of a period of transition, as the Trust has reflected on past activity and achievements and prepared for the future, having secured an extension to its historic lease of the Building Centre on Store Street. Trustees have initiated work on a new strategy for the charity, commenced work on new governance arrangements and embarked on significant changes in the leadership of the organisation, whilst continuing to deliver on its core mission.

**Creating a thriving hub for the built environment sector**
Through its subsidiary company, the Building Centre Group Ltd, the Trust has continued to provide a thriving and vibrant hub for the key organisations providing leadership across the built environment sector within the Building Centre.

A wide range of industry leadership bodies choose to locate themselves in the Building Centre, benefitting from opportunity provided to meet, collaborate and share knowledge across a fast moving and complex sector, including Build UK, the UK Green Building Council, the Construction Industry Council, the Construction Products Association, Timber Development UK and the British Woodworking Federation.

Consistent with enabling the delivery of its charitable purpose, the Building Centre has continued to prioritise the provision of office space to not-for-profit representative bodies associated with the built environment sector. By providing that shared space, it enables those bodies *to* both maintain and promote education amongst their membership in their own right, but also collectively and individually to participate in and benefit from the wider range of activities and opportunities offered within the Building Centre that further this as a goal.

Both Trust and Company actively encourage all occupiers to become a part of the wider community of practice that exists across the building, facilitating shared learning and collaboration across the built environment sector and beyond.

Reflecting the quality of and demand for our offer, the Building Centre continues to operate at close to full capacity, with high demand for spaces in all parts of the building.

**Promoting engagement and debate**
Since its establishment in 1931, the Building Centre has hosted the widest possible range of exhibitions and events aimed at informing and educating the public, policy makers and professionals working in the built environment sector.

Most recently, the Built Environment Trust has focused on enabling delivery through the Building Centre Group Ltd of large-scale, longer-term exhibitions focusing on issues of public importance, including the delivery of new homes and using retrofit to achieve net zero targets within the built environment. Typically, these are sponsored by a range of key industry partners, enabling significant investment in their content and presentation.

During 2024-25 these included:

## ACHIEVEMENTS AND PERFORMANCE continued

### Promoting engagement and debate continued

***Retrofit 24: The Reuse Agenda for our Commercial, Cultural & Civic Buildings.*** This exhibition was the second in our Retrofit series and continued the Building Centre's focus on striving towards Net Zero by 2050 by unlocking the potential in existing buildings. We need to prioritise retrofitting commercial buildings, as nearly 25% of the UK built environment's carbon footprint comes from heating, powering and operating these buildings. Retrofit 24 demonstrated how to achieve improvements in energy efficiency across all sectors, through examples of recent commercial, cultural and civic retrofit projects.




***New Homes in New Ways – Collaboration and Innovation through Modern Methods of Construction***. This exhibition told the story of how Modern Methods of Construction can accelerate the supply of new homes, with an emphasis on delivering the social rent housing needed at pace amidst the current housing emergency. The exhibition was co-curated by the Building Centre and Housing Festival, a think-and-do tank based in Bristol. It drew on the recently released Social Rent Housing at Pace Playbook (2024), which demonstrates the opportunity for the public sector to incubate a new supply chain of factory-manufactured housing, while unlocking "unlikely" land and rethinking the economics. Launched by Housing Festival, the Playbook is a response to our broken housing system and severe shortfall of safe and secure social rent homes.

### Facilitating education and learning

Since its establishment, the Building Centre has provided an important central-London venue for the public, designers, architects and other built environment professionals to engage with and better understand the technologies and materials through which our modern world is constructed. This remains an important way in which we continue to deliver our charitable purpose.

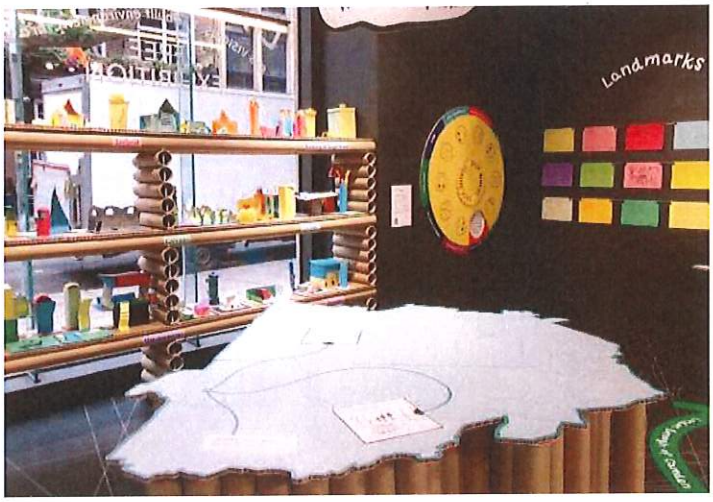
What started out as the Materials Bureau of the Architects Association in the 1930s, subsequently became a showcase for the new homes being built across the nation, providing opportunities to experience one of the first all-electric kitchens in the UK, or explore new types of homes, floor coverings, lighting and heating that defined the post-war period.

## ACHIEVEMENTS AND PERFORMANCE continued
### Facilitating education and learning continued

That role continues in our Product Gallery in which the Building Centre partners with a range of building materials designers and producers to showcase new building technologies and materials to the widest range of audiences, from professionals seeking to identify possible suppliers to members of the public interested in learning more about what makes up the built environment. During 2024-25 some 50 organisations exhibited in the Product Gallery, contributing to the delivery of our educational mission.

In addition to this, during 2024-25, the Trust facilitated learning activities both inside and outside of the Building Centre aimed at educating young people and children about the built environment. Learning activities engaged with 2,110 people, compared to 2,747 last year. This breaks down as 1,191 children and 919 adults. Of these people 1,005 took part in outreach activities and 1,105 visited the Building Centre for their activity. Activities included:

***Little Investigators project***. This project was completed during the year with an interactive and colourful exhibition in the Window Gallery, community workshops and a report on what 450 primary school children like and don't like about where they live. The project received a commendation at the Thornton Education Trust's Inspiring Future Generation Award.




***Local Investigators***. The Trust and Architecture for Kids CIC secured £8,850 in funding from North Paddington Creates to deliver this project. The project involved engaging with residents in five of the most deprived wards in Westminster looking at their connections to the area. In total we collected just under 200 stories which were turned into maps and exhibited at Maida Vale library.

***Bourne Education Trust Sustainability Conference***. This was attended by fifty Year 6 and Year 7 pupils from seven of the Trust's schools. During the day pupils took part in activities that included meeting the professionals, examining building materials, measuring heat loss in buildings and presenting their own eco projects in schools.

## ACHIEVEMENTS AND PERFORMANCE continued

### Facilitating education and learning continued

***Greening the City***. The Trust worked with freelancer China Chapman to deliver a community project researching the role of greenery on inner city housing estates. With buy in from Islington Council, the aim of the project was to strengthen communities and to develop awareness and understanding of the built environment. A report was produced at the end of the research, and Islington Council are keen to deliver on some of the recommendations identified.

***Housing Standardisation exhibition – Who Designs Our Homes and How Do We Live?*** This exhibition was based on a 3 year study by the Royal College of Arts and posed questions: What does a typical home in England look like? How does it compare to housing in other countries? How are these homes designed and what is it like to live in them? As part of the Learning programme, we offered sessions for primary schools to come and explore the exhibition, learn about homes in different countries and create their own plans with staff from the RCA.

## PLANNING FOR THE FUTURE

As noted, 2025-26 marked the start of a transitional year for the Trust. With the commencement of the renewed lease in October 2025, trustees have initiated planning for the next phase of the Built Environment Trust's work. A new medium-term business plan will be considered by trustees in 2025, setting priorities through to the end of 2027-28, which, subject to those trustee discussions, is likely to focus on a range of issues, including:

- Sustaining the Building Centre's role as a vibrant central hub for the built environment sector, in which knowledge and learning is shared across the sector
- Continuing to deliver a diverse programme of exhibitions, events and seminars in the building, consistent with our educational purpose
- Ensuring the best use is made of all available spaces in the Building Centre, both in direct furtherance of our charitable purpose, and to raise funds to support its delivery
- Continuing to showcase the latest building products and technologies as part of our mission to educate and inform the public about new developments in the built environment
- Seeking through our work to foster deeper connections between built environment professionals, partners, students, creatives and the wider public.

## PUBLIC BENEFIT

The Trustees have complied with the duty in Section 4 of The Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken in the Building Centre are available to the public and to persons interested in the field of the built environment, and range from topics of general interest to more specialist and technical content, reflective of the particular challenges faced when addressing issues such as improving the environmental performance of housing stock, or introducing more modern methods of construction to increase housing supply. All exhibitions held at the Building Centre are free of charge. Charges are made for certain seminars and events, but these charges are not at a level where it is considered that they would prevent access to anyone wishing to attend, and the majority of talks are free to enter.

**PUBLIC BENEFIT continued**

A range of other organisations collaborated and partnered with the Trust and the Building Centre to enable a wider range of free-to-access events of benefit to the built environment, over the course of the last year. We also offer online events and virtual tours of our main exhibitions to increase accessibility for all, free of charge. In this way, the Trust is providing public benefit in the field of education in accordance with its charitable objectives. The Trust is keen to continue to be inclusive in promoting education in relation to the built environment to the largest number of individuals and organisations possible.

**FINANCIAL REVIEW**

**Financial context**

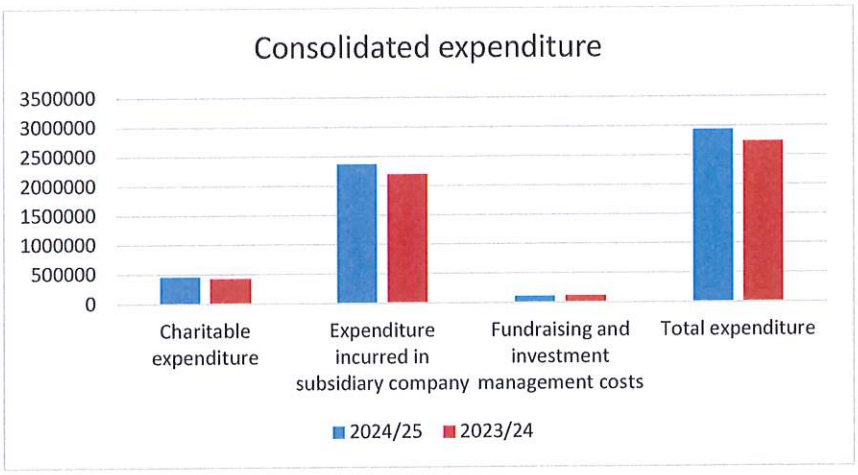
In the year to 31 March 2025, income streams from the operation of The Building Centre have continued to increase. However, the pressure on profitability remains as a result of rising costs. The financial environment is very challenging for the Trust and its fundraising income for this year has been minimal. Strong financial management is being applied to all discretionary expenditure across the organisation. Since the year end, the cost base of the organisation has been reviewed, and actions have been taken to improve profitability.

**Overview of consolidated Statement of Financial Activities (page 18)**

The Built Environment Trust has a wholly owned subsidiary, the Building Centre Group Ltd, which undertakes both charitable and commercial activities. The subsidiary's income and expenditure are shown separately in the consolidated Statement of Financial Activities (SOFA). The income and expenditure from charitable activities in the SOFA, relates solely to Trust activities.

In the year ended 31 March 2025 the total consolidated income was £2,735,087, an increase of 5% from last year's total of £2,606,526. Income generated in the subsidiary company represents 98% of total consolidated income.

In the year ended 31 March 2025, the total consolidated expenditure was £2,933,772, an increase of 7% from last year's total of £2,731,983.




As a result, the net consolidated expenditure (the operational deficit) was £198,685 compared to net consolidated expenditure of £125,457 in the prior year. This figure is before including gains/losses on investments, actuarial gains on the pension scheme valuation, and corporation tax arising in the subsidiary company.

FINANCIAL REVIEW continued
**Overview of consolidated Statement of Financial Activities (page 18) continued**

In the financial year there were net gains on investments of £103,383 (2024: net losses of £207,798). The subsidiary company incurred a corporation tax charge of £28,293 (2024: charge of £45,484). There was a net actuarial gain on the defined benefit pension scheme of £46,250 (2024: net actuarial gain of £40,250).

Overall, there was a net decrease in consolidated funds of £77,345 for the year (2024: net decrease in funds of £338,489).

**Income**
Income is received predominantly from trading income generated in the subsidiary company. In addition, there is a small amount of income from charitable activities and from investments.

Income generated in the subsidiary company and included in the consolidated SOFA, was 4% higher than last year at £2,682,404 (2024: £2,573,049). The increase in income can be attributed to two main income streams. Firstly, income from the provision of facilities for conferences, talks and events and secondly, income from provision of exhibition and office space. Last year's income figures included £81,303 in respect to a coronavirus business interruption insurance claim. The trend in the various income streams of the company can be seen in the last table of note 5 in the accounts.

Income from charitable activities was minimal at £12,984 (2024: £5,918), with income generation continuing to be challenging.

**Expenditure**
The year ended 31 March 2025 was the second full year of the Learning programme. Charitable expenditure incurred directly by the Trust increased by 7% to £457,582 (2024: £425,841).

The Trust's investment in fundraising has continued, with fundraising expenditure of £108,490 (2024: £114,361).

Expenditure incurred in the subsidiary company and included in the consolidated SOFA, increased by 8% to £2,367,700 (2024: £2,191,781). Expenditure relates to the provision of exhibition and office space, information services, facilities for conferences, talks and events, and an exhibition and event programme.

**Reserves policy and management**
Reserves are maintained at a level that enables the Trust to manage financial risk and short-term income volatility and provide a stable base for the Trust's continuing charitable activities. The reserves policy takes into consideration commitments over the medium term in respect of the Trust's property obligations under its lease and reserves have been designated for this purpose.

The level of free reserves (calculated as the total reserves in the Trust excluding tangible fixed assets and investment in its subsidiary) decreased to £2,543,914 at 31 March 2025 from £2,970,409 at 31 March 2024. The trustees reviewed the existing reserves policy, in light of having secured a new lease until 2029. The new lease does not include a liability for dilapidations, and accordingly, the designated property fund has been reduced from £2,000,000 to £1,000,000.

The Trustees have determined that the level of free reserves after transfers to designated funds should exceed six months expenditure.

## FINANCIAL REVIEW continued

Undesignated free reserves at 31 March 2025 amounted to £1,543,914 (2024: £970,409) which exceeds six months budgeted expenditure of £500,000 for the year ended 31 March 2026.

### Investment policy and performance

The investment policy supports the reserves policy. The Trust seeks to adopt a cautious, prudent and diversified approach to balance potential returns with appropriate levels of risk.

The Trust's investments are held in the Charity Assets Trust operated by Ruffer LLP. Ruffer LLP manages the Trust's investments with the aim of increasing the value of the portfolio, after fees, at a higher rate than would be achieved by placing cash on deposit. A review of the investment strategy and financial performance is reported to the Trustees quarterly. The Charity Assets Trust has an integrated responsible investment policy.

In August 2024, £300,000 of investments were realised to create funding for the deficit budget. The portfolio valuation reduced to £2,546,976 at 31 March 2025 from £2,743,593 at 31 March 2024.

### The Building Centre Group Pension and Life Assurance Scheme

In accordance with accounting standards, the consolidated financial statements of The Built Environment Trust include adjustments relating to the defined benefit pension scheme. The pension scheme was in deficit at the end of the last financial year. The deficit, valued in accordance with accounting standards, has been eliminated during the year ended 31 March 2025.

The directors of the company are working with the Scheme trustees to manage the Scheme deficit, based on the last triennial valuation. The funding shortfall is expected to be eliminated by 2028.

### Going concern

The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

The Trust has recognized the challenges in respect to fundraising for its activities and is now focusing on reducing its cost base to manage its annual deficit. The company made a profit in this financial year.

At 31 March 2025 there were consolidated net current assets of £869,630. With careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

## PRINCIPAL RISKS AND UNCERTAINTIES

### Risk management

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. At least once a year a risk review is undertaken and the risks identified through this process are documented in a risk register.

## PRINCIPAL RISKS AND UNCERTAINTIES continued
### Risk management continued

The principal risks and uncertainties facing the Trust and its subsidiary company are as follows:

1. **Store Street**
   ***Risk*** – Our lease for 26/27 Store Street with The Corporation of London, our landlord for 50 years, is coming to an end in October 2025. A new lease has now been secured until September 2029.
   ***Management*** – The Trustees are pleased to have secured a new lease so that the organisation can continue to support the built environment community and the interests of the general public. However, the Trustees recognise that the strategic priorities set out in the "Future Plans" section of this report are critical to the future sustainability of the organisation and will be the focus of the executive team over the next year.

2. **The defined benefit pension scheme**
   ***Risk*** - The defined benefit pension scheme is currently in deficit, as calculated by the last full triennial actuarial valuation at 6 April 2022. The additional funding requirements may place significant pressure on cash flow in the future.
   ***Management*** - There is good communication between the directors of The Building Centre Group Limited and the Trustees of the Pension Scheme. A recovery plan is currently in place and will be reviewed regularly in line with the triennial actuarial valuation. The deficit has been reducing over recent years. A new triennial valuation at 6 April 2025 is currently being undertaken.

3. **Income generation**
   ***Risk*** - In the current economic environment, the retention of existing income streams and diversification into new income streams is a challenge for the organisation. Income may not be sufficient to cover forecast expenditure.
   ***Management*** – A new Business Plan will be considered by Trustees in 2025 which will focus on greater activation of the Building Centre to create income growth. Financial forecasts are reviewed and updated regularly to take account of changing circumstances.

4. **Rising costs**
   ***Risk*** – Our overhead cost base increases at a higher rate than originally anticipated, impacting on profitability and cash flow.
   ***Management*** - A significant proportion of our overhead cost base is fixed for the short term. There are known increases in rent, rates and pension scheme deficit payments. For all other costs, these will be reviewed and managed to the best of our ability, whilst being sensitive to the impact of rising costs on our employees and other stakeholders. Discretionary expenditure will be tightly controlled. A four year maintenance plan will be put in place to manage the risks associated with the fabric of the building.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Structure and management

The Built Environment Trust has a wholly owned subsidiary company, The Building Centre Group Limited, which undertakes both primary purpose charitable trading activities as well as commercial trading.

The Built Environment Trust is governed by a Board of Trustees who set strategic direction, ensure that the Trust achieves its objectives and oversee governance.

## STRUCTURE, GOVERNANCE AND MANAGEMENT continued

The day-to-day management and administration of the Trust is delegated to the Chief Executive and the executive team. Colin Tweedy stood down as CEO of the Built Environment Trust and of the Building Centre Group Ltd in December 2024. A new Interim Chief Executive, Matthew Leach, was appointed in April 2025.

### Remuneration policy

All staff, including key management personnel, are employed by The Building Centre Group Limited. In setting remuneration levels, the directors have regard to pay in organisations which employ individuals with similar skills, competences and qualifications. The remuneration of key management personnel is authorised by the non-Executive Chair of The Building Centre Group Limited and the Chair of The Built Environment Trust.

### Trustees

All Trustees are members of the charity and directors of the charitable company. The Trustees must hold at least three meetings a year.

Trustees are appointed for an initial period of 3 years that can be extended for two further three year terms. The Articles of Association provide for the number of Trustees to be between three and ten. The current Trustees are shown on page 1.

The following changes to trustees have taken place during the year:

Richard Hill (retired 9 June 2024)
Anna Reiter (appointed 19 June 2024)

Recruitment of new trustees is based upon identifying people with skills in specific areas to ensure that there is appropriate experience on the Board. They are recruited primarily from built environment related industries. Each Trustee undertakes an induction programme that includes governance and financial documentation and meetings with the Chief Executive and members of the management team.

## FUNDRAISING

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not actively raise funds or solicit donations directly from the general public. The Charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during the period.

## REFERENCE AND ADMINISTRATIVE DETAILS

The Built Environment Trust is a company limited by guarantee and a registered charity. It was incorporated on 9 June 2015 and registered with the Charity Commission on 4 September 2015. The Built Environment Trust continues the work of its predecessor charity, The Building Centre Trust.

The audited consolidated financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP), the Charities Act 2011 and the Companies Act 2006. The financial statements combine the results of The Built Environment Trust and its wholly owned subsidiary, The Building Centre Group Limited.

## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of The Built Environment Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In the case of each Trustee in office at the date the Trustees' Report is approved:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- They have taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

## INDEPENDENT AUDITORS

Saffery LLP have expressed their willingness to remain in office.

The Trustees have taken advantage of the small companies' regime in preparing the Report of the Trustees.
The Report of the Trustees was signed on behalf of the Trustees by:

Sara Lipscombe-Nott
Acting Chair

17 September 2025

## Opinion

We have audited the financial statements of the Built Environment Trust for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the consolidated and Trust balance sheets, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 March 2025 and of the group's incoming resources and application of resources, including 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 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

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 or the parent charitable company'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 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.

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 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.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**
In the light of the 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 Report of the Trustees.

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

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

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 and 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.

**Auditor's responsibilities for the audit of the financial statements**
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent charitable company'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 parent charitable company'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Cara Turtington (Senior Statutory Auditor)**
**for and on behalf of Saffery LLP**

17 September 2025

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Built Environment Trust

## Consolidated statement of financial activities
## For the year ended 31 March 2025
## (Incorporating an income and expenditure account)

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | £ | £ |
| **Income from:** | | | |
| **Legacies** | 3 | - | - |
| **Charitable activities** | 4 | 12,984 | 5,918 |
| **Other trading activities** | | | |
| Income generated in subsidiary company | 5 | 2,682,404 | 2,573,049 |
| **Investments** | | 39,699 | 27,559 |
| **Total income** | | 2,735,087 | 2,606,526 |
| **Expenditure on:** | | | |
| **Charitable activities** | 6 | 457,582 | 425,841 |
| **Raising funds** | | | |
| Expenditure incurred in subsidiary company | 5 | 2,367,700 | 2,191,781 |
| Fundraising expenditure | | 108,490 | 114,361 |
| Investment management costs | | - | - |
| | | 2,476,190 | 2,306,142 |
| **Total expenditure** | | 2,933,772 | 2,731,983 |
| Net gains/(losses) on investments | | 103,383 | (207,798) |
| **Net (expenditure)/income before taxation and other recognised gains and losses** | 7 | (95,302) | (333,255) |
| Taxation | 8 | (28,293) | (45,484) |
| **Net (expenditure)/income after taxation and before other recognised gains and losses** | | (123,595) | (378,739) |
| **Other recognised gains/(losses)** | | | |
| Actuarial gain/(loss) on defined benefit pension scheme | | 134,000 | 119,000 |
| Deferred tax relating to pension scheme | | (87,750) | (78,750) |
| **Net movement in funds** | | (77,345) | (338,489) |
| **Reconciliation of funds** | | | |
| Total funds brought forward 1 April 2024 | | 3,515,495 | 3,853,984 |
| **Total funds carried forward 31 March 2025** | 15 | 3,438,150 | 3,515,495 |

The notes and accounting policies on pages 21 to 39 form part of these accounts.
All of the Trust's funds are unrestricted

The Built Environment Trust

## Balance sheets
## At 31 March 2025

| | Notes | Consolidated | | Trust | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Tangible assets | 10 | 27,222 | 6,783 | - | - |
| Investments | 11 | 2,546,976 | 2,743,593 | 2,546,976 | 2,743,593 |
| Investments in subsidiaries | 11 | 300 | 300 | 950,000 | 950,000 |
| | | 2,574,498 | 2,750,676 | 3,496,976 | 3,693,593 |
| **Current assets** | | | | | |
| Debtors | 12 | 632,653 | 582,546 | 230,040 | 261,530 |
| Cash at bank and in hand | | 1,320,804 | 1,484,298 | 162,616 | 318,203 |
| | | 1,953,457 | 2,066,844 | 392,656 | 579,733 |
| Creditors: amounts falling due within one year | 13 | (1,083,827) | (949,430) | (395,718) | (352,917) |
| **Net current assets/(liabilities)** | | 869,630 | 1,117,414 | (3,062) | 226,816 |
| **Total assets less current liabilities** | | 3,444,128 | 3,868,090 | 3,493,914 | 3,920,409 |
| Deferred taxation | 14 | (5,978) | (1,595) | - | - |
| Defined benefit pension scheme liability | 17 | - | (351,000) | - | - |
| **Net assets** | | 3,438,150 | 3,515,495 | 3,493,914 | 3,920,409 |
| **Funds** | | | | | |
| Unrestricted funds | 15 | 3,438,150 | 3,778,745 | 3,493,914 | 3,920,409 |
| Defined benefit pension scheme deficit | 15 | - | (263,250) | - | - |
| **Total funds** | 15 | 3,438,150 | 3,515,495 | 3,493,914 | 3,920,409 |

No separate company Statement of Financial Activities (SOFA) has been prepared by the Charity as permitted by section 408 Companies Act 2006. The charitable company's income for the year was £636,190 (2024: £632,215) and the deficit for the year was £426,496 (2024: deficit of £715,785).

The financial statements on pages 18 to 39 were approved by the Trustees on 17 September 2025 and signed on their behalf by:

Lipscombe-Nott

**Sara Lipscombe-Nott**
**Acting Chair**

**Company registration number: 9631202**

The Built Environment Trust

## Consolidated statement of cash flows
For the year ended 31 March 2025

| Statement of cash flows | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Net cash used in operating activities** | **(423,239)** | **(227,742)** |
| **Cash flows from investing activities** | | |
| Investment income | 39,699 | 27,559 |
| Purchase of tangible fixed assets | (35,966) | (3,599) |
| Proceeds from the sale of investments | 300,000 | 2,353,140 |
| Purchase of investments | - | (1,944,207) |
| **Net cash provided by investing activities** | 303,733 | 432,893 |
| Corporation tax (paid)/received | (43,988) | 28,789 |
| Change in cash and cash equivalents in the year | (163,494) | 233,940 |
| Cash and cash equivalents at 1 April | 1,484,298 | 1,250,358 |
| **Cash and cash equivalents at 31 March** | **1,320,804** | **1,484,298** |

| Reconciliation of net expenditure to net cash flow from operating activities | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Net (expenditure)/income for the reporting period as per the statement of financial activities** | **(95,302)** | **(333,255)** |
| **Adjustments for** | | |
| Investment income | (39,699) | (27,559) |
| Depreciation charges | 15,527 | 6,383 |
| (Gains)/losses on investments | (103,383) | 207,798 |
| (Increase)/decrease in debtors | (137,857) | 18,615 |
| Increase/(decrease) in creditors | 154,475 | 96,276 |
| Pension gains recognised in SOFA excluding actuarial gain | (217,000) | (196,000) |
| **Net cash used in operating activities** | **(423,239)** | **(227,742)** |

| Analysis of cash and cash equivalents | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Cash at bank and on instant access deposit accounts | 1,320,804 | 1,484,298 |

| Analysis of changes in net debt | At 1 April 2024<br>£ | Cashflows<br>£ | At 31 March 2025<br>£ |
|---|---|---|---|
| Cash and cash equivalents | 1,484,298 | (163,494) | 1,320,804 |

## 1. Accounting policies

### 1.1 Basis of preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) and with the second edition of the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP) together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The Charity has adapted the Companies Act formats to reflect the SORP.

The accounts have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

### 1.2 Going concern

The accounts have been prepared on the going concern basis. The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

At 31 March 2025 there were consolidated net current assets of £869,630. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

The Charity is a public benefit entity. The accounting policies have been applied consistently throughout the accounts and the prior year.

### 1.3 Basis of consolidation

The consolidated accounts combine the results of The Built Environment Trust with its wholly owned subsidiary undertaking, The Building Centre Group Limited (Company No. 746150), on a line by line basis. In the consolidated accounts uniform accounting policies have been used. Consolidation adjustments have been made to remove transactions between the two entities and inter-entity balances have been cancelled. The consolidated entity is referred to as "the Group".

### 1.4 Incoming resources

Incoming resources are accrued and included in the SOFA when the Group is entitled to the income, receipt can be quantified and is probable. Incoming resources are deferred when they relate to future accounting periods.

### 1.5 Legacies

Legacies are recognised when probate is granted and there is sufficient information to value them.

Accounting policies (continued)

**1.6 Resources expended**

All expenditure is accounted for on an accruals basis. Direct costs are those specifically related to producing the output of an activity. Support costs not attributable to a single activity are allocated on an appropriate basis such as headcount or staff time.

**1.7 Leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised at cost. Depreciation is provided so as to write off the cost of fixed assets on a straight line basis over their expected useful lives, as follows:

| | |
|---|---|
| Over period of lease | Leasehold property improvements |
| 10% - 25% | Assets purchased for exhibition purposes |
| 10% - 20% | Fixtures, fittings, furniture and equipment |
| 25% - 33% | Computer equipment |

Fixed assets are subject to a review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

**1.9 Investments**

Listed investments are stated at fair value. The SOFA includes realised gains and losses on investments sold in the year and unrealised gains and losses on revaluation of investments.

Investments in group companies are included at cost less provision for any permanent diminution in value.

**1.10 Financial instruments**

The group has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

**1.11 Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives. A pension scheme deficit is included within the unrestricted funds to reflect the defined benefit pension scheme liability. Designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose by the Trustees.

## 1. Accounting policies (continued)

### 1.12 Pensions

For the defined benefit pension scheme, pension scheme assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by an independent actuary. FRS 102 measures the value of pension scheme assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension scheme.

### 1.13 Taxation

The Built Environment Trust is a registered charity and is exempt from UK income tax and corporation tax on charitable activities. The Trust is registered for VAT.

The subsidiary company is liable to corporation tax on its profits, based on taxable profit for the year. Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 2. Critical accounting judgements and sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical evidence and other factors.

### 2.1 Critical judgements in applying the entity's accounting policies

There are no critical accounting judgements in 2025 and 2024.

### 2.2 Critical accounting estimates and assumptions

Defined benefit pension scheme
The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension liability in the balance sheet. The assumptions reflect historical experience and current trends. The valuation is particularly sensitive to the impact of the discount rate assumption on Scheme liabilities. See Note 17 for the disclosures relating to the defined benefit scheme.

## 3. Legacy income

Legacy income is not recognised until The Built Environment Trust has entitlement to the funds, the amount can be quantified and there is probability of receipt. No legacies were recognised in the year ended 31 March 2025 (2024: £nil)

## 4. Income from charitable activities

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Events and exhibitions | 2,000 | 2,950 |
| Learning | 10,984 | 2,968 |
| Provision of space to built environment organisations | - | - |
| | 12,984 | 5,918 |

## 5. Subsidiary trading company

The Building Centre Group Limited, The Built Environment Trust's wholly owned trading subsidiary, incorporated in England and Wales, engages in both primary purpose and non-primary purpose trading activities. A summary of the audited income statement of the Building Centre Group Limited for the year ended 31 March 2025 is shown below. These figures do not agree to the figures on page 18 due to the impact of consolidation adjustments.

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Income | 2,961,420 | 2,833,947 |
| Expenditure | (2,630,227) | (2,451,416) |
| | 331,193 | 382,531 |
| Taxation | (28,293) | (45,484) |
| Charitable donation under gift aid | - | - |
| Retained in subsidiary | 302,900 | 337,047 |

The assets and liabilities of The Building Centre Group Limited consolidated within the balance sheet are:

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Assets | 1,612,090 | 1,572,897 |
| Liabilities | (720,080) | (679,037) |
| Defined benefit pension scheme liability | - | (351,000) |
| Represented by share capital and reserves | 892,010 | 542,860 |

**Subsidiary company income analysis**

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Income from** | | |
| Provision of exhibition and office space | 2,163,604 | 2,016,696 |
| Information services | 81,996 | 99,651 |
| Facilities for conferences, talks and events | 486,747 | 427,292 |
| Other | 229,073 | 209,005 |
| Business interruption insurance | - | 81,303 |
| | 2,961,420 | 2,833,947 |

## 6. Costs of charitable activities

| | Direct costs | Salary costs | Support costs | 2025 Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Exhibitions and projects | 61,374 | 88,011 | 104,411 | 253,796 |
| Learning | 35,714 | 59,400 | 108,672 | 203,786 |
| Provision of space to built environment organisations | - | - | - | - |
| | 97,088 | 147,411 | 213,083 | 457,582 |

Support costs have been allocated on a headcount basis.

| | Exhibitions and projects | Learning | Provision of space | 2025 Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Governance and strategy | 57,879 | 60,241 | - | 118,120 |
| Management and administration | 36,619 | 38,114 | - | 74,733 |
| Roof repairs | 9,913 | 10,317 | - | 20,230 |
| | 104,411 | 108,672 | - | 213,083 |

**Prior year comparative figures**

| | Direct costs | Salary costs | Support costs | 2024 Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Educational events and exhibitions | 74,552 | 89,978 | 78,004 | 242,534 |
| Learning | 43,918 | 58,200 | 81,189 | 183,307 |
| Provision of space to built environment organisations | - | - | - | - |
| | 118,470 | 148,178 | 159,193 | 425,841 |

| | Events and exhibitions | Learning | Provision of space | 2024 Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Governance and strategy | 43,501 | 45,277 | - | 88,778 |
| Management and administration | 34,503 | 35,912 | - | 70,415 |
| | 78,004 | 81,189 | - | 159,193 |

## 7. Net (expenditure)/income for the year

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| This is stated after charging/(crediting): | | |
| Depreciation charge | 15,527 | 6,383 |
| Gain on disposal of fixed assets | - | - |
| Rentals payable under operating leases | | |
| - Land and buildings | 600,000 | 600,000 |
| Auditors remuneration for external audit services | | |
| - Trust | 9,530 | 9,450 |
| - Subsidiary | 14,940 | 14,500 |
| Auditors remuneration for non-audit services | | |
| - Trust | - | - |
| - Subsidiary | 3,140 | 6,625 |

## 8. Taxation

The Built Environment Trust is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities. The subsidiary company is liable to corporation tax on its profits, as set out below:

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| *Domestic current year tax* | | |
| UK corporation tax charge/(credit) | 25,305 | 45,126 |
| Adjustment for prior years | (1,395) | - |
| Total current tax | 23,910 | 45,126 |
| *Deferred tax* | | |
| Deferred tax charge/(credit) | 4,383 | 358 |
| Charge/(credit) to statement of financial activities | 28,293 | 45,484 |

## 9. Employees and Trustees

| | 2025 £ | 2024 £ |
|---|---|---|
| Salaries and wages | 942,686 | 826,281 |
| Social security costs | 100,027 | 87,005 |
| Pension costs (including operating costs of defined benefit pension scheme) | 155,902 | 131,421 |
| | 1,198,615 | 1,044,707 |

| The average number of employees, calculated on an average headcount, analysed by function was | 2025 Number | 2024 Number |
|---|---|---|
| Provision of exhibition and office space and events | 9 | 8 |
| Information services | 2 | 2 |
| Facilities for conferences, talks and events | 2 | 2 |
| Support services | 3 | 3 |
| Learning | 1 | 1 |
| | 17 | 16 |

| Number of employees whose benefits (excluding employer pension contributions) fell within the following bands: | 2025 Number | 2024 Number |
|---|---|---|
| £60,000 to £69,999 | 1 | 1 |
| £70,000 to £79,999 | - | - |
| £80,000 to £89,999 | 1 | 1 |
| £90,000 to £90,999 | - | - |
| £100,000 to £109,999 | 1 | 2 |
| £170,000 to £179,999 | 1 | - |

The total emoluments of key management personnel (being the executive directors) was £271,986 (2024: £205,749) excluding pension contributions and £333,986 (2024: £230,622) including pension contributions.

Included in the total emoluments of key management personnel, is a termination payment of £131,696 (2024: £nil) which was paid to an executive director of the company upon cessation of their employment. The payment comprised contractual entitlements and a compensation payment for loss of office. £39,493 remains in accruals at the year end.

No Trustee received remuneration from the Group during the year (2024: nil). Travel expenses incurred by trustees for attending meetings, and reimbursed, amounted to £881 (2024: £1,170). As permitted by the Articles of Association, the Charity purchased and maintained throughout the year Trustees and Officers liability insurance in respect of itself and its Trustees.

## 10. Tangible fixed assets

### a) Consolidated

| | Property Improvements | Furniture fittings and equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| At 1 April 2024 | 3,246,185 | 650,867 | 3,897,052 |
| Additions | 28,910 | 7,056 | 35,966 |
| | 3,275,095 | 657,923 | 3,933,018 |
| **Depreciation** | | | |
| 1 April 2024 | 3,246,185 | 644,084 | 3,890,269 |
| Charge for year | 5,975 | 9,552 | 15,527 |
| 31 March 2025 | 3,252,160 | 653,636 | 3,905,796 |
| **Net book value** | | | |
| 31 March 2025 | 22,935 | 4,287 | 27,222 |
| 31 March 2024 | - | 6,783 | 6,783 |

### b) Trust

| | Furniture fittings and equipment | Total |
|---|---|---|
| | £ | £ |
| **Cost or valuation** | | |
| At 1 April 2024 and 31 March 2025 | 12,099 | 12,099 |
| **Depreciation** | | |
| 1 April 2024 | 12,099 | 12,099 |
| Charge for year | - | - |
| 31 March 2025 | 12,099 | 12,099 |
| **Net book value** | | |
| 31 March 2025 | - | - |
| 31 March 2024 | - | - |

## 11. Fixed asset investments

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **a) Listed investments** | | |
| **Consolidated and Trust** | | |
| **Market value** | | |
| 1 April 2024 | 2,743,593 | 3,360,324 |
| Additions | - | 1,944,207 |
| Disposals | (300,000) | (2,353,140) |
| Realised and unrealised gains/(losses) on revaluation | 103,383 | (207,798) |
| **Market value at 31 March 2025** | 2,546,976 | 2,743,593 |
| **Historical cost at 31 March 2025** | 2,758,571 | 3,001,082 |

| **Listed investments** | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Pooled investment fund | 2,546,976 | 2,743,593 |
| Cash awaiting investment | - | - |
| **Market value at 31 March 2025** | 2,546,976 | 2,743,593 |

Investments are held in a pooled investment fund, The Charity Assets Trust, operated by Ruffer LLP. The Charity Assets Trust has an integrated responsible investment policy.

## 11. Fixed asset investments (continued)

### b) Unlisted investments

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Consolidated** | | |
| £1 Ordinary shares | 300 | 300 |
| **Unlisted investments at cost** | 300 | 300 |

At 31 March 2025, the Building Centre Group Limited owned 100% of the share capital of three dormant subsidiary undertakings: Centre for the Built Environment Limited (Company No. 13119942), London Centre for the Built Environment Limited (Company No. 13119958) and National Centre for the Built Environment Limited (Company No. 13120233), none of which is actively trading. The share capital of each entity is £100. The dormant subsidiaries are not consolidated into these financial statements.

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **The Trust** | | |
| £1 Ordinary shares | 800,000 | 800,000 |
| Preference shares | 150,000 | 150,000 |
| **Unlisted investments at cost** | 950,000 | 950,000 |
| | | |
| **Cost** | | |
| At 1 April 2024 | 950,000 | 950,000 |
| Disposals | - | - |
| Revaluation | - | - |
| At 31 March 2025 | 950,000 | 950,000 |

The unlisted investments represent the Trust's investment in its trading subsidiary, The Building Centre Group Limited (see Note 5).

## 12. Debtors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Trade debtors | 96,226 | 17,845 | - | - |
| Due from subsidiary undertakings | - | - | - | 78,702 |
| Other debtors | - | - | - | - |
| Prepayments and accrued income | 536,427 | 476,951 | 230,040 | 182,828 |
| | 632,653 | 494,796 | 230,040 | 261,530 |
| **Amounts falling due after one year** | | | | |
| Deferred tax asset – pension scheme deficit (see note 14) | - | 87,750 | - | - |
| Total debtors | 632,653 | 582,546 | 230,040 | 261,530 |

## 13. Creditors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Amounts due within one year | | | | |
| Trade creditors | 303,686 | 245,757 | 206,726 | 161,876 |
| Due to subsidiary undertakings | 300 | 300 | 24,067 | - |
| Other creditors | 21,899 | 21,282 | - | - |
| Other taxes and social security | 95,166 | 83,041 | (15,142) | (16,713) |
| Corporation tax | 25,305 | 45,383 | - | - |
| Accruals | 190,377 | 185,253 | 25,067 | 50,754 |
| Rental and exhibition income in advance | 447,094 | 368,414 | 155,000 | 157,000 |
| | 1,083,827 | 949,430 | 395,718 | 352,917 |

## 14. Deferred taxation

| | Consolidated | | Consolidated | |
|---|---|---|---|---|
| | 2025 Pension scheme deficit | 2025 Accelerated Capital allowances | 2024 Pension scheme deficit | 2024 Accelerated Capital allowances |
| | £ | £ | £ | £ |
| Deferred tax asset | | | | |
| Balance at 1 April 2024 | 87,750 | (1,595) | 166,500 | (1,237) |
| Movement in year | (87,750) | (4,383) | (78,750) | (358) |
| Balance at 31 March 2025 | - | (5,978) | 87,750 | (1,595) |

## 15. Reserves

**Consolidated**

| | General funds | Designated funds | Pension deficit | Total unrestricted funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Unrestricted funds at 1 April 2024 | 1,778,745 | 2,000,000 | (263,250) | 3,515,495 |
| Income and gains | 2,884,720 | - | - | 2,884,720 |
| Expenditure and losses | (2,962,065) | - | - | (2,962,065) |
| Transfers | 736,750 | (1,000,000) | 263,250 | - |
| **Unrestricted funds at 31 March 2025** | 2,438,150 | 1,000,000 | - | 3,438,150 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, excluding the pension scheme deficit, which totals £57,990.

| | General funds | Designated funds | Pension deficit | Total unrestricted funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Unrestricted funds at 1 April 2023 | 2,353,484 | 2,000,000 | (499,500) | 3,853,984 |
| Income and gains | 2,646,775 | - | - | 2,646,775 |
| Expenditure and losses | (2,985,264) | - | - | (2,985,264) |
| Transfers | (236,250) | - | 236,250 | - |
| **Unrestricted funds at 31 March 2024** | 1,778,745 | 2,000,000 | (263,250) | 3,515,495 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, which totals £143,890.

## 15. Reserves

**Trust**

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2024 | 1,920,409 | 2,000,000 | 3,920,409 |
| Income and gains | 739,575 | - | 739,575 |
| Expenditure and losses | (1,166,070) | - | (1,166,070) |
| Transfers | 1,000,000 | (1,000,000) | - |
| **Unrestricted funds at 31 March 2025** | 2,493,914 | 1,000,000 | 3,493,914 |

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2023 | 2,636,194 | 2,000,000 | 4,636,194 |
| Income and gains | 632,215 | - | 632,215 |
| Expenditure and losses | (1,348,000) | - | (1,348,000) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2024** | 1,920,409 | 2,000,000 | 3,920,409 |

The designated funds relate to a property fund, which are reserves earmarked for general premises protection including repairs and future proofing. The property fund was reduced from £2,000,000 to £1,000,000 during the year as the new lease does not include a liability for dilapidations. The property fund relates to the short to medium term.

## 16. Operating lease commitments

The total of future minimum lease payments under non-cancellable operating leases is as follows:

| | 2025 Land and buildings £ | 2025 Equipment £ | 2024 Land and buildings £ | 2024 Equipment £ |
|---|---|---|---|---|
| Within one year | 620,833 | 20,420 | 600,000 | 8,936 |
| In two to five years | 2,562,500 | 52,976 | 350,000 | 8,604 |
| In over five years | - | - | - | - |
| | 3,183,333 | 73,396 | 950,000 | 17,540 |

## 17. Pension costs

During the year, the subsidiary company operated a defined benefit pension scheme and a defined contribution pension scheme for employees.

The Building Centre Group Limited Pension and Assurance Scheme (the defined benefit Scheme), is closed to new entrants. The Scheme is closed to future accrual following the retirement of the last active member.

**Defined benefit pension scheme**
In line with normal practice, there are two bases for assessing the value of the assets and liabilities of the Scheme. For accounting purposes, they are reported in accordance with Financial Reporting Standard 102. In addition, the trustees of the Scheme commission a triennial actuarial funding valuation to ensure that the Scheme is appropriately funded. The last full actuarial valuation was carried out at 6 April 2022 and showed a funding shortfall of £988,000. A full actuarial valuation at 6 April 2025 is currently being undertaken.

As detailed below, on a FRS 102 basis the Scheme had a surplus at 31 March 2025 of £132,000 (2024: deficit of £351,000), but with uncertainty over the recoverability of this sum, an asset has not been recognised in the accounts. The valuation is particularly sensitive to the impact of the discount rate assumption on Scheme liabilities which has increased by 1.0% (from 5.0% to 6.0%) between 2024 and 2025, of the RPI assumption which has decreased by 0.1% (from 3.2% to 3.1%), and the CPI assumption which has increased by 0.1% (from 2.6% to 2.7%).

The company is working with the Scheme trustees to manage the Scheme deficit, based on the last triennial valuation. The funding shortfall is expected to be eliminated by 2028.

17. **Pension cost (continued)**

| Value of the scheme assets and liabilities | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Market value of assets | 3,494,000 | 3,572,000 |
| Present value of scheme liabilities | (3,362,000) | (3,923,000) |
| Surplus/ (Deficit) in scheme | 132,000 | (351,000) |
| Surplus not recognised | (132,000) | - |
| (Liability) at 31 March | - | (351,000) |
| Related deferred tax asset (see Note 14) | - | (87,750) |

The pension scheme surplus is not recognised in the financial statements due to uncertainty over any future economic benefit to the company.

**Principal actuarial assumptions**

The principal actuarial assumptions on which the valuation of the scheme was based are set out below:

| | 2025 | 2024 |
|---|---|---|
| Rate used to discount scheme liabilities | 6.0% | 5.0% |
| Rate of increase to pensions in payment | 3.0% | 3.1% |
| Rate of future price inflation – RPI | 3.1% | 3.2% |
| Rate of future price inflation – CPI | 2.7% | 2.6% |

The life expectancies used to determine benefit obligations are as follows:

| | 2025<br>Male | 2025<br>Female | 2024<br>Male | 2024<br>Female |
|---|---|---|---|---|
| Member aged 65 (current life expectancy) | 20.7 | 23.1 | 20.7 | 23.0 |
| Member aged 45 (life expectancy at 65) | 21.7 | 23.9 | 21.7 | 23.9 |

## 17. Pension costs (continued)

| | 2025 | 2024 |
|---|---|---|
| **Movements in the SOFA** | £ | £ |
| Current and past service cost | - | - |
| Interest cost on scheme liabilities | (188,000) | (185,000) |
| Interest income on assets in the scheme | 176,000 | 158,000 |
| Total pension loss recognised in the SOFA | (12,000) | (27,000) |
| Actuarial gains/(losses) | 134,000 | 119,000 |
| Deferred tax relating to pension scheme | (87,750) | (78,750) |
| Total gains/(losses) recognised in the SOFA | 46,250 | 40,250 |

| **Movement in scheme assets, liabilities and deficit** | **Fair value of assets** £ | **Present value of (liabilities)** | **(Deficit)** £ |
|---|---|---|---|
| At 1 April 2024 | 3,572,000 | (3,923,000) | (351,000) |
| Interest income on assets in the scheme | 176,000 | - | 176,000 |
| 176Interest cost on scheme liabilities | - | (188,000) | (188,000) |
| Actuarial gains/(losses) | (139,000) | 405,000 | 266,000 |
| Employer contributions paid | 229,000 | - | 229,000 |
| Employee contributions paid | - | - | - |
| Benefits paid | (344,000) | 344,000 | - |
| Current and past service cost | - | - | - |
| At 31 March 2025 | 3,494,000 | (3,362,000) | 132,000 |

The actual return on scheme assets for the year was a loss of £139,000.

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2023 | 3,263,000 | (3,929,000) | (666,000) |
| Interest income on assets in the scheme | 158,000 | - | 158,000 |
| Interest cost on scheme liabilities | - | (185,000) | (185,000) |
| Actuarial gains/(losses) | 77,000 | 42,000 | 119,000 |
| Employer contributions paid | 223,000 | | 223,000 |
| Employee contributions paid | - | | - |
| Benefits paid | (149,000) | 149,000 | - |
| Current and past service cost | - | - | - |
| At 31 March 2024 | 3,572,000 | (3,923,000) | (351,000) |

The actual return on scheme assets for the year was a gain of £77,000.

## 18. Related party transactions

Expenses reimbursed to Trustees and the remuneration of the key management personnel, including details of a termination payment, are disclosed in Note 9.

Details of transactions in respect to The Building Centre Group Limited Pension and Assurance Scheme are set out in Note 17.

The Built Environment Trust has transactions with its wholly owned subsidiary, The Building Centre Group Limited, which have been eliminated on consolidation. These transactions are as follows.

The Built Environment Trust received income from The Building Centre Group Limited as follows:

- Licence fees of £620,000 (2024: £620,000)

The Building Centre Group Limited charged the following expenditure to The Built Environment Trust:

- Management fee £229,000 (2024: £208,898)

At 31 March 2025 there are balances outstanding between The Built Environment Trust and The Building Centre Group Limited which have been eliminated on consolidation. These balances are:

Net balances owed by The Building Centre Group Limited to The Built Environment Trust as follows:

- Intercompany current account £nil (2024: £78,702)

Net balances owed by The Built Environment Trust to The Building Centre Group Limited.

- Intercompany current account £24,067 (2024: £nil)

No guarantees have been given or received.

## 19. Company status

The company is limited by guarantee and the total of those guarantees is £1 per member

**THE BUILT ENVIRONMENT TRUST**

England & Wales - Charity number 1163419

# Accounts

Registered Company No. 9631202
Registered Charity No. 1163419

# The Built Environment Trust

## Trustees' Report and Consolidated Financial Statements For the year ended 31 March 2024

**The Built Environment Trust**

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**The Built Environment Trust**

**Trustees and trust information**
**Year ended 31 March 2024**

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| | |
|---|---|
| **Patron** | HRH The Duke of Gloucester KG GCVO |
| **President** | Spencer de Grey CBE RA |
| **Trustees** | Antony Oliver<br>Katy Ghahremani<br>Susan Ann Allen MBE (Chair)<br>Anna Moore<br>David Hughes<br>Oyinkansola Onile-Ere (appointed 20 December 2023)<br>Sara Lipscombe-Nott (appointed 20 December 2023)<br>Dr Richard Robinson (appointed 20 December 2023)<br>Valery Jane Goddard (appointed 20 December 2023)<br>Anna Reiter (appointed 19 June 2024) |
| **Chief Executive** | Colin Tweedy LVO OBE |
| **Auditors** | Saffery LLP<br>71 Queen Victoria Street<br>London<br>EC4V 4BE |
| **Investment managers** | Ruffer LLP<br>80 Victoria Street<br>London<br>SW1E 5JL |
| **Bankers** | Royal Bank of Scotland PLC<br>Drummond House<br>1 Redheughs Avenue<br>Edinburgh<br>EH12 9JN |
| **Charity number** | 1163419 |
| **Company number** | 9631202 |
| **Principal office and registered office** | 26 Store Street<br>London<br>WC1E 7BT |

The Trustees have pleasure in presenting their Report together with the financial statements for the year ended 31 March 2024.

## STRATEGIC AND FINANCIAL OVERVIEW

This financial year has been one of transition, as the Trust enters the first full year of delivery on its new strategic plan. Transitional plans for the Trust are set to be operationalised over the arc of the next three years, which will see both a step change in income generation, as well as a refocusing of the Trust's type and scale of charitable activities. Presently, the Trust remains on track to achieve its plans.

This year, charitable delivery has been focused on the learning programme, seeing the initial development of the programme and its early projects funded out of reserves. The Trust is further focusing its efforts on expanding programmes and growing and diversifying sources of income.

The Trustees note that running an operational deficit is only sustainable in the short term and have implemented a fundraising strategy accordingly. Since the year end, actions have been taken to secure trust and foundation funding for the Trust's learning projects. Recruitment of a Development Director is planned to bolster grant income with commercial sponsorship and contributions from high-net-worth individuals.

The Trustees recognise the challenging fundraising environment for charities across the UK and remain committed to growing the Trust's reputation and track record by developing its charitable programmes, as the Trust seeks to further grow and expand its reach and impact.

## OBJECTIVES AND ACTIVITIES

The Built Environment Trust supports people to build a better world.

### Our vision
Our vision is to transform our man-made ecosystem to improve the day-to-day life, health and well-being of all, and to raise aspirations.

### Our mission
Our mission is to inspire, connect and empower people to improve the quality of our built environment. We recognise that the built environment shapes lives and communities and we are committed to involving all members of society as knowledgeable and active voices in determining how we construct our future.

### Our purpose
Our purpose is to work with specific communities where our work has tangible benefits, and where our action recognises the need and addresses the problems. We will bring together relevant stakeholders and strategic partners to find solutions to the problems.

### Who we are
The Built Environment Trust is a charity which promotes and delivers education in relation to the built environment. Our aim is to improve the quality of the built environment by inspiring and educating people, both professionals and the general public, about its value to their lives and by supporting knowledge and practice in the world of building. The Built Environment Trust is an organisation which helps lead thought and action in respect to the built environment, to foster improved and sustainable practices for long term change.

## OBJECTIVES AND ACTIVITIES continued

### What we do

The Built Environment Trust operates the Building Centre, a public exhibition centre. It has been home of the built environment since 1931. The Trust aims to advance understanding of quality in the built environment, physically and online, working with the leading partners across the construction industry and related areas. We achieve our objectives through a variety of activities and through partnership or support of others. Our activities include:

- Learning programme for schools, families and communities
- Exhibitions and events
- Lectures and seminars
- Encouraging and providing facilities for discussion and debate
- Providing facilities for those working in the built environment industry

We gratefully acknowledge the assistance we received from external advisers and experts, and from companies and individuals who made voluntary contributions of time and materials.

## ACHIEVEMENTS AND PERFORMANCE

The year ended 31 March 2024 has been one of transition, part of the strategic vision, where the Trust has moved its focus to the learning programme. Concentrating on this core activity has enabled fundraising processes to be built into the Trust, which look to yield returns in the next financial year.

### The Built Environment Trust's investment in BE Learning

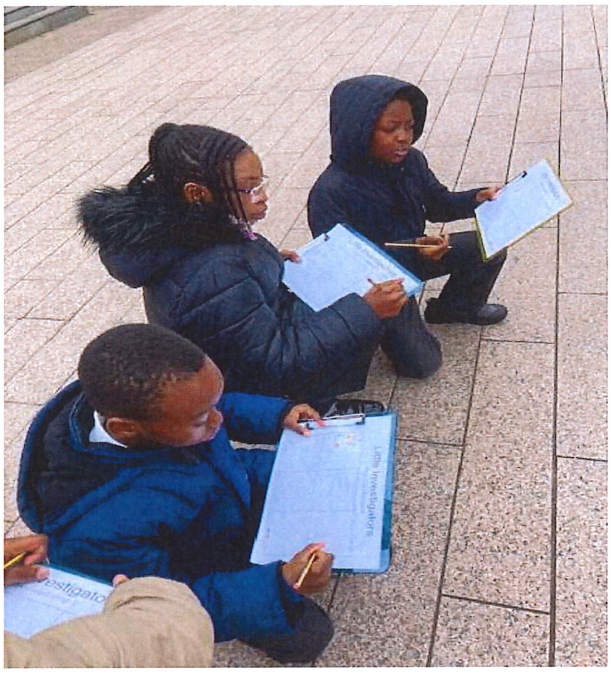
The first full year of the Learning programme has delivered a wide range of engagement activities and pilot opportunities, carving a unique place in the built environment arena. We have a strong outcome-based programme going forward and have been working with a fundraising consultancy on a line of funding applications for our schools programme, Building Blocks. Securing trust and foundation funding for the learning projects is the first stage of our income diversification strategy, building reputation, high quality delivery and track record in securing donations.

In the year ended 31 March 2024, learning activities engaged with 2,747 people, compared to 596 in the year before. This breaks down as 2,109 children and 638 adults. Of these people, 1,651 took part in outreach activities and 1,096 visited the Building Centre for their activity.

Our two main offers for primary schools have focused on sustainability (Building a New World) and feelings of belonging and connection to where we live (Little Investigators).

- Building a New World reached 971 pupils and teachers, including one Home Education group and one SEND school. Feedback from teachers was very positive:
    - 94% 'agreeing' or 'strongly agreeing' the session encouraged pupils to think about how to solve real world problems.
    - *"It definitely raised awareness about things that are not directly covered in school."* – Teacher

**ACHIEVEMENTS AND PERFORMANCE continued**
**The Built Environment Trust's investment in BE Learning continued**



Little Investigators worked with 450 pupils across 10 schools. Pupils and teachers both gave good feedback:

- Teachers rated the project very highly, with 100% saying they would recommend the project to another teacher.
- Pupils' comments included: "*I liked the walk, it was cool paying attention to things in the area.*"

Image: children sketching Barking Town Hall

In November 2023 the Trust collaborated with Tim Gill, a global expert on and advocate for children's play, to organise a conference "Towards a child-friendly London, the people making it happen". The conference was attended by 60 professionals interested in children in the built environment. Presenters included politicians, developers, architects, planners and play experts. The conference was an extension of learning from our learning programme and a pilot into testing the Trust's role as a convenor to facilitate change.

Alongside these specific initiatives, we have continued to deliver one-off events and activities with exciting partners and for a wider range of audiences who match our aims, extending our reach and delivery. This includes partner events with RIBA, alongside family days, school holiday activities and summer courses for university students, as well as hosting the Thornton Education Trust Awards for the second year.

**The Built Environment Trust's investment in BE Projects**
We commissioned architect firm IF_DO to work with us to develop a concept for delivering high impact community engagement projects. We delivered two sprints this year and IF_DO has created a suite of documents including reports on outcomes and How-to-Guides for future engagements. The two sprints we delivered were well received with both new audiences and partners being reached. We targeted our participants carefully, to expose new voices and document their needs.

Our first sprint focused on belonging and local area provision for young people. We partnered with Mayesbrook Park school (a Pupil Referral Unit for children permanently expelled from mainstream schools).

Our second sprint was a partnership with University of the Arts and Stockwell Park Housing Estate. We worked with local residents on the estate on how they would like to improve access to greenery on their doorstep.

## ACHIEVEMENTS AND PERFORMANCE continued

### The Built Environment Trust's investment in BE Projects continued

Both sprints received great feedback from participants and partners and the How-to-Guides produced at the end of the project are clear resources which can be used by a range of audiences. Critically for the Trust, the project provided us with the tools to better engage with new audiences and stakeholders, supporting our transition into focusing on greater beneficiary delivery .

### The Built Environment Trust's investment in exhibitions

Throughout the year the Trust has worked with partners to deliver a broad range of exhibitions in the Window Gallery at the Building Centre. The built environment has many pressing issues, and the breadth of the exhibitions programme looks to showcase the most pertinent. All our exhibitions are open to the public and are free to access. Our exhibitions included:

***Gramer Haor – Planning a Village to grow sustainably – we partnered with the King's Foundation***

The exhibition showcased the Gramer Haor Co-Lab which was designed to explore ways to support the sustainable growth of Kazirgaon village in Bangladesh. The collaboration used the Rapid Planning Toolkit developed by the King's Foundation which is designed to guide a multidisciplinary approach in the inclusive planning and design of rapidly growing towns and cities.

***Build Learn Connect – we partnered with Matt+Fiona***

The exhibition offered a behind-the-scenes look into Matt+Fiona's Build, Learn and Connect process. Children were encouraged to sit at the tables and engage in the design activities. In the window space there was a recreation of the studio, full of children's models and prototypes for systems that enable young people to build a space in a week.

***She Builds UK – we partnered with Neil Perry Photography***

The exhibition centred around using portrait photography, to create role models of those women already working in construction, for younger females, as well as documenting the current status of the sector.

***Design Future London – we partnered with the Mayor of London***




The Mayor of London and partners presented an exhibition on the Design Future London design challenge for young Londoners aged between 5 and 24. This was an open design competition for young people to design a solution around a built environment opportunity in their local area. The exhibition showcased the work completed for Year 2 of the challenge and provided a platform to launch Year 3 with workshops and seminars.

## ACHIEVEMENTS AND PERFORMANCE continued

### The Built Environment Trust's investment in exhibitions continued

### Retrofit 23: Towards Deep Retrofit of Homes at Scale

This year saw the Trust's trading subsidiary engage in a new strategy, which combines exhibitions and talks on key challenges in the built environment - specifically net-zero ambitions, climate resilience and housing in the UK. This supports the Trust's ambitions to convene and showcase solutions, providing a platform for the construction industry to use.




© *Chris Jackson*

Retrofit 23 was the inaugural programme which looked at how the UK can achieve residential retrofitting at scale and focused on how improving the performance of a home brings economic, social and environmental benefits. Sustainability is one of the greatest challenges for the built environment, growing concern for industry, business and consumers and one of the greatest problems identified by the United Nations – see below.

The exhibition ran for five months in the Main Gallery. An events programme explored the factors necessary to achieve an accelerated delivery of domestic retrofitting at different scales, ranging from national, municipal, and neighbourhoods, as well as private dwellings.

## PLANS FOR FUTURE PERIODS

We are developing our programmes to inspire, connect and empower people to improve the quality of our built environment. We will deliver our mission by committing to a public programme of work using the United Nations' Sustainable Development Goals (SDG) as our framework.

Specifically, SDG 11 – Sustainable Cities and Communities – will act as a guide to inform strategy, outcomes and impact.

As with any charity, financial and human resources aligned with one's mission and vision are critical for success. We will be adding a lead on fundraising to our team at the beginning of 2025; this will be to capitalize on the applications we have already made and leverage existing activities with new income streams. We will develop new programmes, deepening our impact, that complement and expand on the existing programmes outlined in the Achievements and Performance section of the Trustees Report.

Trustees have agreed Heads of Terms for a new lease with our landlord, the Corporation of London, commencing in October 2025, that secures our home here in Store Street.

## PUBLIC BENEFIT

The Trustees have complied with the duty in Section 4 of The Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Trust are available to the public and to persons interested in the field of the built environment. All exhibitions held at the Building Centre are free of charge. Charges are made for certain seminars and events, but these charges are not at a level where it is considered that they would prevent access to anyone wishing to attend and the majority of talks are free to enter. The Trust supports a number of other organisations in order to make free access to events of benefit to the built environment. We also offer online events and virtual tours of our main exhibitions to increase accessibility for all, free of charge.

In this way, the Trust is providing public benefit in the field of education in accordance with its charitable objectives. The Trust accepts that certain of its projects are of a specialist nature but these are well balanced by more general programmes such as its support to greater public access to exhibitions of the Building Centre. The Trust is keen to continue to be inclusive in promoting education to the largest number of individuals and organisations possible.

## FINANCIAL REVIEW

### Financial context

In the year to 31 March 2024, income streams from the operation of The Building Centre have continued to increase. However, the pressure on profitability remains and is increased further by rising costs, affecting both Trust and Company.

The financial environment is very challenging for the Trust as it seeks to fundraise for its planned programme of activities to support greater diversification of the income portfolio. Strong financial management is being applied to all discretionary expenditure across the organisation, ensuring that only strategic activities which support diversification are actioned. New operating processes have been developed to build in financial planning with programme creation, to facilitate trust and foundation applications and support business planning.

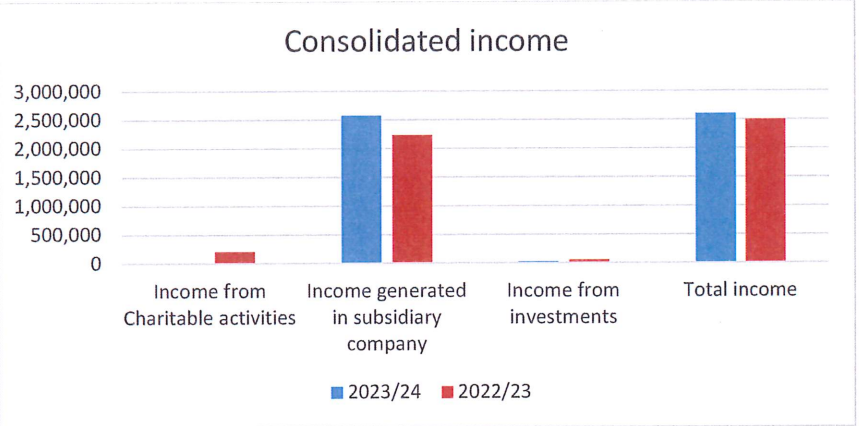
### Overview of consolidated Statement of Financial Activities (page 19)

The Built Environment Trust has a wholly owned subsidiary, the Building Centre Group Ltd, which undertakes both charitable and commercial activities. The subsidiary's income and expenditure are shown separately in the consolidated Statement of Financial Activities (SOFA). The income and expenditure from charitable activities in the SOFA, relates solely to Trust activities.

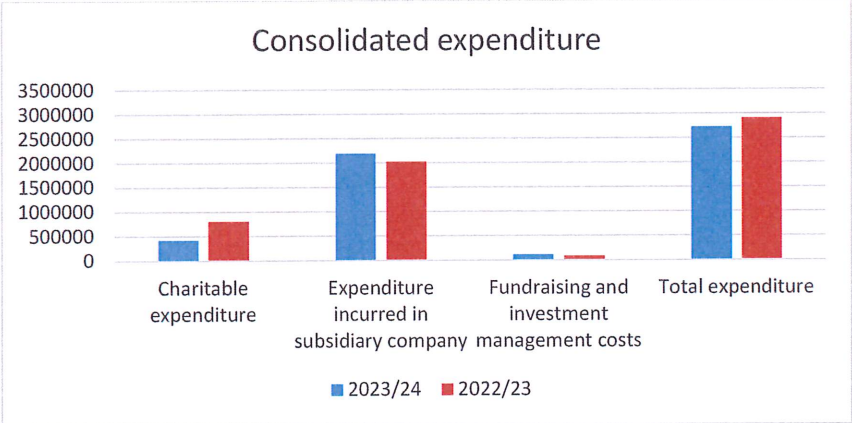
## FINANCIAL REVIEW continued

### Overview of consolidated Statement of Financial Activities (page 19) continued

In the year ended 31 March 2024 the total consolidated income was £2,606,526, an increase of 4% from last year's total of £2,495,362.




In the year ended 31 March 2024, the total consolidated expenditure was £2,731,983, a decrease of 6% from last year's total of £2,907,140.




As a result, the net consolidated expenditure (the operational deficit) was £125,457 compared to net consolidated expenditure of £411,778 in the prior year. This figure is before including losses on investments, actuarial gains on the pension scheme valuation, and corporation tax arising in the subsidiary company.

In the financial year there were net losses on investments of £207,798 (2023: net losses of £56,340). The subsidiary company incurred a corporation tax charge of £45,484 (2023: charge of £18,905).

There was a net actuarial gain on the defined benefit pension scheme of £40,250 (2023: net actuarial gain of £295,250).

Overall, there was a net decrease in consolidated funds of £338,489 for the year (2023: net decrease in funds of £191,773).

## FINANCIAL REVIEW continued

### Income

As shown in the chart above, income is generated from three main sources: being income from charitable activities, trading income generated in the subsidiary company, and investment income.

Income from charitable activities was minimal at £5,918 (2023: £208,290), with income generation continuing to be challenging. A major factor in the reduction in income was that there was no income in the Trust from the provision of space to built environment organisations because underleases had come to an end (2023: £149,038). We have invested in developing income generation with a fundraising consultant. Specifically, since the year end, we have completed submissions to a number of trusts and foundations to support our charitable activities and associated operating costs.

Income generated in the subsidiary company and included in the consolidated SOFA, was 15% higher than last year at £2,573,049 (2023: £2,232,181). The increase in income can be attributed to two main income streams. Firstly, income from the provision of facilities for conferences, talks and events and secondly, income from provision of exhibition and office space. The company received £81,303 in respect to a coronavirus business interruption insurance claim. The trend in the various income streams of the company can be seen in the last table of note 5 in the accounts.

### Expenditure

The year ended 31 March 2024 was one of transition for the Trust, as resources were refocused on a learning programme. As the learning programme is still small in scale, charitable expenditure incurred directly by the Trust decreased by 47% to £425,841 (2023: £805,483). Governance costs were lower this year compared to the prior year, when the strategic review was carried out.

The Trust's investment in fundraising has increased fundraising expenditure to £114,361 (2023: £36,896).

Expenditure incurred in the subsidiary company and included in the consolidated SOFA, increased by 8% to £2,191,781 (2023: £2,024,657). Expenditure relates to the provision of exhibition and office space, information services, facilities for conferences, talks and events, and an exhibition and event programme.

### Reserves policy and management

Reserves are maintained at a level that enables the Trust to manage financial risk and short-term income volatility and provide a stable base for the Trust's continuing charitable activities. The reserves policy takes into consideration commitments over the medium term in respect of the Trust's property obligations under its lease and reserves have been designated for this purpose.

The level of free reserves (calculated as the total reserves in the Trust excluding tangible fixed assets and investment in its subsidiary) decreased to £2,970,409 at 31 March 2024 from £3,686,194 at 31 March 2023. Of the free reserves, £2,000,000 has been designated as a property fund.

The Trustees have determined that the level of free reserves after transfers to designated funds should exceed six months expenditure.

Undesignated free reserves at 31 March 2024 amounted to £970,409 (2023: £1,686,194) which exceeds six months budgeted expenditure of £600,000 for the year ended 31 March 2025.

## FINANCIAL REVIEW continued

### Investment policy and performance

The investment policy supports the reserves policy. The Trust seeks to adopt a cautious, prudent and diversified approach to balance potential returns with appropriate levels of risk.

The management of the Trust's investments is undertaken by Ruffer LLP with the aim of increasing the value of the portfolio, after fees, at a higher rate than would be achieved by placing cash on deposit. A review of the investment strategy and financial performance is reported to the Trustees quarterly.

The trustees acted on their ESG responsibilities and made the decision to transfer the existing portfolio to the Charity Assets Trust operated by Ruffer LLP. The Charity Assets Trust has an integrated responsible investment policy. The transfer took place in April 2023. In October 2023, £400,000 of investments were realised to create funding for the deficit budget. The portfolio valuation reduced to £2,743,593 at 31 March 2024 from £3,360,324 at 31 March 2023.

### The Building Centre Group Pension and Assurance Scheme

In accordance with accounting standards, the consolidated financial statements of The Built Environment Trust include adjustments relating to the defined benefit pension scheme. The pension scheme was in deficit at the end of the last financial year. This deficit has decreased during the year ended 31 March 2024. The directors of The Building Centre Group Limited and the trustees of the pension scheme have agreed a recovery plan for the elimination of the deficit by 2028.

### Going concern

The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

The company made an increased profit in this financial year. The Trust is developing an ambitious fundraising strategy to diversify its income streams.

At 31 March 2024 there were consolidated net current assets of £1,117,414. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. As the organisation continues to develop both its activities and its income streams, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for at least the next 12 months. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

## PRINCIPAL RISKS AND UNCERTAINTIES

### Risk management

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. At least once a year a risk review is undertaken and the risks identified through this process are documented in a risk register.

## PRINCIPAL RISKS AND UNCERTAINTIES continued

### Risk management continued

The principal risks and uncertainties facing the Trust and its subsidiary company are as follows:

1. **Store Street**
   ***Risk*** – Our lease for 26/27 Store Street with The Corporation of London, our landlord for 50 years, is coming to an end in October 2025.
   ***Management*** – The Trustees have been in discussions with our current landlord and have agreed Heads of Terms for a new lease. This will enable the Centre and the Built Environment Trust to not only continue our work to support the built environment community, but also take on new projects that reflect the changing needs of our industry and the interests of the general public.

2. **The defined benefit pension scheme**
   ***Risk*** - The defined benefit pension scheme is currently in deficit. The additional funding requirements may place significant pressure on cash flow in the future.
   ***Management*** - There is good communication between the directors of The Building Centre Group Limited and the Trustees of the Pension Scheme. A recovery plan is currently in place and will be reviewed regularly in line with the triennial actuarial valuation. The deficit has been reducing over recent years.

3. **Income generation**
   ***Risk*** - In the current economic environment, the retention of existing income streams and diversification into new income streams is a challenge for the organisation. Income may not be sufficient to cover forecast expenditure.
   ***Management*** – The Trust is developing a fundraising strategy with the advice of a fundraising consultancy. The subsidiary company is considering all commercial opportunities to diversify its income streams. Financial forecasts are reviewed and updated regularly to take account of changing circumstances.

4. **Rising costs**
   ***Risk*** – Our overhead cost base increases at a higher rate than originally anticipated, impacting on profitability and cash flow.
   ***Management*** - A significant proportion of our overhead cost base is fixed for the short term. For all other costs, these will be reviewed and managed to the best of our ability, whilst being sensitive to the impact of rising costs on our employees and other stakeholders. Discretionary expenditure will be tightly controlled.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Structure and management

The Built Environment Trust has a wholly owned subsidiary company, The Building Centre Group Limited, which undertakes both primary purpose charitable trading activities as well as commercial trading.

The Built Environment Trust is governed by a Board of Trustees who set strategic direction, ensure that the Trust achieves its objectives and oversee governance.

The day-to-day management and administration of the Trust is delegated to the Chief Executive, Colin Tweedy, and his executive team.

## STRUCTURE, GOVERNANCE AND MANAGEMENT continued

### Remuneration policy

All staff, including key management personnel, are employed by The Building Centre Group Limited. In setting remuneration levels, the directors have regard to pay in organisations which employ individuals with similar skills, competences and qualifications. The remuneration of key management personnel is authorised by the non-Executive Chair of The Building Centre Group Limited and the Chair of The Built Environment Trust.

### Trustees

All Trustees are members of the charity and directors of the charitable company. The Trustees must hold at least three meetings a year.

Trustees are appointed for an initial period of 3 years that can be extended for two further three year terms. The Articles of Association provide for the number of Trustees to be between three and ten. The current Trustees are shown on page 1.

The following changes to trustees have taken place during the year:
Anna Moore (appointed 20 September 2023)
David Hughes (appointed 20 September 2023)
Sara Lipscombe-Nott (appointed 20 December 2023)
Dr Richard Robinson (appointed 20 December 2023)
Oyinkansola Onile-Ere (appointed 20 December 2023)
Valery Jane Goddard (appointed 20 December 2023)
Anna Reiter (appointed 19 June 2024)
Richard Hill (retired 9 June 2024)

Recruitment of new trustees is based upon identifying people with skills in specific areas to ensure that there is appropriate experience on the Board. They are recruited primarily from built environment related industries. Each Trustee undertakes an induction programme that includes governance and financial documentation and meetings with the Chief Executive and members of the management team.

## FUNDRAISING

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not actively raise funds or solicit donations directly from the general public. The Charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during the period.

## REFERENCE AND ADMINISTRATIVE

The Built Environment Trust is a company limited by guarantee and a registered charity. It was incorporated on 9 June 2015 and registered with the Charity Commission on 4 September 2015. The Built Environment Trust continues the work of its predecessor charity, The Building Centre Trust.

The audited consolidated financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP), the Charities Act 2011 and the Companies Act 2006. The financial statements combine the results of The Built Environment Trust and its wholly owned subsidiary, The Building Centre Group Limited.

## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of The Built Environment Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In the case of each Trustee in office at the date the Trustees' Report is approved:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- They have taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

## INDEPENDENT AUDITORS

Saffery LLP have expressed their willingness to remain in office.

The Trustees have taken advantage of the small companies' regime in preparing the Report of the Trustees.
The Report of the Trustees was signed on behalf of the Trustees by:



Susan Ann Allen
Chair

18 September 2024

## Opinion

We have audited the financial statements of the Built Environment Trust for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the consolidated and Trust balance sheets, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 March 2024 and of the group's incoming resources and application of resources, including 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 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

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 or the parent charitable company'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 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.

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 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.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**
In the light of the 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 Report of the Trustees.

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

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

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 and 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.

**Auditor's responsibilities for the audit of the financial statements**
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent charitable company'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 parent charitable company'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Cara Turtington (Senior Statutory Auditor)**
**for and on behalf of Saffery LLP**

18 September 2024

**Chartered Accountants**
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**The Built Environment Trust**

**Consolidated statement of financial activities**
**For the year ended 31 March 2024**
**(Incorporating an income and expenditure account)**

| | Notes | 2024 | 2023 |
|---|---|---|---|
| **Income from:** | | £ | £ |
| **Legacies** | 3 | - | - |
| **Charitable activities** | 4 | 5,918 | 208,290 |
| **Other trading activities** | | | |
| Income generated in subsidiary company | 5 | 2,573,049 | 2,232,181 |
| **Investments** | | 27,559 | 54,891 |
| **Total income** | | 2,606,526 | 2,495,362 |
| **Expenditure on:** | | | |
| **Charitable activities** | 6 | 425,841 | 805,483 |
| **Raising funds** | | | |
| Expenditure incurred in subsidiary company | 5 | 2,191,781 | 2,024,657 |
| Fundraising expenditure | | 114,361 | 36,896 |
| Investment management costs | | 0 | 40,104 |
| | | 2,306,142 | 2,101,657 |
| **Total expenditure** | | 2,731,983 | 2,907,140 |
| Net (losses)/gains on investments | | (207,798) | (56,340) |
| **Net (expenditure)/income before taxation and other recognised gains and losses** | 7 | (333,255) | (468,118) |
| Taxation | 8 | (45,484) | (18,905) |
| **Net (expenditure)/income after taxation and before other recognised gains and losses** | | (378,739) | (487,023) |
| **Other recognised gains/(losses)** | | | |
| Actuarial gain/(loss) on defined benefit pension scheme | | 119,000 | 455,000 |
| Deferred tax relating to pension scheme | | (78,750) | (159,750) |
| **Net movement in funds** | | (338,489) | (191,773) |
| **Reconciliation of funds** | | | |
| Total funds brought forward 1 April 2023 | | 3,853,984 | 4,045,757 |
| **Total funds carried forward 31 March 2024** | 15 | 3,515,495 | 3,853,984 |

The notes and accounting policies on pages 22 to 39 form part of these accounts.
All of the Trust's funds are unrestricted

## Balance sheets
## At 31 March 2024

| | Notes | Consolidated | | Trust | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Tangible assets | 10 | 6,783 | 9,567 | - | - |
| Investments | 11 | 2,743,593 | 3,360,324 | 2,743,593 | 3,360,324 |
| Investments in subsidiaries | 11 | 300 | 300 | 950,000 | 950,000 |
| | | 2,750,676 | 3,370,191 | 3,693,593 | 4,310,324 |
| **Current assets** | | | | | |
| Debtors | 12 | 582,546 | 708,443 | 261,530 | 266,486 |
| Cash at bank and in hand | | 1,484,298 | 1,250,358 | 318,203 | 401,202 |
| | | 2,066,844 | 1,958,801 | 579,733 | 667,688 |
| Creditors: amounts falling due within one year | 13 | (949,430) | (807,771) | (352,917) | (341,818) |
| **Net current assets** | | 1,117,414 | 1,151,030 | 226,816 | 325,870 |
| **Total assets less current liabilities** | | 3,868,090 | 4,521,221 | 3,920,409 | 4,636,194 |
| Deferred taxation | 14 | (1,595) | (1,237) | - | - |
| Defined benefit pension scheme liability | 17 | (351,000) | (666,000) | - | - |
| **Net assets** | | 3,515,495 | 3,853,984 | 3,920,409 | 4,636,194 |
| **Funds** | | | | | |
| Unrestricted funds | 15 | 3,778,745 | 4,353,484 | 3,920,409 | 4,636,194 |
| Defined benefit pension scheme deficit | 15 | (263,250) | (499,500) | - | - |
| **Total funds** | 15 | 3,515,495 | 3,853,984 | 3,920,409 | 4,636,194 |

No separate company Statement of Financial Activities (SOFA) has been prepared by the Charity as permitted by section 408 Companies Act 2006. The charitable company's income for the year was £632,215 (2023: £879,861) and the deficit for the year was £715,785 (2023: deficit of £658,962).

The financial statements on pages 19 to 39 were approved by the Trustees on 18 September 2024 and signed on their behalf by:

Susan Ann Allen
**Chair**

**Company registration number: 9631202**

**The Built Environment Trust**

**Consolidated statement of cash flows**
**For the year ended 31 March 2024**

| **Statement of cash flows** | **2024** | **2023** |
|---|---|---|
| | **£** | **£** |
| **Net cash used in operating activities** | **(227,742)** | **(516,989)** |
| **Cash flows from investing activities** | | |
| Investment income | 27,559 | 54,891 |
| Purchase of tangible fixed assets | (3,599) | (12,602) |
| Proceeds from the sale of investments | 2,353,140 | 3,654,321 |
| Purchase of investments | (1,944,207) | (3,213,208) |
| **Net cash provided by investing activities** | 432,893 | 483,402 |
| Corporation tax received | 28,789 | - |
| Change in cash and cash equivalents in the year | 233,940 | (33,587) |
| Cash and cash equivalents at 1 April | 1,250,358 | 1,283,945 |
| **Cash and cash equivalents at 31 March** | **1,484,298** | **1,250,358** |

| **Reconciliation of net expenditure to net cash flow from operating activities** | **2024** | **2023** |
|---|---|---|
| | **£** | **£** |
| **Net (expenditure)/income for the reporting period as per the statement of financial activities** | **(333,255)** | **(468,118)** |
| **Adjustments for** | | |
| Investment income | (27,559) | (54,891) |
| Depreciation charges | 6,383 | 130,293 |
| Losses/(gains) on investments | 207,798 | 56,340 |
| Decrease/(increase) in debtors | 18,615 | 37,910 |
| Increase/(decrease) in creditors | 96,276 | (34,523) |
| Pension gains recognised in SOFA excluding actuarial gain | (196,000) | (184,000) |
| **Net cash used in operating activities** | **(227,742)** | **(516,989)** |

| **Analysis of cash and cash equivalents** | **2024** | **2023** |
|---|---|---|
| | **£** | **£** |
| Cash at bank and on instant access deposit accounts | 1,484,298 | 1,250,358 |

| **Analysis of changes in net debt** | **At 1 April 2023** | **Cashflows** | **At 31 March 2024** |
|---|---|---|---|
| | **£** | **£** | **£** |
| Cash and cash equivalents | 1,250,358 | 233,940 | 1,484,298 |

## 1. Accounting policies

### 1.1 Basis of preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) and with the second edition of the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP) together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The Charity has adapted the Companies Act formats to reflect the SORP.

The accounts have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

### 1.2 Going concern

The accounts have been prepared on the going concern basis. The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

At 31 March 2024 there were consolidated net current assets of £1,117,414. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. As the organisation continues to develop both its activities and its income streams, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for at least the next 12 months. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

The Charity is a public benefit entity. The accounting policies have been applied consistently throughout the accounts and the prior year.

### 1.3 Basis of consolidation

The consolidated accounts combine the results of The Built Environment Trust with its wholly owned subsidiary undertaking, The Building Centre Group Limited (Company No. 746150), on a line by line basis. In the consolidated accounts uniform accounting policies have been used. Consolidation adjustments have been made to remove transactions between the two entities and inter-entity balances have been cancelled. The consolidated entity is referred to as "the Group".

### 1.4 Incoming resources

Incoming resources are accrued and included in the SOFA when the Group is entitled to the income, receipt can be quantified and is probable. Incoming resources are deferred when they relate to future accounting periods.

### 1.5 Legacies

Legacies are recognised when probate is granted and there is sufficient information to value them.

## Accounting policies (continued)

### 1.6 Resources expended

All expenditure is accounted for on an accruals basis. Direct costs are those specifically related to producing the output of an activity. Support costs not attributable to a single activity are allocated on an appropriate basis such as headcount or staff time.

### 1.7 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at cost. Depreciation is provided so as to write off the cost of fixed assets on a straight line basis over their expected useful lives, as follows:

| | |
|---|---|
| 6% - 29% | Leasehold property improvements |
| 10% - 25% | Assets purchased for exhibition purposes |
| 10% - 20% | Fixtures, fittings, furniture and equipment |
| 25% - 33% | Computer equipment |

Fixed assets are subject to a review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

### 1.9 Investments

Listed investments are stated at fair value. The SOFA includes realised gains and losses on investments sold in the year and unrealised gains and losses on revaluation of investments.

Investments in group companies are included at cost less provision for any permanent diminution in value.

### 1.10 Financial instruments

The group has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

### 1.11 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives. A pension scheme deficit is included within the unrestricted funds to reflect the defined benefit pension scheme liability. Designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose by the Trustees.

## 1. Accounting policies (continued)

### 1.12 Pensions

For the defined benefit pension scheme, pension scheme assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by an independent actuary. FRS 102 measures the value of pension scheme assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension scheme.

### 1.13 Taxation

The Built Environment Trust is a registered charity and is exempt from UK income tax and corporation tax on charitable activities. The Trust is registered for VAT.

The subsidiary company is liable to corporation tax on its profits, based on taxable profit for the year. Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 2. Critical accounting judgements and sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical evidence and other factors.

### 2.1 Critical judgements in applying the entity's accounting policies

There are no critical accounting judgements in 2024 and 2023.

### 2.2 Critical accounting estimates and assumptions

Defined benefit pension scheme
The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension liability in the balance sheet. The assumptions reflect historical experience and current trends. The valuation is particularly sensitive to the impact of the discount rate assumption on Scheme liabilities. See Note 17 for the disclosures relating to the defined benefit scheme.

## 3. Legacy income

Legacy income is not recognised until The Built Environment Trust has entitlement to the funds, the amount can be quantified and there is probability of receipt. No legacies were recognised in the year ended 31 March 2024 (2023: £nil)

## 4. Income from charitable activities

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Educational events and exhibitions | 2,950 | 54,127 |
| Learning | 2,968 | 5,125 |
| Provision of space to built environment organisations | - | 149,038 |
| | 5,918 | 208,290 |

## 5. Subsidiary trading company

The Building Centre Group Limited, The Built Environment Trust's wholly owned trading subsidiary, incorporated in England and Wales, engages in both primary purpose and non-primary purpose trading activities. A summary of the audited income statement of the Building Centre Group Limited for the year ended 31 March 2024 is shown below. These figures do not agree to the figures on page 19 due to the impact of consolidation adjustments.

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Income | 2,833,947 | 2,613,724 |
| Expenditure | (2,451,416) | (2,422,880) |
| | 382,531 | 190,844 |
| Taxation | (45,484) | (18,905) |
| Charitable donation under gift aid | - | - |
| Retained in subsidiary | 337,047 | 171,939 |

The assets and liabilities of The Building Centre Group Limited consolidated within the balance sheet are:

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Assets | 1,572,897 | 1,386,460 |
| Liabilities | (679,037) | (554,897) |
| Defined benefit pension scheme liability | (351,000) | (666,000) |
| Represented by share capital and reserves | 542,860 | 165,563 |

**Subsidiary company income analysis**

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **Income from** | | |
| Provision of exhibition and office space | 2,016,696 | 1,890,738 |
| Information services | 99,651 | 112,941 |
| Facilities for conferences, talks and events | 427,292 | 336,485 |
| Other | 209,005 | 273,560 |
| Business interruption insurance | 81,303 | - |
| | 2,833,947 | 2,613,724 |

## 6. Costs of charitable activities

| | Direct costs £ | Salary costs £ | Support costs £ | 2024 Total £ |
|---|---|---|---|---|
| Exhibitions and projects | 74,552 | 89,978 | 78,004 | 242,534 |
| Learning | 43,918 | 58,200 | 81,189 | 183,307 |
| Provision of space to built environment organisations | - | - | - | - |
| | 118,470 | 148,178 | 159,193 | 425,841 |

Support costs have been allocated on a headcount basis.

| | Exhibitions and projects £ | Learning £ | Provision of space £ | 2024 Total £ |
|---|---|---|---|---|
| Governance and strategy | 43,501 | 45,277 | - | 88,778 |
| Management and administration | 34,503 | 35,912 | - | 70,415 |
| | 78,004 | 81,189 | - | 159,193 |

**Prior year comparative figures**

| | Direct costs £ | Salary costs £ | Support costs £ | 2023 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 303,505 | 162,793 | 155,261 | 621,559 |
| Learning | 12,895 | 30,539 | 43,374 | 86,808 |
| Provision of space to built environment organisations | 67,470 | - | 29,646 | 97,116 |
| | 383,870 | 193,332 | 228,281 | 805,483 |

| | Events and exhibitions £ | Learning £ | Provision of space £ | 2023 Total £ |
|---|---|---|---|---|
| Governance and strategy | 118,663 | 33,148 | 22,650 | 174,461 |
| Management and administration | 36,598 | 10,226 | 6,996 | 53,820 |
| | 155,261 | 43,374 | 29,646 | 228,281 |

## 7. Net (expenditure)/income for the year

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| This is stated after charging/(crediting): | | |
| Depreciation charge | 6,383 | 130,293 |
| Gain on disposal of fixed assets | - | - |
| Rentals payable under operating leases | | |
| - Land and buildings | 600,000 | 600,000 |
| Auditors remuneration for external audit services | | |
| - Trust | 9,450 | 8,950 |
| - Subsidiary | 14,500 | 13,940 |
| Auditors remuneration for non-audit services | | |
| - Trust | - | 6,500 |
| - Subsidiary | 6,625 | 4,895 |

## 8. Taxation

The Built Environment Trust is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities. The subsidiary company is liable to corporation tax on its profits, as set out below:

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| *Domestic current year tax* | | |
| UK corporation tax charge/(credit) | 45,126 | 19,807 |
| Adjustment for prior years | - | - |
| Total current tax | 45,126 | 19,807 |
| *Deferred tax* | | |
| Deferred tax charge/(credit) | 358 | (902) |
| Charge/(credit) to statement of financial activities | 45,484 | 18,905 |

## 9. Employees and Trustees

| | 2024 £ | 2023 £ |
|---|---|---|
| Salaries and wages | 826,281 | 762,045 |
| Social security costs | 87,005 | 81,102 |
| Pension costs (including operating costs of defined benefit pension scheme) | 131,421 | 128,208 |
| | 1,044,707 | 971,355 |

| The average number of employees, calculated on an average headcount, analysed by function was | 2024 Number | 2023 Number |
|---|---|---|
| Provision of exhibition and office space and events | 8 | 7 |
| Information services | 2 | 2 |
| Facilities for conferences, talks and events | 2 | 1 |
| Support services | 3 | 2 |
| Learning | 1 | 1 |
| | 16 | 13 |

| Number of employees whose benefits (excluding employer pension contributions) fell within the following bands: | 2024 Number | 2023 Number |
|---|---|---|
| £60,000 to £69,999 | 1 | 1 |
| £70,000 to £79,999 | - | - |
| £80,000 to £89,999 | 1 | 2 |
| £90,000 to £90,999 | 0 | 1 |
| £100,000 to £109,999 | 2 | 1 |

The total emoluments of key management personnel (being the executive directors) was £205,749 (2023: £202,789) excluding pension contributions and £230,622 (2023: £229,964) including pension contributions.

No Trustee received remuneration from the Group during the year (2023: nil). Travel expenses incurred by trustees for attending meetings, and reimbursed, amounted to £1,170 (2023: £2,115). As permitted by the Articles of Association, the Charity purchased and maintained throughout the year Trustees and Officers liability insurance in respect of itself and its Trustees.

## 10. Tangible fixed assets

### a) Consolidated

| | Property improvements | Furniture fittings and equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| 1 April 2023 | 3,246,185 | 647,268 | 3,893,453 |
| Additions | - | 3,599 | 3,599 |
| 31 March 2024 | 3,246,185 | 650,867 | 3,897,052 |
| **Depreciation** | | | |
| 1 April 2023 | 3,246,185 | 637,701 | 3,883,886 |
| Charge for year | - | 6,383 | 6,383 |
| 31 March 2024 | 3,246,185 | 644,084 | 3,890,269 |
| **Net book value** | | | |
| 31 March 2024 | - | 6,783 | 6,783 |
| 31 March 2023 | - | 9,567 | 9,567 |

### b) Trust

| | Furniture fittings and equipment | Total |
|---|---|---|
| | £ | £ |
| **Cost or valuation** | | |
| At 1 April 2023 and 31 March 2024 | 12,099 | 12,099 |
| **Depreciation** | | |
| 1 April 2023 | 12,099 | 12,099 |
| Charge for year | - | - |
| 31 March 2024 | 12,099 | 12,099 |
| **Net book value** | | |
| 31 March 2024 | - | - |
| 31 March 2023 | - | - |

## 11. Fixed asset investments

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **a) Listed investments** | | |
| **Consolidated and Trust** | | |
| **Market value** | | |
| 1 April 2023 | 3,360,324 | 3,857,777 |
| Additions | 1,944,207 | 3,213,208 |
| Disposals | (2,353,140) | (3,654,321) |
| Realised and unrealised gains/(losses) on revaluation | (207,798) | (56,340) |
| **Market value at 31 March 2024** | 2,743,593 | 3,360,324 |
| **Historical cost at 31 March 2024** | 3,001,082 | 3,029,386 |
| **Listed investments** | | |
| Fixed interest securities | - | 1,343,321 |
| Equity shares | - | 607,322 |
| Investment companies | - | 474,611 |
| Other | - | 797,454 |
| Pooled investment fund | 2,743,593 | - |
| | 2,743,593 | 3,222,708 |
| Cash awaiting investment | - | 137,616 |
| **Market value at 31 March 2024** | 2,743,593 | 3,360,324 |

In April 2023, the segregated investment portfolio was transferred to a pooled investment fund, The Charity Assets Trust, operated by Ruffer LLP. The Charity Assets Trust has an integrated responsible investment policy.

## 11. Fixed asset investments (continued)

### b) Unlisted investments

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **Consolidated** | | |
| £1 Ordinary shares | 300 | 300 |
| **Unlisted investments at cost** | 300 | 300 |

At 31 March 2024, the Building Centre Group Limited owned 100% of the share capital of three dormant subsidiary undertakings: Centre for the Built Environment Limited (Company No. 13119942), London Centre for the Built Environment Limited (Company No. 13119958) and National Centre for the Built Environment Limited (Company No. 13120233), none of which is actively trading. The share capital of each entity is £100. The dormant subsidiaries are not consolidated into these financial statements.

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **The Trust** | | |
| £1 Ordinary shares | 800,000 | 800,000 |
| Preference shares | 150,000 | 150,000 |
| **Unlisted investments at cost** | 950,000 | 950,000 |
| | | |
| **Cost** | | |
| At 1 April 2023 | 950,000 | 950,000 |
| Disposals | - | - |
| Revaluation | - | - |
| At 31 March 2024 | 950,000 | 950,000 |

The unlisted investments represent the Trust's investment in its trading subsidiary, The Building Centre Group Limited (see Note 5).

## 12. Debtors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Trade debtors | 17,845 | 84,539 | - | 150 |
| Due from subsidiary undertakings | - | - | 78,702 | 85,480 |
| Other debtors | - | 28,532 | - | - |
| Prepayments and accrued income | 476,951 | 428,872 | 182,828 | 180,856 |
| | 494,796 | 541,943 | 261,530 | 266,486 |
| **Amounts falling due after one year** | | | | |
| Deferred tax asset – pension scheme deficit (see note 14) | 87,750 | 166,500 | - | - |
| Total debtors | 582,546 | 708,443 | 261,530 | 266,486 |

## 13. Creditors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Amounts due within one year | | | | |
| Trade creditors | 245,757 | 248,719 | 161,876 | 183,087 |
| Due to subsidiary undertakings | 300 | 300 | - | - |
| Other creditors | 21,282 | 19,043 | - | - |
| Other taxes and social security | 83,041 | 66,106 | (16,713) | (25,935) |
| Corporation tax | 45,383 | - | - | - |
| Accruals | 185,253 | 169,034 | 50,754 | 29,666 |
| Rental and exhibition income in advance | 368,414 | 304,569 | 157,000 | 155,000 |
| | 949,430 | 807,771 | 352,917 | 341,818 |

## 14. Deferred taxation

| | Consolidated 2024 Pension scheme deficit £ | 2024 Accelerated Capital allowances £ | Consolidated 2023 Pension scheme deficit £ | 2023 Accelerated Capital allowances £ |
|---|---|---|---|---|
| Deferred tax asset | | | | |
| Balance at 1 April 2023 | 166,500 | (1,237) | 326,250 | (2,139) |
| Movement in year | (78,750) | (358) | (159,750) | 902 |
| Balance at 31 March 2024 | 87,750 | (1,595) | 166,500 | (1,237) |

## 15. Reserves

**Consolidated**

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2023 | 2,353,484 | 2,000,000 | (499,500) | 3,853,984 |
| Income and gains | 2,646,776 | - | - | 2,646,776 |
| Expenditure and losses | (2,985,264) | - | | (2,985,264) |
| Transfers | (236,250) | - | 236,250 | - |
| **Unrestricted funds at 31 March 2024** | 1,778,746 | 2,000,000 | (263,250) | 3,515,496 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, excluding the pension scheme deficit, which totals £143,890.

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2022 | 3,024,507 | 2,000,000 | (978,750) | 4,045,757 |
| Income and gains | 2,790,612 | - | - | 2,790,612 |
| Expenditure and losses | (2,982,385) | - | - | (2,982,385) |
| Transfers | (479,250) | - | 479,250 | - |
| **Unrestricted funds at 31 March 2023** | 2,353,484 | 2,000,000 | (499,500) | 3,853,984 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, excluding the pension deficit, which totals £284,937

## 15. Reserves

**Trust**

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2023 | 2,636,194 | 2,000,000 | 4,636,194 |
| Income and gains | 32,215 | - | 32,215 |
| Expenditure and losses | (748,000) | - | (748,000) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2024** | 1,920,409 | 2,000,000 | 3,920,409 |

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2022 | 3,295,156 | 2,000,000 | 5,295,156 |
| Income and gains | 879,861 | - | 879,861 |
| Expenditure and losses | (1,538,823) | - | (1,538,823) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2023** | 2,636,194 | 2,000,000 | 4,636,194 |

The designated funds relate to a property fund, which are reserves earmarked for general premises protection including repairs, potential dilapidation costs and future proofing. The property fund relates to the short to medium term.

## 16. Operating lease commitments

The total of future minimum lease payments under non-cancellable operating leases is as follows:

| | 2024 Land and buildings £ | 2024 Equipment £ | 2023 Land and buildings £ | 2023 Equipment £ |
|---|---|---|---|---|
| Within one year | 600,000 | 8,936 | 600,000 | 8,596 |
| In two to five years | 350,000 | 8,604 | 600,000 | 10,340 |
| In over five years | - | - | - | - |
| | 950,000 | 17,540 | 1,200,000 | 18,936 |

## 17. Pension costs

During the year, the subsidiary company operated a defined benefit pension scheme and a defined contribution pension scheme for employees.

The Building Centre Group Limited Pension and Assurance Scheme (the defined benefit Scheme), is closed to new entrants. The Scheme is closed to future accrual following the retirement of the last active member.

**Defined benefit pension scheme**
In line with normal practice, there are two bases for assessing the value of the assets and liabilities of the Scheme. For accounting purposes, they are reported in accordance with Financial Reporting Standard 102. In addition, the trustees of the Scheme commission a triennial actuarial funding valuation to ensure that the Scheme is appropriately funded. The last full actuarial valuation was carried out at 6 April 2022 and showed a funding shortfall of £988,000.

17. **Pension cost (continued)**

As detailed below, on a FRS 102 basis the Scheme had a deficit at 31 March 2024 of £351,000 (2023: £666,000). The valuation is paricularly sensitive to the impact of the discount rate assumption on Scheme liabilities which has increased by 0.2% (from 4.8% to 5.0%) between 2023 and 2024, of the RPI assumption which has remained at 3.2%, and the CPI assumption which has increased by 0.3% (from 2.3% to 2.6%). The company is working with the Scheme trustees to manage the Scheme deficit. The funding shortfall is expected to be eliminated by 2028.

| **Value of the scheme assets and liabilities** | **2024** £ | **2023** £ |
|---|---|---|
| Market value of assets | 3,572,000 | 3,263,000 |
| Present value of scheme liabilities | (3,923,000) | (3,929,000) |
| Deficit in scheme | (351,000) | (666,000) |
| Related deferred tax asset (see Note 14) | (87,750) | 166,500 |

**Principal actuarial assumptions**

The principal actuarial assumptions on which the valuation of the scheme was based are set out below:

| | **2024** | **2023** |
|---|---|---|
| Rate used to discount scheme liabilities | 5.0% | 4.8% |
| Rate of increase to pensions in payment | 3.1% | 3.1% |
| Rate of future price inflation – RPI | 3.2% | 3.2% |
| Rate of future price inflation – CPI | 2.6% | 2.3% |

The life expectancies used to determine benefit obligations are as follows:

| | **2024 Male** | **2024 Female** | **2023 Male** | **2023 Female** |
|---|---|---|---|---|
| Member aged 65 (current life expectancy) | 20.7 | 23.0 | 21.2 | 23.5 |
| Member aged 45 (life expectancy at 65) | 21.7 | 23.9 | 22.3 | 24.4 |

| **Movements in the SOFA** | **2024** £ | **2023** £ |
|---|---|---|
| Current and past service cost | | - |
| Interest cost on scheme liabilities | (185,000) | (148,000) |
| Interest income on assets in the scheme | 158,000 | 115,000 |
| Total pension loss recognised in the SOFA | (27,000) | (33,000) |
| Actuarial gains/(losses) | 119,000 | 455,000 |
| Deferred tax relating to pension scheme | (78,750) | (159,750) |
| Total gains/(losses) recognised in the SOFA | 40,250 | 295,250 |

## 17. Pension costs (continued)

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2023 | 3,263,000 | (3,929,000) | (666,000) |
| Interest income on assets in the scheme | 158,000 | - | 158,000 |
| Interest cost on scheme liabilities | - | (185,000) | (185,000) |
| Actuarial gains/(losses) | 77,000 | 42,000 | 119,000 |
| Employer contributions paid | 223,000 | - | 223,000 |
| Employee contributions pai | - | - | - |
| Benefits paid | (149,000) | 149,000 | - |
| Current and past service cost | - | - | - |
| At 31 March 2024 | 3,572,000 | (3,923,000) | (351,000) |

The actual return on scheme assets for the year was a gain of £77,000.

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2022 | 4,045,000 | (5,350,000) | (1,305,000) |
| Interest income on assets in the scheme | 115,000 | - | 115,000 |
| Interest cost on scheme liabilities | - | (148,000) | (148,000) |
| Actuarial gains/(losses) | (998,000) | 1,453,000 | 455,000 |
| Employer contributions paid | 217,000 | - | 217,000 |
| Employee contributions paid | - | - | - |
| Benefits paid | (116,000) | 116,000 | - |
| Current and past service cost | | | |
| At 31 March 2023 | 3,263,000 | (3,929,000) | (666,000) |

The actual return on scheme assets for the year was a loss of £998,000

## 18. Related party transactions

Expenses reimbursed to Trustees and the remuneration of the key management personnel are disclosed in Note 9.

Details of transactions in respect to The Building Centre Group Limited Pension and Assurance Scheme are set out in Note 17.

The Built Environment Trust has transactions with its wholly owned subsidiary, The Building Centre Group Limited, which have been eliminated on consolidation. These transactions are as follows.

The Built Environment Trust received income from The Building Centre Group Limited as follows:

- Licence fees of £620,000 (2023: £620,000)

The Building Centre Group Limited charged the following expenditure to The Built Environment Trust:

- Management fee £208,898 (2023: £273,043)

At 31 March 2024 there are balances outstanding between The Built Environment Trust and The Building Centre Group Limited which have been eliminated on consolidation. These balances are as follows.

Balances owed by The Building Centre Group Limited to The Built Environment Trust as follows:

- Intercompany current account £78,702 (2023: £85,480)

There are no balances owed by The Built Environment Trust to The Building Centre Group Limited.

No guarantees have been given or received.

## 19. Company status

The company is limited by guarantee and the total of those guarantees is £1 per member

**THE BUILT ENVIRONMENT TRUST**

England & Wales - Charity number 1163419

# Accounts

Registered Company No. 9631202
Registered Charity No. 1163419

# The Built Environment Trust

## Trustees' Report and Consolidated Financial Statements For the year ended 31 March 2023

**The Built Environment Trust**

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## Trustees and trust information
## Year ended 31 March 2023

| | |
|---|---|
| **Patron** | HRH The Duke of Gloucester KG GCVO |
| **President** | Spencer de Grey CBE RA |
| **Trustees** | Richard Hill FCCA<br>Antony Oliver<br>Katy Ghahremani<br>Susan Ann Allen MBE (Chair)<br>Anna Moore (appointed 20 September 2023)<br>David Hughes (appointed 20 September 2023) |
| **Chief Executive** | Colin Tweedy LVO OBE |
| **Auditors** | Saffery LLP<br>71 Queen Victoria Street<br>London<br>EC4V 4BE |
| **Investment managers** | Ruffer LLP<br>80 Victoria Street<br>London<br>SW1E 5JL |
| **Bankers** | Royal Bank of Scotland PLC<br>Drummond House<br>1 Redheughs Avenue<br>Edinburgh<br>EH12 9JN |
| **Charity number** | 1163419 |
| **Company number** | 9631202 |
| **Principal office and registered office** | 26 Store Street<br>London<br>WC1E 7BT |

# Report of the Trustees
Year ended 31 March 2023

The Trustees have pleasure in presenting their Report together with the financial statements for the year ended 31 March 2023.

## OBJECTIVES AND ACTIVITIES

The Built Environment Trust supports people to build a better world.

### Our vision
Our vision is to transform our man-made ecosystem to improve the day-to-day life, health and well-being of all, and to raise aspirations.

### Our mission
Our mission is to inspire, connect and empower people to improve the quality of our built environment. We recognise that the built environment shapes lives and communities and we are committed to involving all members of society as knowledgeable and active voices in determining how we construct our future.

### Our purpose
Our purpose is to work with specific communities where our work has tangible benefits, and where our action recognises the need and addresses the problems. We will bring together relevant stakeholders and strategic partners to find solutions to the problems.

### Who we are
The Built Environment Trust is a charity which promotes and delivers education in relation to the built environment. Our aim is to improve the quality of the built environment by inspiring and educating people, both professionals and the general public, about its value to their lives and by supporting knowledge and practice in the world of building. The Built Environment Trust is an organisation which helps lead thought and action in respect to the built environment, to foster improved and sustainable practices for long term change.

### What we do
The Built Environment Trust operates the Building Centre, a public exhibition centre. It has been home of the built environment since 1931. The Trust aims to advance understanding of quality in the built environment, physically and online, working with the leading partners across the construction industry and related areas. We achieve our objectives through a variety of activities and through partnership or support of others. Our activities include:

- Exhibitions and events
- Lectures and seminars
- Encouraging and providing facilities for discussion and debate
- Providing facilities for those working in the built environment industry
- Learning programme for schools, families and communities

We gratefully acknowledge the assistance we received from external advisers and experts, and from companies and individuals who made voluntary contributions of time and materials.

## ACHIEVEMENTS AND PERFORMANCE

### Exhibitions at the Building Centre and online

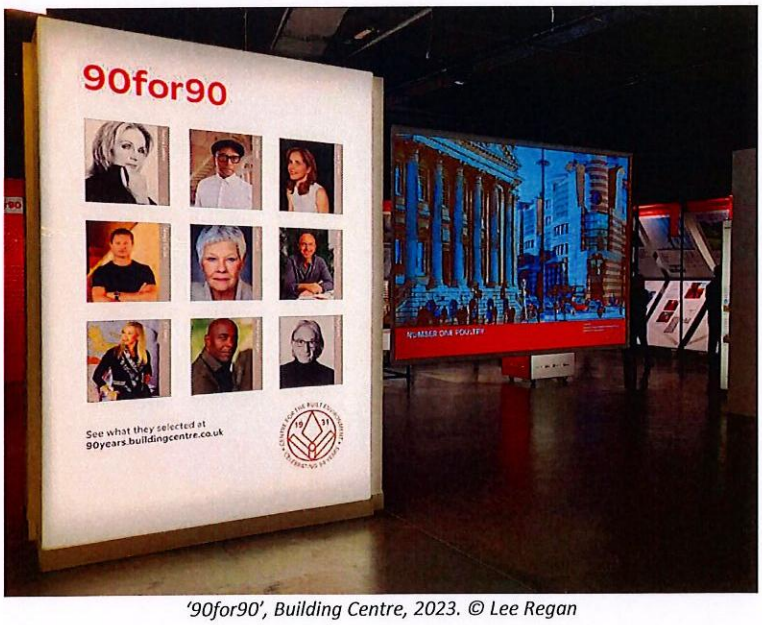
In April 2022, the British Pavilion from the 2021 Venice Biennale came home to London for the first time. A collaboration between The Built Environment Trust, the Architectural Association School of Architecture, the Museum of Architecture, and the British Council, the exhibition entitled **The Garden of Privatized Delights**, called for new thinking around privately owned public space in cities across the UK.

The exhibition, curated by Madeleine Kessler and Manijeh Verghese of Unscene Architecture, challenged the polarisation of private and public organisations and instead posed solutions on how they might work together to improve use of, access to and ownership of public spaces. The themes of the exhibition were based on very British issues – including pubs, high streets, garden squares and toilets – with seven different types of privatized public spaces reimagined as inclusive, immersive experiences. There were 6,482 views of the exhibition web page, 28 dedicated Instagram posts which were viewed by 1,600 users and significant press coverage.

As part of our ongoing collaboration with Timber Development UK the Building Centre hosted the **2022 Wood Awards** shortlist exhibition. A special exhibit of building models from the shortlist was on display, accompanied by a series of talks from the leading timber talents behind the incredible buildings.

The shortlist of 32 entries celebrated the diverse, creative and high-quality buildings and furniture made using the world's foremost sustainable and renewable material – wood. Each shortlisted entry told a story about the ways wood can transform and enhance our surroundings. Amidst a climate crisis, these stories are important. Wood is an incredible natural material that has a crucial role in helping us to reduce our carbon emissions.

Last year we reported that in celebration of our 90th anniversary in 2021, the Trust brought to life a major initiative, the **"90for90"** project. We invited 90 leading figures from across Britain – from architects, engineers, planners and developers to actors, architectural historians, photographers, broadcasters, writers and artists – to select their favourite examples of our nation's built environment.




*'90for90', Building Centre, 2023. © Lee Regan*

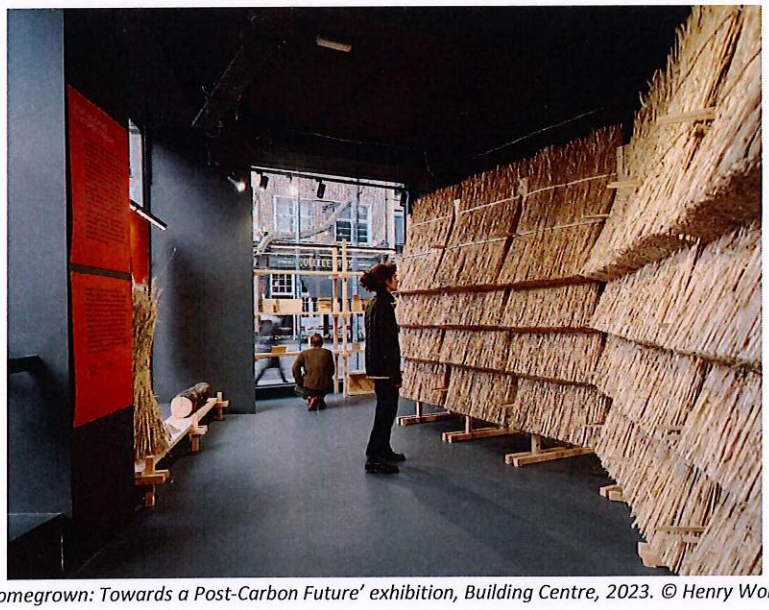
## ACHIEVEMENTS AND PERFORMANCE continued

Each contributor was asked to select what, for them, had a special significance, and their choices create a fascinating snapshot of the built environment over the past 90 years. Their choices ranged from theatres to public houses, refurbished industrial buildings to transport hubs, iconic structures to high tech offices, a sculpture park to a retrofitted hospital, art galleries to sporting venues. Some of the choices are world famous, others are comparatively unknown.

Previously only online, a physical exhibition of the 90for90 project was created in November 2022. Each selectors text was accompanied by images of their selection, together with practical information outlining some of the technical details of their choice. There were 1,238 views of the exhibition web page, 35 dedicated Instagram posts and 35 tweets went out to the Building Centre's audience of 22,500 on Twitter, celebrating the exhibition. The 90for90 campaign resulted in an increase of our followers on social media and increased interactions with our audiences by 308%.

Embracing the concept of natural materials, the Trust's exhibition **Homegrown – Building a Post-carbon Future**, proposed that a new approach to building is needed to answer the social and environmental crises we are facing. One that respects geography, ecology, people and place. Created in collaboration with Material Cultures and generously supported by Built by Nature, the exhibition asked how we can critically reassess our relationship with the built environment by engaging with our landscape and its materials holistically.

Three specially commissioned films made by Material Cultures reimagine how we use land at a local, regional and national scale, offering the chance for economic and social renewal, and refiguring how we live. In a nod to the Building Centre's origins as a materials bureau 90 years ago, the Trust presented a library of innovative materials alongside the exhibition, suggesting possibilities for the built future – away from the carbon-heavy industry standards and towards a bio-regional economy. There were 7,296 views of the exhibition web page, 21 dedicated Instagram posts and 21 Tweets went out to the Building Centre's audience of 22,500 on Twitter, celebrating the exhibition and events, as well as sharing news of press coverage, including articles in the leading industry press of Architects Journal and RIBA Journal.



*'Homegrown: Towards a Post-Carbon Future' exhibition, Building Centre, 2023. © Henry Woide*

## ACHIEVEMENTS AND PERFORMANCE continued

A public programme of in-person and digital talks, workshops and family activities took place at the Building Centre throughout the exhibition run. The Trust also facilitated visits from various universities, the RIBA Youth Forum and Skills Up learning sessions. An education programme inspired by Homegrown was delivered to just under 300 primary schoolchildren and teachers (further detail outlined below).

The final exhibition of the year was a memorial to **Max Fordham (1933 – 2022)** – a visionary engineer and pioneer of low energy, sustainable building design.

Max and his practice won significant and varied recognition for their work in ensuring human comfort and minimising the energy use of buildings. Max's final project, his own award-winning Passivhaus home, embodied ideas and approaches he had championed throughout his career and became the first home to achieve net zero carbon in line with the UKGBC's Framework.

This exhibition presented a curated collection of drawings, models, original letters and videos from Max's life and career. Through seminal projects from the last 50 years, the exhibition explored many of his key ideas and their impact on the design of the built environment.

### The Built Environment Trust's investment in learning

In September 2022, the Trust appointed a Head of Learning to develop a new Learning programme in line with the Trust's mission. The following activities are part of the early stages of trialling the new programme.

The Trust continues to collaborate and commission a number of different experts within the learning and outreach field to bring the best quality projects to life, extending the reach of the exhibition programmes and deepening understanding of the built environment.

The Trust commissioned MATT+FIONA, who developed and delivered 11 sessions, five at the Building Centre and six as outreach to schools across London, and two digital teacher resources for Key Stage 2 pupils linked to our Homegrown exhibition. The session was hands-on, with pupils learning about bio-based and natural building materials as well as making their own cob. We reached 295 pupils and teachers and received very positive feedback from teachers: 'Overall great experience' and 'Really lovely activities'.



*Children from Hawley Primary School making cob as part of the Homegrown school sessions. ©Olga Kott*

## ACHIEVEMENTS AND PERFORMANCE continued

In November 2022, the Trust hosted the Thorton Education Trust and their Inspiring Future Generation Awards. The event was attended by 115 built environment professionals and members of the community and celebrated the best projects and initiatives for engaging children and young people with architecture and the built environment.

The Trust ran a test project with young people from Coram Fields Youth Centre and Dinah Bornat at ZCD Architects in February 2023, exploring how the young people felt included or excluded in their local area. The project was funded by Foster and Partners and looked at the area around the Building Centre which is located close to where the young people lived and an area they used frequently and were very familiar with. Feedback on the project was positive with nine of out ten young people wanting to take part in more projects with the Trust.

## PLANS FOR FUTURE PERIODS

We reported last year that we had concluded our root and branch review of our mission, vision and activities in the Trust. We recognize that the built environment shapes lives and communities, and we are committed to involving all members of society as knowledgeable and active voices in determining how we construct our future. We recognize not only is this an ambitious agenda, but it is also a reformist agenda, where BET shapes a new identity around social change. Everything we do will be tested, not only to ensure our financial viability and relevance, but that we match the values that BET wishes to live by and support, those being; to promote an equitable society and a built environment that is both sustainable and resilient.

Financial and human resources will be critical to making our plans a reality and we will be engaging in an ambitious fundraising drive, reviewing our earned income and looking to increase our partnership working. Following on from our active testing of research in learning and exhibitions, we will develop a strong programme to support our mission. There are three programme streams that have been developed.

- **BE Learning** is an engagement programme providing activities, events and resources for schools, families and communities.
- **BE Projects** aims to become a series of broad reaching community engagement projects that will provide a network of small, vibrant centres, embedded in local communities.
- **BE Convening** will support the other two programmes through thought leadership, round tables, papers and conferences, awards and PR activities, where the Trust convenes ideas and debates that support community engagement in the built environment.

Last year we reported that our lease between the Built Environment Trust and the Corporation of London, comes to an end in October 2025. The trustees are considering all options in respect to our future home, including discussions with our current landlord, to ensure that we are able to continue to support our work in the wider community, to engage in the built environment and improve the quality of that environment, in the years to come.

## PUBLIC BENEFIT

The Trustees have complied with the duty in Section 4 of The Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Trust are available to the public and to persons interested in the field of the built environment. All exhibitions held at the Building Centre are free of charge. Charges are made for certain seminars and events, but these charges are not at a level where it is considered that they would prevent access to anyone wishing to attend and the majority of talks are free to enter. The Trust supports a number of other organisations in order to make free access to events of benefit to the built environment. During the pandemic, when the building was shut to the general public, exhibitions and events went online and these were accessible to anyone, free of charge. We have continued to offer online events and virtual tours of our main exhibitions.

In this way, the Trust is providing public benefit in the field of education in accordance with its charitable objectives. The Trust accepts that certain of its projects are of a specialist nature but these are well balanced by more general programmes such as its support to greater public access to exhibitions of the Building Centre. The Trust is keen to continue to be inclusive in promoting education to the largest number of individuals and organisations possible.

## FINANCIAL REVIEW

### Financial context

For the two years ending 31 March 2022, the finances of the organisation were significantly impacted by the pandemic. Initially this was because of lockdown restrictions and the closure of The Building Centre to the public. Subsequently there were imposed social restrictions and a reticence by the public to attend physical events. This had an impact on certain variable income streams, in particular income from the provision of facilities for conferences, talks and events. Although advantage was taken of coronavirus business support initiatives where they were available, and certain running costs were reduced, the operational profitability of the organisation was adversely affected.

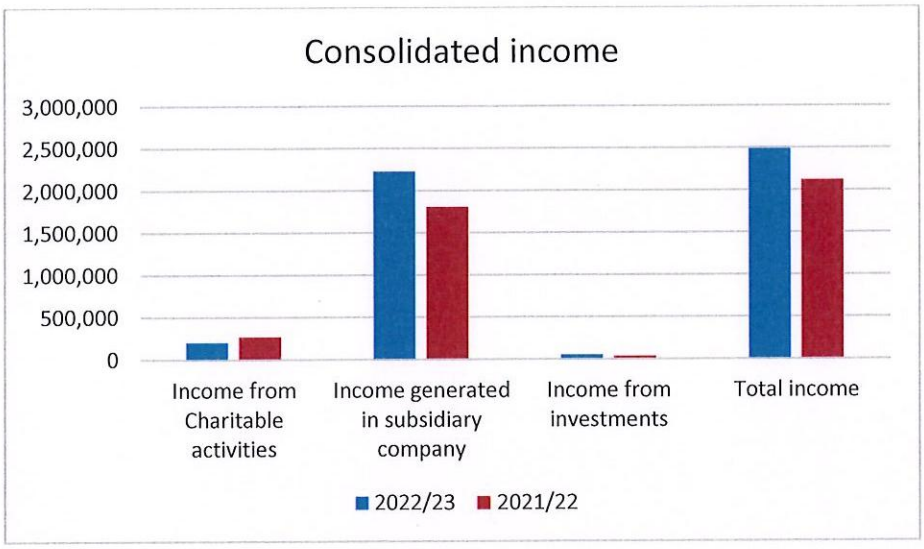
In the year to 31 March 2023, variable income streams started to recover, albeit not yet to pre-pandemic levels, and there was an increase in demand for physical events and interactions again. However, the pressure on profitability remains and is increased further by rising costs. The financial environment is very challenging for both the Trust and its trading subsidiary and strong financial management is being applied to all discretionary expenditure.

### Overview of consolidated Statement of Financial Activities (page 19)

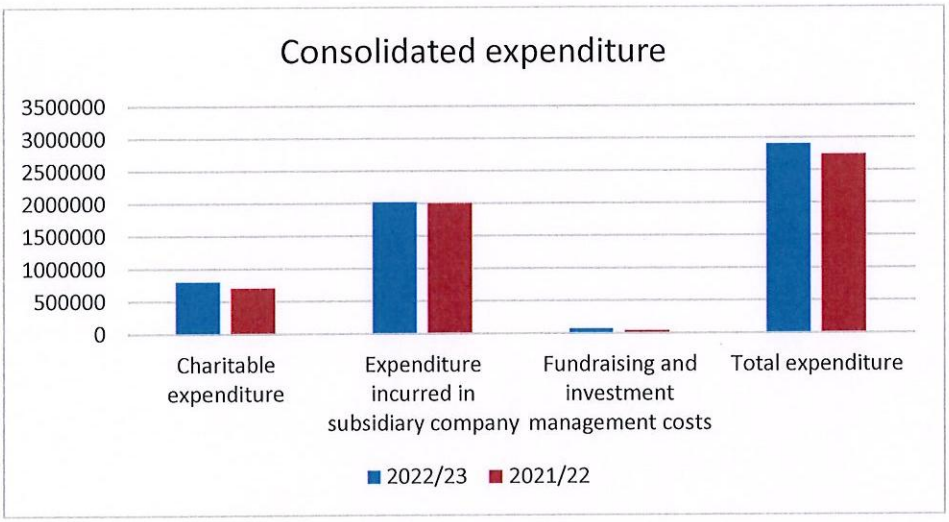
The Built Environment Trust has a wholly owned subsidiary, the Building Centre Group Ltd, which undertakes both charitable and commercial activities. The subsidiary's income and expenditure are shown separately in the consolidated Statement of Financial Activities (SOFA). The income and expenditure from charitable activities in the SOFA, relates solely to Trust activities.

**FINANCIAL REVIEW continued**
**Overview of consolidated Statement of Financial Activities (page 19) continued**

In the year ended 31 March 2023 the total consolidated income was £2,495,362, an increase of 18 % from last year's total of £2,119,821.




In the year ended 31 March 2023, the total consolidated expenditure was £2,907,140, an increase of 6% over last year's total of £2,747,819.




As a result, the net consolidated expenditure (the operational deficit) was £411,778 compared to net consolidated expenditure of £627,998 in the prior year. This figure is before including losses on investments, actuarial gains on the pension scheme valuation, and corporation tax arising in the subsidiary company.

Following two years of growth in the investment portfolio, in this financial year there were net losses on investments of £56,340 (2022: net gains of £207,565). The subsidiary company incurred a corporation tax charge of £18,905 (2022: credit of £54,026).

FINANCIAL REVIEW continued
Overview of consolidated Statement of Financial Activities (page 19) continued

There was a net actuarial gain on the defined benefit pension scheme of £295,250 (2022: net actuarial gain of £348,700).

Overall, there was a net decrease in consolidated funds of £191,773 for the year (2022: net decrease in funds of £17,707).

**Income**
As shown in the chart above, income is generated from three main sources: being income from charitable activities, trading income generated in the subsidiary company, and investment income.

Income from charitable activities was £63,751 less than last year at £208,290 (2022: £272,041), with income generation continuing to be challenging.

Income generated in the subsidiary company and included in the consolidated SOFA, was 23% higher than last year at £2,232,181 (2022: £1,810,558). The increase in income can be attributed to two main income streams. Firstly, income from the provision of facilities for conferences, talks and events increased by £240,000 over 2021/22. Secondly, income from provision of exhibition and office space increased by £257,000 over 2021/22. The trend in the various income streams of the company can be seen in the last table of note 5 in the accounts.

**Expenditure**
Charitable expenditure incurred directly by the Trust increased by 14% to £805,483 (2022: £705,433). Resources were used to support the new Learning programme and there were significant governance costs in relation to the strategic review.

Expenditure incurred in the subsidiary company and included in the consolidated SOFA, remained stable and amounted to £2,024,657. Expenditure relates to the provision of exhibition and office space, information services and facilities for conferences, talks and events.

**Reserves policy and management**
Reserves are maintained at a level that enables the Trust to manage financial risk and short-term income volatility and provide a stable base for the Trust's continuing charitable activities. The reserves policy takes into consideration commitments over the medium term in respect of the Trust's property obligations under its lease and reserves have been designated for this purpose.

The level of free reserves (calculated as the total reserves in the Trust excluding tangible fixed assets and investment in its subsidiary) decreased to £3,686,194 at 31 March 2023 from £4,345,156 at 31 March 2022. Of the free reserves, £2,000,000 has been designated as a property fund.

The Trustees have determined that the level of free reserves after transfers to designated funds should exceed six months expenditure.

Undesignated free reserves at 31 March 2023 amounted to £1,686,194 (2022: £2,345,156) which exceeds six months budgeted expenditure of £650,000 for the year ended 31 March 2023.

## FINANCIAL REVIEW continued

### Investment policy and performance

The investment policy supports the reserves policy. The Trust seeks to adopt a cautious, prudent and diversified approach to balance potential returns with appropriate levels of risk.

The management of the Trust's investments is undertaken by Ruffer LLP with the aim of increasing the value of portfolios, after fees, at a higher rate than would be achieved by placing cash on deposit. A review of the investment strategy and financial performance is reported to the Trustees quarterly. In February 2023, £400,000 of investments were realised to create funding for the deficit budget. The portfolio valuation reduced to £3,360,324 at 31 March 2023 from £3,857,777 at 31 March 2022.

The trustees acted on their ESG responsibilities and made the decision to transfer the existing portfolio to the Charity Assets Trust operated by Ruffer LLP, which has an integrated responsible investment policy. The transfer took place in April 2023.

### The Building Centre Group Pension and Assurance Scheme

In accordance with accounting standards, the consolidated financial statements of The Built Environment Trust include adjustments relating to the defined benefit pension scheme. The pension scheme was in deficit at the end of last financial year. This deficit has decreased during the year ended 31 March 2023. The directors of The Building Centre Group Limited and the trustees of the pension scheme have agreed a recovery plan for the elimination of the deficit by 2028.

### Going concern

The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

The income streams of the subsidiary company are now recovering after the impact of the pandemic and the company made a profit in this financial year. The Trust is developing an ambitious fundraising strategy to diversify its income streams.

At 31 March 2023 there were consolidated net current assets of £1,151,030. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

## PRINCIPAL RISKS AND UNCERTAINTIES

### Risk management

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. At least once a year a risk review is undertaken and the risks identified through this process are documented in a risk register.

## PRINCIPAL RISKS AND UNCERTAINTIES continued
## Risk management continued

The principal risks and uncertainties facing the Trust and its subsidiary company are as follows:

1. **Store Street**
   ***Risk*** – Our lease for 26/27 Store Street with The Corporation of London, our landlord for 50 years, is coming to an end in October 2025.
   ***Management*** – The Trustees are considering all options in respect to our future home, including discussions with our current landlord, to ensure that the Centre and the Built Environment Trust can not only continue our work to support the built environment community, but also take on new projects that reflect the changing needs of our industry and the interests of the general public.

2. **The defined benefit pension scheme**
   ***Risk*** - The defined benefit pension scheme is currently in deficit. The additional funding requirements may place significant pressure on cash flow in the future.
   ***Management***- There is good communication between the directors of The Building Centre Group Limited and the Trustees of the Pension Scheme. A recovery plan is currently in place and will be reviewed regularly in line with the triennial actuarial valuation.

3. **Income generation**
   ***Risk*** - In the current economic environment, the retention of existing income streams and diversification into new income streams is a challenge for the organisation. Income may not be sufficient to cover forecast expenditure.
   ***Management*** – The Trust is developing a fundraising strategy with the advice of a fundraising consultancy. The subsidiary company is considering all commercial opportunities to diversify its income streams. Financial forecasts are reviewed and updated regularly to take account of changing circumstances.

4. **Inflation**
   ***Risk*** – Our overhead cost base increases at a higher rate than originally anticipated, impacting on profitability and cash flow.
   ***Management*** - A significant proportion of our overhead cost base is fixed for the short term. For all other costs, these will be reviewed and managed to the best of our ability, whilst being sensitive to the impact of rising costs on our employees and other stakeholders. Discretionary expenditure will be tightly controlled.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Structure and management

The Built Environment Trust has a wholly owned subsidiary company, The Building Centre Group Limited, which undertakes both primary purpose charitable trading activities as well as commercial trading.

The Built Environment Trust is governed by a Board of Trustees who set strategic direction, ensure that the Trust achieves its objectives and oversee governance.

The day-to-day management and administration of the Trust is delegated to the Chief Executive, Colin Tweedy, and his executive team.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Remuneration policy

All staff, including key management personnel, are employed by The Building Centre Group Limited. In setting remuneration levels, the directors have regard to pay in organisations which employ individuals with similar skills, competences and qualifications. The remuneration of key management personnel is authorised by the non-Executive Chair of The Building Centre Group Limited and the Chair of The Built Environment Trust.

### Trustees

All Trustees are members of the charity and directors of the charitable company. The Trustees must hold at least three meetings a year.

Trustees are appointed for an initial period of 3 years that can be extended for two further three year terms. The Articles of Association provide for the number of Trustees to be between three and ten. The current Trustees are shown on page 1.

The following changes to trustees have taken place during the year:

Dr James Bradburne (resigned 31 March 2023)
Klaus Bode (resigned 17 May 2023)
Anna Moore (appointed 20 September 2023)
David Hughes (appointed 20 September 2023)

Recruitment of new trustees is based upon identifying people with skills in specific areas to ensure that there is appropriate experience on the Board. They are recruited primarily from built environment related industries. Each Trustee undertakes an induction programme that includes governance and financial documentation and meetings with the Chief Executive and members of the management team.

## FUNDRAISING

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not actively raise funds or solicit donations directly from the general public. The Charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during the period.

## REFERENCE AND ADMINISTRATIVE

The Built Environment Trust is a company limited by guarantee and a registered charity. It was incorporated on 9 June 2015 and registered with the Charity Commission on 4 September 2015. The Built Environment Trust continues the work of its predecessor charity, The Building Centre Trust.

The audited consolidated financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP), the Charities Act 2011 and the Companies Act 2006. The financial statements combine the results of The Built Environment Trust and its wholly owned subsidiary, The Building Centre Group Limited.

## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of The Built Environment Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In the case of each Trustee in office at the date the Trustees' Report is approved:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- They have taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

## INDEPENDENT AUDITORS

Saffery LLP have expressed their willingness to remain in office.

The Trustees have taken advantage of the small companies' regime in preparing the Report of the Trustees.
The Report of the Trustees was signed on behalf of the Trustees by:

Susan Ann Allen
Chair

20 September 2023

## Independent auditors' report to the trustees (continued)
## For the year ended 31 March 2023

### Opinion
We have audited the financial statements of the Built Environment Trust for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated and Trust balance sheets, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 March 2023 and of the group's incoming resources and application of resources, including 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 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
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 or the parent charitable company'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 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.

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 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.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**
In the light of the 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 Report of the Trustees.

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

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

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 and 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.

**Auditor's responsibilities for the audit of the financial statements**
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

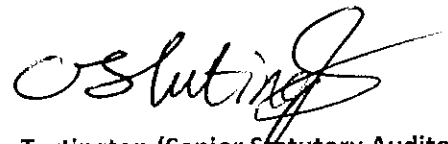
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent charitable company'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 parent charitable company'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Cara Turtington (Senior Statutory Auditor)**
**for and on behalf of Saffery LLP**

20 September 2023

**Chartered Accountants**
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Built Environment Trust

## Consolidated statement of financial activities
## For the year ended 31 March 2023
## (Incorporating an income and expenditure account)

| | Notes | 2023 | 2022 |
|---|---|---|---|
| **Income from:** | | £ | £ |
| **Legacies** | 3 | - | - |
| **Charitable activities** | 4 | 208,290 | 272,041 |
| **Other trading activities** | | | |
| Income generated in subsidiary company | 5 | 2,232,181 | 1,810,558 |
| **Investments** | | 54,891 | 37,222 |
| **Total income** | | 2,495,362 | 2,119,821 |
| **Expenditure on:** | | | |
| **Charitable activities** | 6 | 805,483 | 705,433 |
| **Raising funds** | | | |
| Expenditure incurred in subsidiary company | 5 | 2,024,657 | 2,003,324 |
| Fundraising expenditure | | 36,896 | - |
| Investment management costs | | 40,104 | 39,062 |
| | | 2,101,657 | 2,042,386 |
| **Total expenditure** | | 2,907,140 | 2,747,819 |
| Net (losses)/gains on investments | | (56,340) | 207,565 |
| **Net (expenditure)/income before taxation and other recognised gains and losses** | 7 | (468,118) | (420,433) |
| Taxation | 8 | (18,905) | 54,026 |
| **Net (expenditure)/income after taxation and before other recognised gains and losses** | | (487,023) | (366,407) |
| **Other recognised gains/(losses)** | | | |
| Actuarial gain/(loss) on defined benefit pension scheme | | 455,000 | 373,000 |
| Deferred tax relating to pension scheme | | (159,750) | (24,300) |
| **Net movement in funds** | | (191,773) | (17,707) |
| **Reconciliation of funds** | | | |
| Total funds brought forward 1 April 2022 | | 4,045,757 | 4,063,464 |
| **Total funds carried forward 31 March 2023** | 15 | 3,853,984 | 4,045,757 |

The notes and accounting policies on pages 22 to 39 form part of these accounts.
All of the Trust's funds are unrestricted

## Balance sheets
## At 31 March 2023

| | Notes | Consolidated | | Trust | |
|---|---|---|---|---|---|
| | | 2023 | 2022 | 2023 | 2022 |
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Tangible assets | 10 | 9,567 | 127,258 | - | - |
| Investments | 11 | 3,360,324 | 3,857,777 | 3,360,324 | 3,857,777 |
| Investments in subsidiaries | 11 | 300 | 300 | 950,000 | 950,000 |
| | | 3,370,191 | 3,985,335 | 4,310,324 | 4,807,777 |
| **Current assets** | | | | | |
| Debtors | 12 | 708,443 | 925,910 | 266,486 | 384,343 |
| Cash at bank and in hand | | 1,250,358 | 1,283,945 | 401,202 | 575,580 |
| | | 1,958,801 | 2,209,855 | 667,688 | 959,923 |
| Creditors: amounts falling due within one year | 13 | (807,771) | (842,294) | (341,818) | (472,544) |
| **Net current assets** | | 1,151,030 | 1,367,561 | 325,870 | 487,379 |
| **Total assets less current liabilities** | | 4,521,221 | 5,352,896 | 4,636,194 | 5,295,156 |
| Deferred taxation | 14 | (1,237) | (2,139) | - | - |
| Defined benefit pension scheme liability | 17 | (666,000) | (1,305,000) | - | - |
| **Net assets** | | 3,853,984 | 4,045,757 | 4,636,194 | 5,295,156 |
| **Funds** | | | | | |
| Unrestricted funds | 15 | 4,353,484 | 5,024,507 | 4,636,194 | 5,295,156 |
| Defined benefit pension scheme deficit | 15 | (499,500) | (978,750) | - | - |
| **Total funds** | 15 | 3,853,984 | 4,045,757 | 4,636,194 | 5,295,156 |

No separate company Statement of Financial Activities (SOFA) has been prepared by the Charity as permitted by section 408 Companies Act 2006. The charitable company's income for the year was £ 879,861 (2022: £928,986) and the deficit for the year was £ 658,962 (2022: deficit of £207,944).

The financial statements on pages 19 to 39 were approved by the Trustees on 20 September 2023 and signed on their behalf by:

Susan Ann Allen
**Chair**

**Company registration number: 9631202**

The Built Environment Trust

## Consolidated statement of cash flows
## For the year ended 31 March 2023

| Statement of cash flows | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **Net cash used in operating activities** | **(516,989)** | **(710,482)** |
| **Cash flows from investing activities** | | |
| Investment income | 54,891 | 37,222 |
| Purchase of tangible fixed assets | (12,602) | (16,054) |
| Proceeds from the sale of investments | 3,654,321 | 1,702,135 |
| Purchase of investments | (3,213,208) | (1,663,506) |
| **Net cash provided by investing activities** | 483,402 | 59,797 |
| Corporation tax received | - | 9,965 |
| Change in cash and cash equivalents in the year | (33,587) | (640,720) |
| Cash and cash equivalents at 1 April | 1,283,945 | 1,924,665 |
| **Cash and cash equivalents at 31 March** | **1,250,358** | **1,283,945** |

| Reconciliation of net expenditure to net cash flow from operating activities | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **Net (expenditure)/income for the reporting period as per the statement of financial activities** | **(468,118)** | **(420,433)** |
| **Adjustments for** | | |
| Investment income | (54,891) | (37,222) |
| Depreciation charges | 130,293 | 163,415 |
| Losses/(gains) on investments | 56,340 | (207,565) |
| Decrease/(increase) in debtors | 37,910 | (63,486) |
| (Decrease)/increase in creditors | (34,523) | 21,809 |
| Pension gains recognised in SOFA excluding actuarial gain | (184,000) | (167,000) |
| **Net cash used in operating activities** | **(516,989)** | **(710,482)** |

| Analysis of cash and cash equivalents | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Cash at bank and on instant access deposit accounts | 1,250,358 | 1,283,945 |

| Analysis of changes in net debt | At 1 April 2022<br>£ | Cashflows<br>£ | At 31 March 2023<br>£ |
|---|---|---|---|
| Cash and cash equivalents | 1,283,945 | (33,587) | 1,250,358 |

## 1. Accounting policies

### 1.1 Basis of preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) and with the second edition of the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP) together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The Charity has adapted the Companies Act formats to reflect the SORP.

The accounts have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

### 1.2 Going concern

The accounts have been prepared on the going concern basis. The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The organisation has seen a post pandemic recovery in this financial year with an increase in demand for in-person activities and public engagement. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

At 31 March 2023 there were consolidated net current assets of £1,151,030. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

The Charity is a public benefit entity. The accounting policies have been applied consistently throughout the accounts and the prior year.

### 1.3 Basis of consolidation

The consolidated accounts combine the results of The Built Environment Trust with its wholly owned subsidiary undertaking, The Building Centre Group Limited (Company No. 746150), on a line by line basis. In the consolidated accounts uniform accounting policies have been used. Consolidation adjustments have been made to remove transactions between the two entities and inter-entity balances have been cancelled. The consolidated entity is referred to as "the Group".

### 1.4 Incoming resources

Incoming resources are accrued and included in the SOFA when the Group is entitled to the income, receipt can be quantified and is probable. Incoming resources are deferred when they relate to future accounting periods.

### 1.5 Legacies

Legacies are recognised when probate is granted and there is sufficient information to value them.

Accounting policies (continued)

**1.6 Resources expended**

All expenditure is accounted for on an accruals basis. Direct costs are those specifically related to producing the output of an activity. Support costs not attributable to a single activity are allocated on an appropriate basis such as headcount or staff time.

**1.7 Leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised at cost. Depreciation is provided so as to write off the cost of fixed assets on a straight line basis over their expected useful lives, as follows:

| | |
|---|---|
| 6% - 29% | Leasehold property improvements |
| 10% - 25% | Assets purchased for exhibition purposes |
| 10% - 20% | Fixtures, fittings, furniture and equipment |
| 25% - 33% | Computer equipment |

Fixed assets are subject to a review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

**1.9 Investments**

Listed investments are stated at fair value. The SOFA includes realised gains and losses on investments sold in the year and unrealised gains and losses on revaluation of investments.

Investments in group companies are included at cost less provision for any permanent diminution in value.

**1.10 Financial instruments**

The group has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

**1.11 Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives. A pension scheme deficit is included within the unrestricted funds to reflect the defined benefit pension scheme liability. Designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose by the Trustees.

## 1. Accounting policies (continued)

### 1.12 Pensions

For the defined benefit pension scheme, pension scheme assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by an independent actuary. FRS 102 measures the value of pension scheme assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension scheme.

### 1.13 Taxation

The Built Environment Trust is a registered charity and is exempt from UK income tax and corporation tax on charitable activities. The Trust is registered for VAT.

The subsidiary company is liable to corporation tax on its profits, based on taxable profit for the year. Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 2. Critical accounting judgements and sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical evidence and other factors.

### 2.1 Critical judgements in applying the entity's accounting policies

There are no critical accounting judgements in 2023 and 2022.

### 2.2 Critical accounting estimates and assumptions

Defined benefit pension scheme
The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension liability in the balance sheet. The assumptions reflect historical experience and current trends. The valuation is particularly sensitive to the impact of the discount rate assumption on Scheme liabilities. See Note 17 for the disclosures relating to the defined benefit scheme.

## 3. Legacy income

Legacy income is not recognised until The Built Environment Trust has entitlement to the funds, the amount can be quantified and there is probability of receipt. No legacies were recognised in the year ended 31 March 2023 (2022: £nil)

## 4. Income from charitable activities

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Educational events and exhibitions | 54,127 | 45,099 |
| Learning | 5,125 | - |
| Provision of space to built environment organisations | 149,038 | 226,942 |
| | 208,290 | 272,041 |

## 5. Subsidiary trading company

The Building Centre Group Limited, The Built Environment Trust's wholly owned trading subsidiary, incorporated in England and Wales, engages in both primary purpose and non-primary purpose trading activities. A summary of the audited income statement of the Building Centre Group Limited for the year ended 31 March 2023 is shown below. These figures do not agree to the figures on page 19 due to the impact of consolidation adjustments.

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Income | 2,613,724 | 2,246,935 |
| Expenditure | (2,422,880) | (2,459,424) |
| | 190,844 | (212,489) |
| Taxation | (18,905) | 54,026 |
| Charitable donation under gift aid | - | - |
| Retained in subsidiary | 171,939 | (158,463) |

The assets and liabilities of The Building Centre Group Limited consolidated within the balance sheet are:

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Assets | 1,386,460 | 1,479,291 |
| Liabilities | (554,897) | (475,917) |
| Defined benefit pension scheme liability | (666,000) | (1,305,000) |
| Represented by share capital and reserves | 165,563 | (301,626) |

**Subsidiary company income analysis**

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **Income from** | | |
| Provision of exhibition and office space | 1,890,738 | 1,634,168 |
| Information services | 112,941 | 121,462 |
| Facilities for conferences, talks and events, café income | 336,485 | 172,848 |
| Other | 273,560 | 316,361 |
| Coronavirus job retention scheme income | - | 2,096 |
| | 2,613,724 | 2,246,935 |

## 6. Costs of charitable activities

| | Direct costs £ | Salary costs £ | Support costs £ | 2023 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 303,505 | 162,793 | 155,261 | 621,559 |
| Learning | 12,895 | 30,539 | 43,374 | 86,808 |
| Provision of space to built environment organisations | 67,470 | - | 29,646 | 97,116 |
| | 383,870 | 193,332 | 228,281 | 805,483 |

Support costs have been allocated on a headcount basis.

| | Events and exhibitions £ | Learning £ | Provision of space £ | 2023 Total £ |
|---|---|---|---|---|
| Governance and strategy | 118,663 | 33,148 | 22,650 | 174,461 |
| Management and administration | 36,598 | 10,226 | 6,996 | 53,820 |
| | 155,261 | 43,374 | 29,646 | 228,281 |

**Prior year comparative figures**

| | Direct costs £ | Salary costs £ | Support costs £ | 2022 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 284,390 | 183,696 | 115,333 | 583,419 |
| Provision of space to built environment organisations | 109,200 | - | 12,814 | 122,014 |
| | 393,590 | 183,696 | 128,147 | 705,433 |

| | Events and exhibition £ | Provision of space £ | 2022 Total £ |
|---|---|---|---|
| Governance and strategy | 83,270 | 9,252 | 92,522 |
| Management and administration | 32,063 | 3,562 | 35,625 |
| | 115,333 | 12,814 | 128,147 |

## 7. Net (expenditure)/income for the year

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| This is stated after charging/(crediting): | | |
| Depreciation charge | 130,293 | 163,415 |
| Gain on disposal of fixed assets | - | - |
| Rentals payable under operating leases | | |
| - Land and buildings | 600,000 | 600,000 |
| Auditors remuneration for external audit services | | |
| - Trust | 8,950 | 7,675 |
| - Subsidiary | 13,940 | 12,000 |
| Auditors remuneration for non-audit services | | |
| - Trust | 6,500 | 1,350 |
| - Subsidiary | 4,895 | 4,750 |

## 8. Taxation

The Built Environment Trust is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities. The subsidiary company is liable to corporation tax on its profits, as set out below:

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| *Domestic current year tax* | | |
| UK corporation tax charge/(credit) | 19,807 | (48,339) |
| Adjustment for prior years | - | - |
| Total current tax | 19,807 | (48,339) |
| *Deferred tax* | | |
| Deferred tax (credit)/charge | (902) | (5,687) |
| Charge/(credit) to statement of financial activities | 18,905 | (54,026) |

## 9. Employees and Trustees

| | 2023 £ | 2022 £ |
|---|---|---|
| Salaries and wages | 762,045 | 827,651 |
| Social security costs | 81,102 | 88,763 |
| Pension costs (including operating costs of defined benefit pension scheme) | 128,208 | 151,102 |
| | 971,355 | 1,067,516 |

An amount was paid during the year in respect to termination pay, but the amount is not disclosed due to a non-disclosure agreement being in place.

| The average number of employees, calculated on an average headcount, analysed by function was | 2023 Number | 2022 Number |
|---|---|---|
| Provision of exhibition and office space and events | 7 | 7 |
| Information services | 3 | 4 |
| Facilities for conferences, talks and events | 1 | 1 |
| Support services | 2 | 2 |
| | 13 | 14 |

| Number of employees whose benefits (excluding employer pension contributions) fell within the following bands: | 2023 Number | 2022 Number |
|---|---|---|
| £60,000 to £69,999 | 1 | 1 |
| £70,000 to £79,999 | - | - |
| £80,000 to £89,999 | 2 | 2 |
| £90,000 to £90,999 | 1 | 1 |
| £100,000 to £109,999 | 1 | 1 |

The total emoluments of key management personnel (being the executive directors) was £202,789 (2022: £202,542) excluding pension contributions and £229,964 (2022: £229,717) including pension contributions.

No Trustee received remuneration from the Group during the year (2022: nil). Travel expenses incurred by trustees for attending meetings, and reimbursed, amounted to £2,115 (2022: £3,872). As permitted by the Articles of Association, the Charity purchased and maintained throughout the year Trustees and Officers liability insurance in respect of itself and its Trustees.

## 10. Tangible fixed assets

### a) Consolidated

| | Property improvements | Furniture fittings and equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| 1 April 2022 | 3,246,185 | 634,666 | 3,880,851 |
| Additions | - | 12,602 | 12,602 |
| 31 March 2023 | 3,246,185 | 647,268 | 3,893,453 |
| **Depreciation** | | | |
| 1 April 2022 | 3,195,586 | 558,007 | 3,753,593 |
| Charge for year | 50,599 | 79,694 | 130,293 |
| 31 March 2023 | 3,246,185 | 637,701 | 3,883,886 |
| **Net book value** | | | |
| 31 March 2023 | - | 9,567 | 9,567 |
| 31 March 2022 | 50,599 | 76,659 | 127,258 |

### b) Trust

| | Furniture fittings and equipment | Total |
|---|---|---|
| | £ | £ |
| **Cost or valuation** | | |
| At 1 April 2022 and 31 March 2023 | 12,099 | 12,099 |
| **Depreciation** | | |
| 1 April 2022 | 12,099 | 12,099 |
| Charge for year | - | - |
| 31 March 2023 | 12,099 | 12,099 |
| **Net book value** | | |
| 31 March 2023 | - | - |
| 31 March 2022 | - | - |

## 11. Fixed asset investments

| | 2023 £ | 2022 £ |
|---|---|---|
| **a) Listed investments** | | |
| **Consolidated and Trust** | | |
| **Market value** | | |
| 1 April 2022 | 3,857,777 | 3,688,841 |
| Additions | 3,213,208 | 1,663,506 |
| Disposals | (3,654,321) | (1,702,135) |
| Realised and unrealised gains/(losses) on revaluation | (56,340) | 207,565 |
| **Market value at 31 March 2023** | 3,360,324 | 3,857,777 |
| **Historical cost at 31 March 2023** | 3,029,386 | 3,244,208 |
| **Listed investments** | | |
| Fixed interest securities | 1,343,321 | 1,236,288 |
| Equity shares | 607,322 | 1,339,120 |
| Investment companies | 474,611 | 91,778 |
| Other | 797,454 | 974,087 |
| | 3,222,708 | 3,641,273 |
| Cash awaiting investment | 137,616 | 216,504 |
| **Market value at 31 March 2023** | 3,360,324 | 3,857,777 |

The following investments in individual holdings at 31 March 2023 represented a material holding in the consolidated portfolio:

| | Market value at 31 Mar 2023 £ | Proportion of portfolio £ |
|---|---|---|
| Ruffer SICAV Fixed Income Z GBP Dis | 1,002,284 | 29.8% |
| Ruffer Illiquid Multi Strategies Fund 2015 Limited | 292,041 | 8.7% |
| Ruffer Protection Strategies International Z GBP | 249,625 | 7.4% |
| Wisdom Tree Brent Crude Oil ETC | 234,836 | 7.0% |

| **Geographical analysis** | Market value at 31 Mar 2023 £ | Market value at 31 Mar 2022 £ |
|---|---|---|
| In the United Kingdom | 636,030 | 1,308,878 |
| Outside the United Kingdom | 2,724,294 | 2,548,899 |
| | 3,360,324 | 3,857,777 |

## 11. Fixed asset investments (continued)

### b) Unlisted investments

| | 2023 £ | 2022 £ |
|---|---|---|
| **Consolidated** | | |
| £1 Ordinary shares | 300 | 300 |
| **Unlisted investments at cost** | 300 | 300 |

At 31 March 2023, the Building Centre Group Limited owned 100% of the share capital of three dormant subsidiary undertakings: Centre for the Built Environment Limited (Company No. 13119942), London Centre for the Built Environment Limited (Company No. 13119958) and National Centre for the Built Environment Limited (Company No. 13120233), none of which is actively trading. The share capital of each entity is £100. The dormant subsidiaries are not consolidated into these financial statements.

| | 2023 £ | 2022 £ |
|---|---|---|
| **The Trust** | | |
| £1 Ordinary shares | 800,000 | 800,000 |
| Preference shares | 150,000 | 150,000 |
| **Unlisted investments at cost** | 950,000 | 950,000 |
| **Cost** | | |
| At 1 April 2022 | 950,000 | 950,000 |
| Disposals | - | - |
| Revaluation | - | - |
| At 31 March 2023 | 950,000 | 950,000 |

The unlisted investments represent the Trust's investment in its trading subsidiary, The Building Centre Group Limited (see Note 5).

## 12. Debtors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade debtors | 84,539 | 45,532 | 150 | 14,400 |
| Due from subsidiary undertakings | - | - | 85,480 | 101,801 |
| Other debtors | 28,532 | 48,339 | - | - |
| Prepayments and accrued income | 428,872 | 505,789 | 180,856 | 268,142 |
| | 541,943 | 599,660 | 266,486 | 384,343 |
| **Amounts falling due after one year** | | | | |
| Deferred tax asset – pension scheme deficit (see note 14) | 166,500 | 326,250 | - | - |
| Total debtors | 708,443 | 925,910 | 266,486 | 384,343 |

## 13. Creditors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Amounts due within one year | | | | |
| Trade creditors | 248,719 | 294,769 | 183,087 | 259,398 |
| Due to subsidiary undertakings | 300 | 300 | - | - |
| Other creditors | 19,043 | 19,153 | - | - |
| Other taxes and social security | 66,106 | 63,790 | (25,935) | (17,682) |
| Corporation tax | - | - | - | - |
| Accruals | 169,034 | 126,704 | 29,666 | 24,202 |
| Rental and exhibition income in advance | 304,569 | 337,578 | 155,000 | 206,626 |
| | 807,771 | 842,294 | 341,818 | 472,544 |

## 14. Deferred taxation

| | Consolidated | | Consolidated | |
|---|---|---|---|---|
| | 2023 Pension scheme deficit £ | 2023 Accelerated Capital allowances £ | 2022 Pension scheme deficit £ | 2022 Accelerated Capital allowances £ |
| Deferred tax asset | | | | |
| Balance at 1 April 2022 | 326,250 | (2,139) | 350,550 | (7,826) |
| Movement in year | (159,750) | 902 | (24,300) | 5,687 |
| Balance at 31 March 2023 | 166,500 | (1,237) | 326,250 | (2,139) |

## 15. Reserves

**Consolidated**

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2022 | 3,024,507 | 2,000,000 | (978,750) | 4,045,757 |
| Income and gains | 2,790,612 | - | - | 2,790,612 |
| Expenditure and losses | (2,982,385) | - | - | (2,982,385) |
| Transfers | (479,250) | - | 479,250 | - |
| **Unrestricted funds at 31 March 2023** | 2,353,484 | 2,000,000 | (499,500) | 3,853,984 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, excluding the pension scheme deficit, which totals £284,937.

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2021 | 3,557,914 | 2,000,000 | (1,494,450) | 4,063,464 |
| Income and gains | 2,730,112 | - | - | 2,730,112 |
| Expenditure and losses | (2,747,819) | - | - | (2,747,819) |
| Transfers | (515,700) | - | 515,700 | - |
| **Unrestricted funds at 31 March 2022** | 3,024,507 | 2,000,000 | (978,750) | 4,045,757 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, excluding the pension deficit, which totals £272,876.

## 15. Reserves

Trust

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2022 | 3,295,156 | 2,000,000 | 5,295,156 |
| Income and gains | 879,861 | - | 879,861 |
| Expenditure and losses | (1,538,823) | - | (1,538,823) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2023** | 2,636,194 | 2,000,000 | 4,636,194 |

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2021 | 3,503,100 | 2,000,000 | 5,503,100 |
| Income and gains | 1,136,551 | - | 1,136,551 |
| Expenditure and losses | (1,344,495) | - | (1,344,495) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2022** | 3,295,156 | 2,000,000 | 5,295,156 |

The designated funds relate to a property fund, which are reserves earmarked for general premises protection including repairs, potential dilapidation costs and future proofing. The property fund relates to the short to medium term.

## 16. Operating lease commitments

The total of future minimum lease payments under non-cancellable operating leases is as follows:

| | 2023 Land and buildings £ | 2023 Equipment £ | 2022 Land and buildings £ | 2022 Equipment £ |
|---|---|---|---|---|
| Within one year | 600,000 | 8,596 | 600,000 | 13,056 |
| In two to five years | 600,000 | 10,340 | 600,000 | 18,936 |
| In over five years | - | - | - | - |
| | 1,200,000 | 18,936 | 1,200,000 | 31,992 |

## 17. Pension costs

During the year, the subsidiary company operated a defined benefit pension scheme and a defined contribution pension scheme for employees.

The Building Centre Group Limited Pension and Assurance Scheme (the defined benefit Scheme), is closed to new entrants. The Scheme is closed to future accrual following the retirement of the last active member.

**Defined benefit pension scheme**
In line with normal practice, there are two bases for assessing the value of the assets and liabilities of the Scheme. For accounting purposes, they are reported in accordance with Financial Reporting Standard 102. In addition, the trustees of the Scheme commission a triennial actuarial funding valuation to ensure that the Scheme is appropriately funded. The last full actuarial valuation was carried out at 6 April 2022 and showed a funding shortfall of £988,000.

## 17. Pension cost (continued)

As detailed below, on a FRS 102 basis the Scheme had a deficit at 31 March 2023 of £666,000 (2022: £1,305,000). The valuation is paricularly sensitive to the impact of the discount rate assumption on Scheme liabilities which has increased by 2% (from 2.8% to 4.8%) between 2022 and 2023, and the impact of decreases in both the RPI assumption (3.8% to 3.2%) and the CPI assumption (2.8% to 2.3%) used to calculate the valuation. The company is working with the Scheme trustees to manage the Scheme deficit. The funding shortfall is expected to be eliminated by 2028.

| **Value of the scheme assets and liabilities** | **2023** £ | **2022** £ |
|---|---|---|
| Market value of assets | 3,263,000 | 4,045,000 |
| Present value of scheme liabilities | (3,929,000) | (5,350,000) |
| Deficit in scheme | (666,000) | (1,305,000) |
| Related deferred tax asset (see Note 14) | 166,500 | 326,250 |

**Principal actuarial assumptions**

The principal actuarial assumptions on which the valuation of the scheme was based are set out below:

| | **2023** | **2022** |
|---|---|---|
| Rate used to discount scheme liabilities | 4.8% | 2.8% |
| Rate of increase to pensions in payment | 3.1% | 3.7% |
| Rate of future price inflation – RPI | 3.2% | 3.8% |
| Rate of future price inflation – CPI | 2.3% | 2.8% |

The life expectancies used to determine benefit obligations are as follows:

| | **2023 Male** | **2023 Female** | **2022 Male** | **2022 Female** |
|---|---|---|---|---|
| Member aged 65 (current life expectancy) | 21.2 | 23.5 | 21.2 | 23.4 |
| Member aged 45 (life expectancy at 65) | 22.3 | 24.4 | 22.2 | 24.3 |

| **Movements in the SOFA** | **2023** £ | **2022** £ |
|---|---|---|
| Current and past service cost | - | (15,000) |
| Interest cost on scheme liabilities | (148,000) | (117,000) |
| Interest income on assets in the scheme | 115,000 | 80,000 |
| Total pension loss recognised in the SOFA | (33,000) | (52,000) |
| Actuarial gains/(losses) | 455,000 | 373,000 |
| Deferred tax relating to pension scheme | (159,750) | (24,300) |
| Total gains/(losses) recognised in the SOFA | 295,250 | 348,700 |

## 17. Pension costs (continued)

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2022 | 4,045,000 | (5,350,000) | (1,305,000) |
| Interest income on assets in the scheme | 115,000 | - | 115,000 |
| Interest cost on scheme liabilities | - | (148,000) | (148,000) |
| Actuarial gains/(losses) | (998,000) | 1,453,000 | 455,000 |
| Employer contributions paid | 217,000 | - | 217,000 |
| Employee contributions pai | - | - | - |
| Benefits paid | (116,000) | 116,000 | - |
| Current and past service cost | | | |
| At 31 March 2023 | 3,263,000 | (3,929,000) | (666,000) |

The actual return on scheme assets for the year was a loss of £998,000.

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2021 | 3,759,000 | (5,604,000) | (1,845,000) |
| Interest income on assets in the scheme | 80,000 | - | 80,000 |
| Interest cost on scheme liabilities | - | (117,000) | (117,000) |
| Actuarial gains/(losses) | 84,000 | 289,000 | 373,000 |
| Employer contributions paid | 219,000 | | 219,000 |
| Employee contributions paid | 3,000 | (3,000) | - |
| Benefits paid | (100,000) | 100,000 | - |
| Current and past service cost | - | (15,000) | (15,000) |
| At 31 March 2022 | 4,045,000 | (5,350,000) | (1,305,000) |

The actual return on scheme assets for the year was a gain of £84,000.

## 18. Related party transactions

Expenses reimbursed to Trustees and the remuneration of the key management personnel are disclosed in Note 9.

Details of transactions in respect to The Building Centre Group Limited Pension and Assurance Scheme are set out in Note 17.

The Built Environment Trust has transactions with its wholly owned subsidiary, The Building Centre Group Limited, which have been eliminated on consolidation. These transactions are as follows.

The Built Environment Trust received income from The Building Centre Group Limited as follows:

- Licence fees of £620,000 (2022: £620,000)

The Building Centre Group Limited charged the following expenditure to The Built Environment Trust:

- Management fee £273,043 (2022: £315,100)

At 31 March 2023 there are balances outstanding between The Built Environment Trust and The Building Centre Group Limited which have been eliminated on consolidation. These balances are as follows.

Balances owed by The Building Centre Group Limited to The Built Environment Trust as follows:

- Intercompany current account £85,480 (2022: £101,801)

There are no balances owed by The Built Environment Trust to The Building Centre Group Limited.

No guarantees have been given or received.

## 19. Company status

The company is limited by guarantee and the total of those guarantees is £1 per member

**THE BUILT ENVIRONMENT TRUST**

England & Wales - Charity number 1163419

# Accounts

Registered Company No. 9631202
Registered Charity No. 1163419

# The Built Environment Trust

## Trustees' Report and
## Consolidated Financial Statements
## For the year ended 31 March 2022

**The Built Environment Trust**

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## Trustees and trust information
## Year ended 31 March 2022

| | |
|---|---|
| **Patron** | HRH The Duke of Gloucester KG GCVO |
| **President** | Spencer de Grey CBE RA |
| **Trustees** | Richard Hill FCCA<br>Klaus Bode<br>Dr James Bradburne<br>Antony Oliver<br>Katy Ghahremani<br>Susan Ann Allen MBE (Chair) (appointed 14 December 2021) |
| **Chief Executive** | Colin Tweedy LVO OBE |
| **Auditors** | Saffery Champness LLP<br>71 Queen Victoria Street<br>London<br>EC4V 4BE |
| **Investment managers** | Ruffer LLP<br>80 Victoria Street<br>London<br>SW1E 5JL |
| **Bankers** | Royal Bank of Scotland PLC<br>Drummond House<br>1 Redheughs Avenue<br>Edinburgh<br>EH12 9JN |
| **Charity number** | 1163419 |
| **Company number** | 9631202 |
| **Principal office and registered office** | 26 Store Street<br>London<br>WC1E 7BT |

## REFERENCE AND ADMINISTRATIVE

The Trustees have pleasure in presenting their Report together with the financial statements for the year ended 31 March 2022.

The Built Environment Trust is a company limited by guarantee and a registered charity. It was incorporated on 9 June 2015 and registered with the Charity Commission on 4 September 2015. The Built Environment Trust continues the work of its predecessor charity, The Building Centre Trust.

The audited consolidated financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP), the Charities Act 2011 and the Companies Act 2006. The financial statements combine the results of The Built Environment Trust and its wholly owned subsidiary, The Building Centre Group Limited.

## OBJECTIVES AND ACTIVITIES

The Built Environment Trust supports people to build a better world.

### Our mission statement

Our mission is to inspire, connect and empower people to improve the quality of our built environment. We recognise that the built environment shapes lives and communities and we are committed to involving all members of society as knowledgeable and active voices in determining how we construct our future.

### Who we are

The Built Environment Trust is a charity which promotes and delivers education in relation to the built environment. Our aim is to improve the quality of the built environment by inspiring and educating people, both professionals and the general public, about its value to their lives and by supporting knowledge and practice in the world of building. The Built Environment Trust is an organisation which helps lead thought and action in respect to the built environment, in order to foster improved and sustainable practices.

### What we do

The Built Environment Trust operates the Building Centre, a public exhibition centre. It has been home of the built environment since 1931. The Trust aims to advance understanding of quality in the built environment, physically and online, working with the leading partners across the construction industry and related areas. We achieve our objectives through a variety of activities and through partnership or support of others. Our activities include:

- Exhibitions and events
- Lectures and seminars
- Publications
- Providing facilities for those working in the built environment industry
- Encouraging and providing facilities for research and discussion

We gratefully acknowledge the assistance we received from external advisers and experts, and from companies and individuals who made voluntary contributions of time and materials.

## ACHIEVEMENTS AND PERFORMANCE

The first major exhibition in the main galleries, *Shaping Space – Architectural Models Revealed* celebrated the role of architectural models in shaping the spaces we live in.

A collaboration between the V&A and the Building Centre, the show presented the world in miniature through a collection of over 60 historical and contemporary models revealing the evolution of architecture from the first maquette made as a tool for thinking, to a presentation model.

The exhibition, public programme and educational workshops were supported by the Arts and Humanities Research Council through Follow on Funding for Impact and Engagement. The exhibition, designed by Roz Barr, received warm praise in the press and on social media.

The Shaping Space public programme drew large audience numbers with over 400 students visiting via universities and colleges with 678 attending our curator tours and lectures. Our education and family programme included bridge building workshops with engineers Webb Yates and a Giant Doll's House workshop giving kids - including those from Care4Calais - the chance to model their own imagined spaces in shoe boxes. Over 100 Key Stage 2, 3 and 4 children from local high pupil premium schools benefitted from especially designed free workshops in the Centre and in school. Legacy material for teachers is now available on the Building Centre website.

Events took place online and in person and included a talk and small satellite exhibition at the V&A as part of the London Design Festival programme. An open call for architectural models received over 150 entries from practices worldwide. A series of short films were commissioned and form part of the exhibition's legacy material.

Shot by eight photographers, *Londons – The Polycentric City* exhibition mapped out the capital from eight different perspectives. Each photographer worked in a different location, in areas frequented by locals, especially during the lockdowns. The photography show drew a large audience and received positive reviews including those in the Financial Times and Dezeen.

As part of our ongoing collaboration with Timber Development UK we produced two exhibitions and a talks series during the last 6 weeks of 2021: the World of Wood Festival on display at the front of the Centre and the Wood Awards on the Platform. These commercially driven exhibitions draw large audiences for bespoke events including the Wood Awards prize giving ceremony.

While audiences were reticent to return to lecture spaces we initiated and hosted a series of online talks with the title Sustainability Sessions. The first series on Retrofit included talks by Piers Taylor of Invisible Studio and Tonkin Liu. Sustainability Sessions: Cities kicked off with Transforming Tirana with Deputy Mayor Anuela Ristani speaking about the positive change underway in Albania.

Two archival exhibitions marked our 90$^{th}$ anniversary, with images and stories drawn from the archive and our history mapped alongside the story of architecture in the UK. The 90 for 90 project documented 90 Years of the built environment by inviting industry and cultural leaders to pick a favourite building; works shared on a dedicated website and through social media.

## PLANS FOR FUTURE PERIODS

Last year we reported that we were searching for a new Chair. On 14 December 2021, Ann Allen MBE was appointed Chair of the Trustees. Ann, a surveyor by training, is Director of Campus Innovation and Development at the University of Leeds.

2022 is the 91st year of the Building Centre. We celebrated the milestone of our first 90 years by launching our 90 selectors choosing their favourite built environment building, person or project – 90 for 90. It has been a runaway success and we will shortly be inviting the general public to select their favourite, from the 90 examples of what can make Britain proud of what we have achieved as a nation in the built environment, since our founders launched the Building Centre in 1931.

Our Trust was established in 1963, and in 2019 undertook a root and branch review of our mission, vision and activities going forward. Though the two year pandemic delayed the implementation of our plans, we are now rolling out our ambitious plans to be a thought leader. We will establish projects that will pioneer new ways of addressing the challenges facing the built environment community and how we can engage the general public. We aim to be a leader in educating the next generation in how the built environment affects all of us.

The Building Centre, the commercial arm of the Trust, has been in Store Street for 50 years this year. Our lease with the Corporation of London however comes to an end in 2025 and we are now looking for a new home that will fulfil our ambitions, not only for the Trust, but also for our commercial ambitions that have been fulfilled through the last 91 years by the Building Centre. These are challenging times globally and nationally to be starting on new projects and in a new home. But we are all excited by the challenges that lie ahead.

## PUBLIC BENEFIT

The Trustees have complied with the duty in Section 4 of The Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Trust are available to the public and to persons interested in the field of the built environment. All exhibitions held at the Building Centre are free of charge. Charges are made for certain seminars and events, but these charges are not at a level where it is considered that they would prevent access to anyone wishing to attend and the majority of talks are free to enter. The Trust supports a number of other organisations in order to make free access to events of benefit to the built environment. During the pandemic, when the building was shut to the general public, exhibitions and events went online and these were accessible to anyone, free of charge.

In this way, the Trust is providing public benefit in the field of education in accordance with its charitable objectives.

The Trust accepts that certain of its projects are of a specialist nature but these are well balanced by more general programmes such as its support to greater public access to exhibitions of the Building Centre. The Trust is keen to continue to be inclusive in promoting education to the largest number of individuals and organisations possible.

## FINANCIAL REVIEW

### Impact of the pandemic

Due to social restrictions during much of 2021/22, there was a continuing impact on certain variable income streams, in particular income from the provision of facilities for conferences, talks and events. The contracted income from the provision of office and exhibition space continued to support the organization through another challenging year. We took advantage of coronavirus business support initiatives where they were available and continued with our policy of strong financial management.

### Overview of consolidated Statement of Financial Activities (page 16)

The Built Environment Trust has a wholly owned subsidiary, the Building Centre Group Ltd, which undertakes both charitable and commercial activities. The subsidiary's income and expenditure are shown separately in the consolidated Statement of Financial Activities (SOFA). The income and expenditure from charitable activities in the SOFA, relates solely to Trust activities.

In the year ended 31 March 2022 the total consolidated income was £2,119,821, an increase of 3.5 % from last year's total of £2,046,852. The reasons for this are referenced below.

Over the same period, the total consolidated expenditure was £2,747,819, an increase of 22% over last year's total of £2,243,958. The reasons for this are referenced below.

As a result, the net consolidated expenditure, before including gains on investments, actuarial gains on the pension scheme valuation, and corporation tax arising in the subsidiary company, was £627,998 compared to net consolidated expenditure of £197,106 in the prior year.

The investment portfolio has continued to perform well with net gains on investments of £207,565 (2021: net gains of £674,566). The subsidiary company incurred a corporation tax credit of £54,026 (2021: credit of £6,947).

There was a net actuarial gain on the defined benefit pension scheme of £348,700 (2021: net actuarial loss of £128,720).

Overall, there was a net decrease in consolidated funds of £17,707 for the year (2021: net increase in funds of £355,687).

### Income

Income is generated from three main sources: being trading income from the subsidiary company, income from charitable activities and investment income.

Income generated in the subsidiary company and included in the consolidated SOFA, was 4% higher than last year at £1,810,558 (2021: £1,735,958). This represents little change from the income levels of the previous year, with the pandemic continuing to impact on variable income streams. The income stream most significantly affected was income from the provision of facilities for conferences, talks and events, with income of £95k in 2021/22. This was an increase of £90k over 2021, but still a significant decrease of approximately £400k on 2020 levels. The trend in the various income streams of the company can be seen in the last table of note 5 in the accounts.

FINANCIAL REVIEW continued

**Income (continued)**
Income from charitable activities was at similar levels to last year at £272,041 (2021: £292,680), with income generation continuing to be challenging.

**Expenditure**
Expenditure incurred in the subsidiary company and included in the consolidated SOFA, increased by 20% to £2,003,324 from £1,674,041. Expenditure relates to the provision of exhibition and office space, information services and facilities for conferences, talks and events. The closure of the Building Centre to the public for much of 2020/21 enabled the running costs of the Building Centre to be reduced during that year. There were also exceptional credits to expenditure in the prior year in respect to rent, pension scheme deficit contributions and rates. In 2021/22, as the Centre reopened, building running costs began to return to normal levels. Tight financial control continued to be exercised over discretionary expenditure.

Charitable expenditure incurred directly by the Trust increased by 32% to £705,433 (2021: £535,044), which was back to pre-pandemic levels.

**Reserves policy and management**
Reserves are maintained at a level that enables the Trust to manage financial risk and short-term income volatility and provide a stable base for the Trust's continuing charitable activities. The reserves policy takes into consideration commitments over the medium term in respect of the Trust's property obligations under its lease and reserves have been designated for this purpose.

The level of free reserves (calculated as the total reserves in the Trust excluding tangible fixed assets and investment in its subsidiary) decreased to £4,345,156 at 31 March 2022 from £4,552,495 at 31 March 2021. Of the free reserves, £2,000,000 has been designated as a property fund.

The Trustees have reviewed the level of free reserves after transfers to designated funds and have determined that it can be reduced, so that it exceeds six months expenditure rather than twelve months expenditure as previously.

Undesignated free reserves at 31 March 2022 amounted to £2,345,156 (2021: £2,552,495) which exceeds six months budgeted expenditure of £800,000 for the year ended 31 March 2023.

**Investment policy and performance**
The investment policy supports the reserves policy. The Trust seeks to adopt a cautious, prudent and diversified approach to balance potential returns with appropriate levels of risk.

The management of the Trust's investments is undertaken by Ruffer LLP with the aim of increasing the value of portfolios, after fees, at a higher rate than would be achieved by placing cash on deposit. A review of the investment strategy and financial performance is reported to the Trustees quarterly. The trustees were pleased with the investment performance over the year. The portfolio valuation increased to £3,857,777at 31 March 2022 from £3,688,841 at 31 March 2021

## FINANCIAL REVIEW (continued)

### The Building Centre Group Pension and Assurance Scheme

In accordance with accounting standards, the consolidated financial statements of The Built Environment Trust include adjustments relating to the defined benefit pension scheme. The pension scheme was in deficit at the end of last financial year. This deficit has decreased during the year ended 31 March 2022. The directors of The Building Centre Group Limited and the trustees of the pension scheme have agreed a recovery plan for the elimination of the deficit by 2028.

### Going concern

The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

The impact of the pandemic on certain income streams continued for the whole of the financial year ending 31 March 2022. Although there is still some uncertainty over the level of demand for physical events, our exhibition launch in the Spring attracted record numbers of people which demonstrates that there is a latent demand for social and networking events. It is also pleasing to report that there has been a significant increase in the level of enquiries and bookings for venue hire since the beginning of the current financial year.

At 31 March 2022 there were consolidated net current assets of £1,367,561. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

## PRINCIPAL RISKS AND UNCERTAINTIES

### Risk management

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed.

At least once a year, a risk review is undertaken and the risks identified through this process are documented in a risk register. The principal risks and uncertainties facing the Trust and its subsidiary company are as follows:

1. **Covid-19 pandemic**
   ***Risk*** – The financial challenges brought about by coronavirus restrictions continue to impact on the organisation as our stakeholders adapt to new ways of working. However, there is a noticeable upturn in demand for physical events since the year end.
   ***Management*** – Our team at the Building Centre are resuming physical events in the Centre and are cautiously positive about the future. Costs are still being tightly controlled and cashflow managed to minimise any negative financial impact.

## FINANCIAL REVIEW (continued)

## PRINCIPAL RISKS AND UNCERTAINTIES (continued)

2. **Store Street**
   ***Risk*** – Our lease for 26/27 Store Street with The Corporation of London, our landlord for 50 years, is coming to an end in October 2025. The Trust will need to find a new home.
   ***Management*** – The Trust has commissioned agents to research properties that can enable the Centre and the Built Environment Trust to not only continue our work to support the built environment community, but also to take on new projects that reflect the changing needs of our industry and the interests of the general public.

3. **The defined benefit pension scheme**
   ***Risk*** - The defined benefit pension scheme is currently in deficit. The additional funding requirements may place significant pressure on cash flow in the future.
   ***Management***- There is good communication between the directors of The Building Centre Group Limited and the Trustees of the Pension Scheme. A recovery plan is currently in place and will be reviewed regularly in line with the triennial actuarial valuation.

4. **Inflation**
   ***Risk*** – Our overhead cost base increases at a higher rate than originally anticipated, impacting on profitability and cash flow.
   ***Management*** - A significant proportion of our overhead cost base is fixed for the short term. For all other costs, these will be reviewed and managed to the best of our ability, whilst being sensitive to the impact of rising costs on our employees and other stakeholders. Discretionary expenditure will be tightly controlled.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Structure and management

The Built Environment Trust has a wholly owned subsidiary company, The Building Centre Group Limited, which undertakes both primary purpose charitable trading activities as well as commercial trading.

The Built Environment Trust is governed by a Board of Trustees who set strategic direction, ensure that the Trust achieves its objectives and oversee governance.

The day-to-day management and administration of the Trust is delegated to the Chief Executive, Colin Tweedy, and his executive team.

### Remuneration policy

All staff, including key management personnel, are employed by The Building Centre Group Limited. In setting remuneration levels, the directors have regard to pay in organisations which employ individuals with similar skills, competences and qualifications. The remuneration of key management personnel is authorised by the non-Executive Chair of The Building Centre Group Limited and the Chair of The Built Environment Trust.

## STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

### Trustees

All Trustees are members of the charity and directors of the charitable company. The Trustees must hold at least three meetings a year.

Trustees are appointed for an initial period of 3 years that can be extended for two further three year terms. The Articles of Association provide for the number of Trustees to be between three and ten. The current Trustees are shown on page 1.

The following changes to trustees have taken place during the year:

William James Furber (resigned on 25 April 2021)
Susan Ann Allen (appointed on 14 December 2021)

Recruitment of new trustees is based upon identifying people with skills in specific areas to ensure that there is appropriate experience on the Board. They are recruited primarily from built environment related industries. Each Trustee undertakes an induction programme that includes governance and financial documentation and meetings with the Chief Executive and members of the management team.

## FUNDRAISING

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not actively raise funds or solicit donations directly from the general public. The Charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during the period

## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of The Built Environment Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In the case of each Trustee in office at the date the Trustees' Report is approved:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- They have taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

## INDEPENDENT AUDITORS

Saffery Champness LLP have expressed their willingness to remain in office.

The Trustees have taken advantage of the small companies' regime in preparing the Report of the Trustees.
The Report of the Trustees was signed on behalf of the Trustees by:



Richard Hill
Trustee

22 September 2022

## Opinion

We have audited the financial statements of the Built Environment Trust for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated and Trust balance sheets, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including 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 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

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 or the parent charitable company'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 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.

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 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.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**
In the light of the 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 Report of the Trustees.

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

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

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 and 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.

**Auditor's responsibilities for the audit of the financial statements**
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent charitable company'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 parent charitable company'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Cara Turtington (Senior Statutory Auditor)**
**for and on behalf of Saffery Champness LLP**

22 September 2022

**Chartered Accountants**
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Built Environment Trust

## Consolidated statement of financial activities
## For the year ended 31 March 2022
## (Incorporating an income and expenditure account)

| | Notes | 2022 | 2021 |
|---|---|---|---|
| | | £ | £ |
| **Income from:** | | | |
| **Legacies** | 3 | - | - |
| **Charitable activities** | 4 | 272,041 | 292,680 |
| **Other trading activities** | | | |
| Income generated in subsidiary company | 5 | 1,810,558 | 1,735,958 |
| **Investments** | | 37,222 | 18,214 |
| **Total income** | | 2,119,821 | 2,046,852 |
| **Expenditure on:** | | | |
| **Charitable activities** | 6 | 705,433 | 535,044 |
| **Raising funds** | | | |
| Expenditure incurred in subsidiary company | 5 | 2,003,324 | 1,674,041 |
| Investment management costs | | 39,062 | 34,873 |
| | | 2,042,386 | 1,708,914 |
| **Total expenditure** | | 2,747,819 | 2,243,958 |
| Net gains/(losses) on investments | | 207,565 | 674,566 |
| **Net (expenditure)/income before taxation and other recognised gains and losses** | 7 | (420,433) | 477,460 |
| Taxation | 8 | 54,026 | 6,947 |
| **Net (expenditure)/income after taxation and before other recognised gains and losses** | | (366,407) | 484,407 |
| **Other recognised gains/(losses)** | | | |
| Actuarial gain/(loss) on defined benefit pension scheme | | 373,000 | (131,000) |
| Deferred tax relating to pension scheme | | (24,300) | 2,280 |
| **Net movement in funds** | | (17,707) | 355,687 |
| **Reconciliation of funds** | | | |
| Total funds brought forward 1 April 2021 | | 4,063,464 | 3,707,777 |
| **Total funds carried forward 31 March 2022** | 15 | 4,045,757 | 4,063,464 |

The notes and accounting policies on pages 19 to 36 form part of these accounts.
All of the Trust's funds are unrestricted.

## Balance sheets
## At 31 March 2022

| | Notes | Consolidated | | Trust | |
|---|---|---|---|---|---|
| | | 2022 | 2021 | 2022 | 2021 |
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Tangible assets | 10 | 127,258 | 274,619 | - | 605 |
| Investments | 11 | 3,857,777 | 3,688,841 | 3,857,777 | 3,688,841 |
| Investments in subsidiaries | 11 | 300 | 300 | 950,000 | 950,000 |
| | | 3,985,335 | 3,963,760 | 4,807,777 | 4,639,446 |
| **Current assets** | | | | | |
| Debtors | 12 | 925,910 | 848,350 | 384,343 | 403,858 |
| Cash at bank and in hand | | 1,283,945 | 1,924,665 | 575,580 | 939,687 |
| | | 2,209,855 | 2,773,015 | 959,923 | 1,343,545 |
| Creditors: amounts falling due within one year | 13 | (842,294) | (820,485) | (472,544) | (479,891) |
| **Net current assets** | | 1,367,561 | 1,952,530 | 487,379 | 863,654 |
| **Total assets less current liabilities** | | 5,352,896 | 5,916,290 | 5,295,156 | 5,503,100 |
| Deferred taxation | 14 | (2,139) | (7,826) | - | - |
| Defined benefit pension scheme liability | 17 | (1,305,000) | (1,845,000) | - | - |
| **Net assets** | | 4,045,757 | 4,063,464 | 5,295,156 | 5,503,100 |
| **Funds** | | | | | |
| Unrestricted funds | 15 | 5,024,507 | 5,557,914 | 5,295,156 | 5,503,100 |
| Defined benefit pension scheme deficit | 15 | (978,750) | (1,494,450) | - | - |
| **Total funds** | 15 | 4,045,757 | 4,063,464 | 5,295,156 | 5,503,100 |

No separate company Statement of Financial Activities (SOFA) has been prepared by the Charity as permitted by section 408 Companies Act 2006. The charitable company's income for the year was £928,986 (2021: £807,914) and the deficit for the year was £207,944 (2021: surplus of £435,106).

The financial statements on pages 16 to 36 were approved by the Trustees on 22 September 2022 and signed on their behalf by:

Richard Hill
**Trustee**

**Company registration number: 9631202**

## Consolidated statement of cash flows
## For the year ended 31 March 2022

| Statement of cash flows | 2022<br>£ | 2021<br>£ |
|---|---|---|
| **Net cash used in operating activities** | **(710,482)** | **(107,441)** |
| **Cash flows from investing activities** | | |
| Investment income | 37,222 | 18,214 |
| Purchase of tangible fixed assets | (16,054) | (23,002) |
| Proceeds from the sale of investments | 1,702,135 | 1,099,753 |
| Purchase of investments | (1,663,506) | (1,066,654) |
| **Net cash provided by investing activities** | 59,797 | 28,311 |
| Corporation tax received | 9,965 | - |
| Change in cash and cash equivalents in the year | (640,720) | (79,130) |
| Cash and cash equivalents at 1 April | 1,924,665 | 2,003,795 |
| **Cash and cash equivalents at 31 March** | **1,283,945** | **1,924,665** |

| Reconciliation of net income to net cash flow from operating activities | 2022<br>£ | 2021<br>£ |
|---|---|---|
| **Net (expenditure)/income for the reporting period as per the statement of financial activities** | **(420,433)** | **477,460** |
| **Adjustments for** | | |
| Investment income | (37,222) | (18,214) |
| Depreciation charges | 163,415 | 172,098 |
| (Gains)/losses on investments | (207,565) | (674,566) |
| (Increase)/decrease in debtors | (63,486) | 87,186 |
| Increase/(decrease) in creditors | 21,809 | (32,405) |
| Pension gains recognised in SOFA excluding actuarial gain | (167,000) | (119,000) |
| **Net cash used in operating activities** | **(710,482)** | **(107,441)** |

| Analysis of cash and cash equivalents | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Cash at bank and on instant access deposit accounts | 1,283,945 | 1,924,665 |

| Analysis of changes in net debt | At 1 April 2021<br>£ | Cashflows<br>£ | At 31 March 2022<br>£ |
|---|---|---|---|
| Cash and cash equivalents | 1,924,665 | (640,720) | 1,283,945 |

## 1. Accounting policies

### 1.1 Basis of preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) and with the second edition of the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP) together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The Charity has adapted the Companies Act formats to reflect the SORP.

The accounts have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

### 1.2 Going concern

The accounts have been prepared on the going concern basis. The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. Although 2021/22 has been a challenging year for the organisation, as it continues to deal with the impact of the pandemic, the Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

At 31 March 2022 there were consolidated net current assets of £1,367,561. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

The Charity is a public benefit entity. The accounting policies have been applied consistently throughout the accounts and the prior year.

### 1.3 Basis of consolidation

The consolidated accounts combine the results of The Built Environment Trust with its wholly owned subsidiary undertaking, The Building Centre Group Limited (Company No. 746150), on a line by line basis. In the consolidated accounts uniform accounting policies have been used. Consolidation adjustments have been made to remove transactions between the two entities and inter-entity balances have been cancelled. The consolidated entity is referred to as "the Group".

### 1.4 Incoming resources

Incoming resources are accrued and included in the SOFA when the Group is entitled to the income, receipt can be quantified and is probable. Incoming resources are deferred when they relate to future accounting periods.

### 1.5 Legacies

Legacies are recognised when probate is granted and there is sufficient information to value them.

## Accounting policies (continued)

### 1.6 Resources expended

All expenditure is accounted for on an accruals basis. Direct costs are those specifically related to producing the output of an activity. Support costs not attributable to a single activity are allocated on an appropriate basis such as headcount or staff time.

### 1.7 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at cost. Depreciation is provided so as to write off the cost of fixed assets on a straight line basis over their expected useful lives, as follows:

| | |
|---|---|
| 6% - 29% | Leasehold property improvements |
| 10% - 25% | Assets purchased for exhibition purposes |
| 10% - 20% | Fixtures, fittings, furniture and equipment |
| 25% - 33% | Computer equipment |

Fixed assets are subject to a review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

### 1.9 Investments

Listed investments are stated at fair value. The SOFA includes realised gains and losses on investments sold in the year and unrealised gains and losses on revaluation of investments.

Investments in group companies are included at cost less provision for any permanent diminution in value.

### 1.10 Financial instruments

The group has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

### 1.11 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives. A pension scheme deficit is included within the unrestricted funds to reflect the defined benefit pension scheme liability. Designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose by the Trustees.

## 1. Accounting policies (continued)

### 1.12 Pensions

For the defined benefit pension scheme, pension scheme assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by an independent actuary. FRS 102 measures the value of pension scheme assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension scheme.

### 1.13 Taxation

The Built Environment Trust is a registered charity and is exempt from UK income tax and corporation tax on charitable activities. The Trust is registered for VAT.

The subsidiary company is liable to corporation tax on its profits, based on taxable profit for the year. Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 2. Critical accounting judgements and sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical evidence and other factors

### 2.1 Critical judgements in applying the entity's accounting policies

There are no critical accounting judgements in 2022 and 2021.

### 2.2 Critical accounting estimates and assumptions

Defined benefit pension scheme
The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension liability in the balance sheet. The assumptions reflect historical experience and current trends. The valuation is particularly sensitive to the impact of the discount rate assumption on Scheme liabilities. See Note 17 for the disclosures relating to the defined benefit scheme.

## 3. Legacy income

Legacy income is not recognised until The Built Environment Trust has entitlement to the funds, the amount can be quantified and there is probability of receipt. No legacies were recognised in the year ended 31 March 2022 (2021: £nil)

## 4. Income from charitable activities

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Educational events and exhibitions | 45,099 | 75,476 |
| Provision of space to built environment organisations | 226,942 | 217,204 |
| | 272,041 | 292,680 |

## 5. Subsidiary trading company

The Building Centre Group Limited, The Built Environment Trust's wholly owned trading subsidiary, incorporated in England and Wales, engages in both primary purpose and non-primary purpose trading activities. A summary of the audited income statement of the Building Centre Group Limited for the year ended 31 March 2022 is shown below. These figures do not agree to the figures on page 16 due to the impact of consolidation adjustments.

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Income | 2,246,935 | 2,169,639 |
| Expenditure | (2,459,424) | (2,127,285) |
| | (212,489) | 42,354 |
| Taxation | 54,026 | 6,947 |
| Charitable donation under gift aid | - | - |
| Retained in subsidiary | (158,463) | 49,301 |

The assets and liabilities of The Building Centre Group Limited consolidated within the balance sheet are:

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Assets | 1,479,291 | 1,877,599 |
| Liabilities | (475,917) | (524,462) |
| Defined benefit pension scheme liability | (1,305,000) | (1,845,000) |
| Represented by share capital and reserves | (301,626) | (491,863) |

**Subsidiary company income analysis**

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| **Income from** | | |
| Provision of exhibition and office space | 1,634,168 | 1,596,314 |
| Information services | 121,462 | 140,315 |
| Facilities for conferences, talks and events, café income | 172,848 | 4,736 |
| Other | 316,361 | 373,097 |
| Coronavirus job retention scheme income | 2,096 | 55,177 |
| | 2,246,935 | 2,169,639 |

## 6. Costs of charitable activities

| | Direct costs £ | Salary costs £ | Support costs £ | 2022 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 284,390 | 183,696 | 115,333 | 583,419 |
| Provision of space to built environment organisations | 109,200 | - | 12,814 | 122,014 |
| | 393,590 | 183,696 | 128,147 | 705,433 |

Support costs have been allocated on a headcount basis

| | Events and exhibition £ | Provision of space £ | 2022 Total £ |
|---|---|---|---|
| Governance and strategy | 83,270 | 9,252 | 92,522 |
| Management and administration | 32,063 | 3,562 | 35,625 |
| Roof repairs | - | - | - |
| | 115,333 | 12,814 | 128,147 |

**Prior year comparative figures**

| | Direct costs £ | Salary costs £ | Support costs £ | 2021 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 86,042 | 266,131 | 88,945 | 441,118 |
| Provision of space to built environment organisations | 89,244 | - | 4,682 | 93,926 |
| | 175,286 | 266,131 | 93,627 | 535,044 |

| | Events and exhibition £ | Provision of space £ | 2021 Total £ |
|---|---|---|---|
| Governance and strategy | 32,514 | 1,712 | 34,226 |
| Management and administration | 31,981 | 1,684 | 33,665 |
| Roof repairs | 24,450 | 1,286 | 25,736 |
| | 88,945 | 4,682 | 93,627 |

## 7. Net (expenditure)/income for the year

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| This is stated after charging/(crediting): | | |
| Depreciation charge | 163,415 | 172,098 |
| Gain on disposal of fixed assets | - | - |
| Rentals payable under operating leases | | |
| - Land and buildings | 600,000 | 477,457 |
| Auditors remuneration for external audit services | | |
| - Trust | 7,675 | 6,850 |
| - Subsidiary | 12,000 | 10,800 |
| Auditors remuneration for non-audit services | | |
| - Trust | 1,350 | - |
| - Subsidiary | 4,750 | 21,050 |

## 8. Taxation

The Built Environment Trust is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities. The subsidiary company is liable to corporation tax on its profits, as set out below:

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| *Domestic current year tax* | | |
| UK corporation tax charge/(credit) | (48,339) | 13,230 |
| Adjustment for prior years | - | - |
| Total current tax | (48,339) | 13,230 |
| *Deferred tax* | | |
| Deferred tax (credit)/charge | (5,687) | (20,177) |
| (Credit)/Charge to statement of financial activities | (54,026) | (6,947) |

## 9. Employees and Trustees

| | 2022 £ | 2021 £ |
|---|---|---|
| Salaries and wages | 827,651 | 797,899 |
| Social security costs | 88,763 | 84,685 |
| Pension costs (including operating costs of defined benefit pension scheme) | 151,102 | 133,416 |
| | 1,067,516 | 1,016,000 |

| The average number of employees, calculated on an average headcount, analysed by function was | 2022 Number | 2021 Number |
|---|---|---|
| Provision of exhibition and office space and events | 7 | 7 |
| Information services | 4 | 5 |
| Facilities for conferences, talks and events | 1 | - |
| Support services | 2 | 2 |
| | 14 | 14 |

| Number of employees whose benefits (excluding employer pension contributions) fell within the following bands: | 2022 Number | 2021 Number |
|---|---|---|
| £60,000 to £69,999 | 1 | - |
| £70,000 to £79,999 | - | - |
| £80,000 to £89,999 | 2 | 2 |
| £90,000 to £90,999 | 1 | 1 |
| £100,000 to £109,999 | 1 | 1 |

The total emoluments of key management personnel (being the executive directors) was £ 202,542 (2021: £202,040) excluding pension contributions and £229,717 (2021: £229,215) including pension contributions.

No Trustee received remuneration from the Group during the year (2021: nil). Travel expenses incurred by trustees for attending meetings, and reimbursed, amounted to £3,872 (2021: £nil). As permitted by the Articles of Association, the Charity purchased and maintained throughout the year Trustees and Officers liability insurance in respect of itself and its Trustees.

## 10. Tangible fixed assets

### a) Consolidated

| | Property improvements | Furniture fittings and equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| 1 April 2021 | 3,243,920 | 620,877 | 3,864,797 |
| Additions | 2,265 | 13,789 | 16,054 |
| 31 March 2022 | 3,246,185 | 634,666 | 3,880,851 |
| **Depreciation** | | | |
| 1 April 2021 | 3,101,387 | 488,791 | 3,590,178 |
| Charge for year | 94,199 | 69,216 | 163,415 |
| 31 March 2022 | 3,195,586 | 558,007 | 3,753,593 |
| **Net book value** | | | |
| 31 March 2022 | 50,599 | 76,659 | 127,258 |
| 31 March 2021 | 142,533 | 132,086 | 274,619 |

### b) Trust

| | Furniture fittings and equipment | Total |
|---|---|---|
| | £ | £ |
| **Cost or valuation** | | |
| At 1 April 2021 and 31 March 2022 | 12,099 | 12,099 |
| **Depreciation** | | |
| 1 April 2021 | 11,494 | 11,494 |
| Charge for year | 605 | 605 |
| 31 March 2022 | 12,099 | 12,099 |
| **Net book value** | | |
| 31 March 2022 | - | - |
| 31 March 2021 | 605 | 605 |

## 11. Fixed asset investments

| | 2022 £ | 2021 £ |
|---|---|---|
| **a) Listed investments** | | |
| **Consolidated and Trust** | | |
| **Market value** | | |
| 1 April 2021 | 3,688,841 | 3,047,374 |
| Additions | 1,663,506 | 1,066,654 |
| Disposals | (1,702,135) | (1,099,753) |
| Realised and unrealised gains/(losses) on revaluation | 207,565 | 674,566 |
| **Market value at 31 March 2022** | 3,857,777 | 3,688,841 |
| **Historical cost at 31 March 2022** | 3,244,208 | 3,088,461 |
| **Listed investments** | | |
| Fixed interest securities | 1,236,288 | 1,032,412 |
| Equity shares | 1,339,120 | 1,510,543 |
| Investment companies | 91,778 | 86,948 |
| Other | 974,087 | 855,118 |
| | 3,641,273 | 3,485,021 |
| Cash awaiting investment | 216,504 | 203,820 |
| **Market value at 31 March 2022** | 3,857,777 | 3,688,841 |

The following investments in individual holdings at 31 March 2022 represented a material holding in the consolidated portfolio:

| | Market value at 31 Mar 2022 £ | Proportion of portfolio £ |
|---|---|---|
| Ruffer SICAV Fixed Income Z GBP Dis | 566,331 | 14.7% |
| Ruffer Illiquid Multi Strategies Fund 2015 Limited | 327,036 | 8.5% |
| LF Ruffer Gold C Acc | 220,173 | 5.7% |

| **Geographical analysis** | Market value at 31 Mar 2022 £ | Market value at 31 Mar 2021 £ |
|---|---|---|
| In the United Kingdom | 1,308,878 | 1,071,808 |
| Outside the United Kingdom | 2,548,899 | 2,617,033 |
| | 3,857,777 | 3,688,841 |

## 11. Fixed asset investments (continued)

### b) Unlisted investments

| | 2022 £ | 2021 £ |
|---|---|---|
| **Consolidated** | | |
| £1 Ordinary shares | 300 | 300 |
| **Unlisted investments at cost** | 300 | 300 |

At 31 March 2022, the Building Centre Group Limited owned 100% of the share capital of three dormant subsidiary undertakings: Centre for the Built Environment Limited (Company No. 13119942), London Centre for the Built Environment Limited (Company No. 13119958) and National Centre for the Built Environment Limited (Company No. 13120233), none of which is actively trading. The share capital of each entity is £100. The dormant subsidiaries are not consolidated into these financial statements.

| | 2022 £ | 2021 £ |
|---|---|---|
| **The Trust** | | |
| £1 Ordinary shares | 800,000 | 800,000 |
| Preference shares | 150,000 | 150,000 |
| **Unlisted investments at cost** | 950,000 | 950,000 |
| **Cost** | | |
| At 1 April 2021 | 950,000 | 950,000 |
| Disposals | - | - |
| Revaluation | - | - |
| At 31 March 2022 | 950,000 | 950,000 |

The unlisted investments represent the Trust's investment in its trading subsidiary, The Building Centre Group Limited (see Note 5).

## 12. Debtors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade debtors | 45,532 | 37,594 | 14,400 | 270 |
| Due from subsidiary undertakings | - | - | 101,801 | 173,815 |
| Other debtors | 48,339 | 88,327 | - | 78,362 |
| Prepayments and accrued income | 505,789 | 371,879 | 268,142 | 151,411 |
| | 599,660 | 497,800 | 384,343 | 403,858 |
| **Amounts falling due after one year** | | | | |
| Deferred tax asset – pension scheme deficit (see note 14) | 326,250 | 350,550 | - | - |
| Total debtors | 925,910 | 848,350 | 384,343 | 403,858 |

## 13. Creditors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Amounts due within one year | | | | |
| Trade creditors | 294,769 | 302,547 | 259,398 | 267,362 |
| Due to subsidiary undertakings | 300 | 300 | - | - |
| Other creditors | 19,153 | 16,529 | - | - |
| Other taxes and social security | 63,790 | 51,828 | (17,682) | (18,356) |
| Corporation tax | - | - | - | - |
| Accruals | 126,704 | 112,732 | 24,202 | 22,909 |
| Rental and exhibition income in advance | 337,578 | 336,549 | 206,626 | 207,976 |
| | 842,294 | 820,485 | 472,544 | 479,891 |

## 14. Deferred taxation

| | Consolidated 2022 Pension scheme deficit £ | 2022 Accelerated Capital allowances £ | Consolidated 2021 Pension scheme deficit £ | 2021 Accelerated Capital allowances £ |
|---|---|---|---|---|
| Deferred tax asset | | | | |
| Balance at 1 April 2021 | 350,550 | (7,826) | 348,270 | (28,003) |
| Movement in year | (24,300) | 5,687 | 2,280 | 20,177 |
| Balance at 31 March 2022 | 326,250 | (2,139) | 350,550 | (7,826) |

## 15. Reserves

**Consolidated**

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2021 | 3,557,914 | 2,000,000 | (1,494,450) | 4,063,464 |
| Income and gains | 2,730,112 | - | - | 2,730,112 |
| Expenditure and losses | (2,747,819) | - | - | (2,747,819) |
| Transfers | (515,700) | - | 515,700 | - |
| **Unrestricted funds at 31 March 2022** | 3,024,507 | 2,000,000 | (978,750) | 4,045,757 |

The consolidated unrestricted funds includes a deficit in the limited company subsidiary, excluding the pension scheme deficit, which totals £272,876.

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2020 | 3,192,507 | 2,000,000 | (1,484,730) | 3,707,777 |
| Income and gains | 2,728,365 | - | - | 2,728,365 |
| Expenditure and losses | (2,372,678) | - | - | (2,372,678) |
| Transfers | 9,720 | - | (9,720) | - |
| **Unrestricted funds at 31 March 2021** | 3,557,914 | 2,000,000 | (1,494,450) | 4,063,464 |

The consolidated unrestricted funds includes a surplus in the limited company subsidiary, excluding the pension deficit, which totals £52,587.

## 15. Reserves

Trust

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2021 | 3,503,100 | 2,000,000 | 5,503,100 |
| Income and gains | 1,136,551 | - | 1,136,551 |
| Expenditure and losses | (1,344,495) | | (1,344,495) |
| Transfers | - | | - |
| **Unrestricted funds at 31 March 2022** | 3,295,156 | 2,000,000 | 5,295,156 |

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2020 | 3,067,994 | 2,000,000 | 5,067,994 |
| Income and gains | 1,482,480 | - | 1,482,480 |
| Expenditure and losses | (1,047,374) | - | (1,047,374) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2021** | 3,503,100 | 2,000,000 | 5,503,100 |

The designated funds relate to a property fund, which are reserves earmarked for general premises protection including repairs, potential dilapidation costs and future proofing. The property fund relates to the medium term.

## 16. Operating lease commitments

The total of future minimum lease payments under non-cancellable operating leases is as follows:

| | 2022 Land and buildings £ | 2022 Equipment £ | 2021 Land and buildings £ | 2021 Equipment £ |
|---|---|---|---|---|
| Within one year | 600,000 | 13,056 | 600,000 | 12,480 |
| In two to five years | 600,000 | 18,936 | 900,000 | 14,270 |
| In over five years | - | - | - | - |
| | 1,200,000 | 31,992 | 1,500,000 | 26,750 |

## 17. Pension costs

During the year, the subsidiary company operated a defined benefit pension scheme and a defined contribution pension scheme for employees.

The Building Centre Group Limited Pension and Assurance Scheme (the defined benefit Scheme), is now closed to new entrants. During the year, the Scheme was closed to future accrual following the retirement of the last active member.

**Defined benefit pension scheme**
In line with normal practice, there are two bases for assessing the value of the assets and liabilities of the Scheme. For accounting purposes, they are reported in accordance with Financial Reporting Standard 102. In addition, the trustees of the Scheme commission a triennial actuarial funding valuation to ensure that the Scheme is appropriately funded. The last full actuarial valuation was carried out at 6 April 2019 and showed a funding shortfall of £0.9 million. A full actuarial valuation at 6 April 2022 is currently being undertaken.

## 17. Pension cost (continued)

As detailed below, on a FRS 102 basis the Scheme had a deficit at 31 March 2022 of £1,305,000 (2021: £1,845,000). The valuation is paricularly sensitive to the impact of the discount rate assumption on Scheme liabilities which has changed by 0.7% (from 2.1% to 2.8%) between 2021 and 2022, and the impact of increases both to RPI (3.3% to 3.8%) and CPI (2.3% to 2.8%) used to calculate the valuation. The company is working with the Scheme trustees to manage the Scheme deficit. The funding shortfall is expected to be eliminated by 2028.

| Value of the scheme assets and liabilities | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Market value of assets | 4,045,000 | 3,759,000 |
| Present value of scheme liabilities | (5,350,000) | (5,604,000) |
| Deficit in scheme | (1,305,000) | (1,845,000) |
| Related deferred tax asset (see Note 14) | 326,250 | 350,550 |

### Principal actuarial assumptions

The principal actuarial assumptions on which the valuation of the scheme was based are set out below:

| | 2022 | 2021 |
|---|---|---|
| Rate used to discount scheme liabilities | 2.8% | 2.1% |
| Rate of increase to pensions in payment | 3.7% | 3.2% |
| Rate of future price inflation – RPI | 3.8% | 3.3% |
| Rate of future price inflation – CPI | 2.8% | 2.3% |

The life expectancies used to determine benefit obligations are as follows:

| | 2022<br>Male | 2022<br>Female | 2021<br>Male | 2021<br>Female |
|---|---|---|---|---|
| Member aged 65 (current life expectancy) | 21.2 | 23.4 | 21.2 | 23.4 |
| Member aged 45 (life expectancy at 65) | 22.2 | 24.3 | 22.2 | 24.3 |

| Movements in the SOFA | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Current and past service cost | (15,000) | (12,000) |
| Interest cost on scheme liabilities | (117,000) | (118,000) |
| Interest income on assets in the scheme | 80,000 | 76,000 |
| Total pension loss recognised in the SOFA | (52,000) | (54,000) |
| Actuarial gains/(losses) | 373,000 | (131,000) |
| Deferred tax relating to pension scheme | (24,300) | 2,280 |
| Total gains/(losses) recognised in the SOFA | 348,700 | (128,720) |

## 17. Pension costs (continued)

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2021 | 3,759,000 | (5,604,000) | (1,845,000) |
| Interest income on assets in the scheme | 80,000 | - | 80,000 |
| Interest cost on scheme liabilities | - | (117,000) | (117,000) |
| Actuarial gains/(losses) | 84,000 | 289,000 | 373,000 |
| Employer contributions paid | 219,000 | | 219,000 |
| Employee contributions paid | 3,000 | (3,000) | - |
| Benefits paid | (100,000) | 100,000 | - |
| Current and past service cost | - | (15,000) | (15,000) |
| At 31 March 2022 | 4,045,000 | (5,350,000) | (1,305,000) |

The actual return on scheme assets for the year was a gain of £84,000.

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2020 | 3,112,000 | (4,945,000) | (1,833,000) |
| Interest income on assets in the scheme | 76,000 | - | 76,000 |
| Interest cost on scheme liabilities | - | (118,000) | (118,000) |
| Actuarial gains/(losses) | 486,000 | (617,000) | (131,000) |
| Employer contributions paid | 173,000 | - | 173,000 |
| Employee contributions paid | 3,000 | (3,000) | - |
| Benefits paid | (91,000) | 91,000 | - |
| Current and past service cost | - | (12,000) | (12,000) |
| At 31 March 2021 | 3,759,000 | (5,604,000) | (1,845,000) |

The actual return on scheme assets for the year was a gain of £486,000.

## 18. Related party transactions

Expenses reimbursed to Trustees and the remuneration of the key management personnel are disclosed in Note 9.

Details of transactions in respect to The Building Centre Group Limited Pension and Assurance Scheme are set out in Note 17.

The Built Environment Trust has transactions with its wholly owned subsidiary, The Building Centre Group Limited, which have been eliminated on consolidation. These transactions are as follows.

The Built Environment Trust received income from The Building Centre Group Limited as follows:

- Licence fees of £620,000 (2021: £497,457)

The Building Centre Group Limited charged the following expenditure to The Built Environment Trust:

- Management fee £315,100 (2021: £371,244)

At 31 March 2022 there are balances outstanding between The Built Environment Trust and The Building Centre Group Limited which have been eliminated on consolidation. These balances are as follows.

Balances owed by The Building Centre Group Limited to The Built Environment Trust as follows:

- Intercompany current account £101,801 (2021: £173,815)

There are no balances owed by The Built Environment Trust to The Building Centre Group Limited.

No guarantees have been given or received.

## 19. Company status

The company is limited by guarantee and the total of those guarantees is £1 per member

**THE BUILT ENVIRONMENT TRUST**

England & Wales - Charity number 1163419

# Accounts

Registered Company No. 9631202
Registered Charity No. 1163419

# The Built Environment Trust

## Trustees' Report and Consolidated Financial Statements For the year ended 31 March 2021

**The Built Environment Trust**

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The Built Environment Trust

Trustees and trust information
Year ended 31 March 2021

| | |
|---|---|
| **Patron** | HRH The Duke of Gloucester KG GCVO |
| **President** | Spencer de Grey CBE |
| **Trustees** | Richard Hill FCCA<br>Klaus Bode<br>Dr James Bradburne<br>Antony Oliver<br>Katy Ghahremani<br>William James Furber (resigned 25 April 2021) |
| **Chief Executive** | Colin Tweedy LVO OBE |
| **Auditors** | Saffery Champness LLP<br>71 Queen Victoria Street<br>London<br>EC4V 4BE |
| **Investment managers** | Ruffer LLP<br>80 Victoria Street<br>London<br>SW1E 5JL |
| **Bankers** | Royal Bank of Scotland PLC<br>Drummond House<br>1 Redheughs Avenue<br>Edinburgh<br>EH12 9JN |
| **Charity number** | 1163419 |
| **Company number** | 9631202 |
| **Principal office and registered office** | 26 Store Street<br>London<br>WC1E 7BT |

## REFERENCE AND ADMINISTRATIVE

The Trustees have pleasure in presenting their Report together with the financial statements for the year ended 31 March 2021.

The Built Environment Trust is a company limited by guarantee and a registered charity. It was incorporated on 9 June 2015 and registered with the Charity Commission on 4 September 2015. The Built Environment Trust continues the work of its predecessor charity, The Building Centre Trust.

The audited consolidated financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP), the Charities Act 2011 and the Companies Act 2006. The financial statements combine the results of The Built Environment Trust and its wholly owned subsidiary, The Building Centre Group Limited.

## OBJECTIVES AND ACTIVITIES

The Built Environment Trust supports people to build a better world.

### Our mission statement

Our mission is to inspire, connect and empower people to improve the quality of our built environment. We recognise that the built environment shapes lives and communities and we are committed to involving all members of society as knowledgeable and active voices in determining how we construct our future.

### Who we are

The Built Environment Trust is a charity which promotes and delivers education in relation to the built environment. Our aim is to improve the quality of the built environment by inspiring and educating people, both professionals and the general public, about its value to their lives and by supporting knowledge and practice in the world of building. The Built Environment Trust is an organisation which helps lead thought and action in respect to the built environment, in order to foster improved and sustainable practices.

### What we do

The Built Environment Trust owns the Building Centre, a public exhibition centre. It has been home of the built environment since 1931. The Trust aims to advance understanding of quality in the built environment, physically and online, working with the leading partners across the construction industry and related areas. We achieve our objectives through a variety of activities and through partnership or support of others. Our activities include:

- Exhibitions and events
- Lectures and seminars
- Publications
- Providing facilities for those working in the built environment industry
- Encouraging and providing facilities for research and discussion

Due to the pandemic and the closure of the Building Centre to the public for much of the year, activities during the year were at a reduced level. We gratefully acknowledge the assistance we received from external advisers and experts, and from companies and individuals who made voluntary contributions of time and materials.

## ACHIEVEMENTS AND PERFORMANCE

In a year that proved uniquely challenging, with our galleries shut to the public for much of the time, the organisation worked hard to maintain physical and digital public programme activity.

The New Stone Age
As the pandemic struck, we were forced to close our doors on The New Stone Age exhibition. The show celebrated the sustainability and beauty of structural stone and was well received in the press, with positive reviews in The Guardian, The RIBA Journal and BBC, amongst others. The exhibition was taken down during the summer months, but the associated public programme continued into the autumn with a two-hour bilingual online event with the curators; Amin Taha, Steve Webb and Pierre Bidaud and special guest Gilles Perraudin. The exhibition had wide-reaching influence, inspiring a Bartlett school of architecture module curriculum. It was cited by Barnabas Calder as an inspiration for his acclaimed book Architecture: From Prehistory to Climate Emergency.

Conversations About Climate Change
Our work with the Timber Trade Federation (TTF) forms an important part of our public programme at the Building Centre and is strongly aligned with our sustainability ethos. We created a competition for the TTF that launched in August 2020 and set the challenge for designers, architects, and makers to create a piece of furniture, sculpture or functional object that sparks a conversation about climate change. We received entries from countries across the world including Colombia, Australia, Cameroon, Greece, Kenya, Malaysia, Singapore, Japan, USA, Netherlands, and the UK. The competition was judged in early September 2020 by Adam Brinkworth of Brinkworth, Yinka Ilori of Yinka Ilori Studio, Julia Barfield of Marks Barfield, Andrew Waugh of Waugh Thistleton Architects, and Leah Riley Brown of the British Retail Consortium. The six winning projects are on show in the Conversations About Climate Change exhibition. An Instagram live event paired ACAN's Kat Scott with David Hopkins of the TTF to discuss misconceptions around using tropical timbers.

Celebrating all things timber, we devised a series of online talks, Wood Work, that featured timber projects and their makers. The Wood Work series comprised recommended viewing for students of Central St Martins as part of their course this year.

The pause in the physical public programme meant that two exhibitions remained in situ for longer than anticipated: keeping the building looking colourful and engaging.

In early 2020 we partnered with the British Council to exhibit the winning project from an open call inviting architects, artists, and designers to submit proposals for public space interventions that could reinvigorate urban areas within the city of Caracas, Venezuela. The winning proposal was Will Sandy Design Studio's Catalyst Cube – a reconfigurable social, cultural, and educational space that acts as a focal point where different communities meet. A joyous opening with a pinata smashing was the only live event that restrictions meant we were able to do. We subsequently shared the project through Instagram live.

New Wave: Love at a Distance by Claire-Anne Abi Ola. Claire-Anne Abi Ola was the winner of the 2020 Bloomsbury Festival Art Competition. An exhibition presented new and existing works responding to the festival theme, Vision. Abi's vibrant artworks play with pattern, visual shapes and illusions inspired by the British and West-African fabrics and textiles worn by her family.

## ACHIEVEMENTS AND PERFORMANCE (continued)

We ran a Drawing Skills urban sketching course in September which saw a group of seven students learn to draw on location in London, complying with the social distancing regulations at the time. During the November lockdown we also ran a course online for students to be able to learn to draw in perspective from their own homes.

We look forward to the forthcoming year, with a public programme focused on producing interesting, engaging and relevant content, both online and in the Building Centre.

## PLANS FOR FUTURE PERIODS

In 2021 the Building Centre celebrates 90 years as an organisation. This milestone comes at a time of unique challenges for both the Company and for the Trust. The global landscape has been transformed by the pandemic. But this interruption to everyone's lives and businesses gives an important opportunity for reflection, and indeed, reinvention.

In 2019 the Trust undertook a process of review, resulting in a new mission that more accurately reflects the whole organisation's ambitions. The primary goal for the next two years is to ensure that both the Company and Trust focus on our overall public mission: to serve the built environment community in its entirety, as an industry and for the general public.

The Trust is undergoing a search for a new Chair who will be appointed in October 2021, and the Trust will be extending the number of trustees that will serve on the board. At the same time the Trustees will approve a new strategic plan for 2021- 2023.

To mark and celebrate our 90th anniversary and to highlight the achievements of the built environment in this period, public figures have been invited to each select a building, development, garden or person from the last 90 years that represented to them, an example of our nation's built environment. The selections are to be presented online and in an exhibition and publication, from September 2021 onwards.

These are challenging times and every organisation that hopes to survive and flourish must respond to the difficulties and opportunities we all face. The Company and Trust are developing initiatives that position the organisation to address these challenges, from building a better world that is sustainable, to a world that addresses the climate crisis as the emergency it truly is.

## PUBLIC BENEFIT

The Trustees have complied with the duty in Section 4 of The Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Trust are available to the public and to persons interested in the field of the built environment. All exhibitions held at the Building Centre are free of charge. Charges are made for certain seminars and events, but these charges are not at a level where it is considered that they would prevent access to anyone wishing to attend and the majority of talks are free to enter. The Trust supports a number of other organisations in order to make free access to events of benefit to the built environment. During the pandemic, when the building was shut to the general public, exhibitions and events went online and these were accessible to anyone, free of charge.

## PUBLIC BENEFIT (continued)

In this way, the Trust is providing public benefit in the field of education in accordance with its charitable objectives.

The Trust accepts that certain of its projects are of a specialist nature but these are well balanced by more general programmes such as its support to greater public access to exhibitions of the Building Centre. The Trust is keen to continue to be inclusive in promoting education to the largest number of individuals and organisations possible.

## FINANCIAL REVIEW

### Impact of the pandemic

The Building Centre was closed to the public for a substantial proportion of the last financial year. This had a significant negative impact on certain variable income streams, in particular income from the provision of facilities for conferences, talks and events. The contracted income from the provision of office and exhibition space supported the organization through a challenging year, albeit at lower levels than previously. The closure of the building to the public meant that building running costs were able to be reduced during this time. This, together with strong financial management and coronavirus business support initiatives, enabled the organization to keep operational losses at a manageable level.

### Overview of consolidated Statement of Financial Activities (page 16)

The Built Environment Trust has a wholly owned subsidiary, the Building Centre Group Ltd, which undertakes both charitable and commercial activities. The subsidiary's income and expenditure are shown separately in the consolidated Statement of Financial Activities (SOFA). The income and expenditure from charitable activities in the SOFA, relates solely to Trust activities.

In the year ended 31 March 2021 the total consolidated income was £2,046,852, a decrease of 30% from last year's total of £2,916,569. The reasons for this are referenced below.

Over the same period, the total consolidated expenditure was £2,243,958, down 32% from last year's total of £3,292,879. The reasons for this are referenced below.

As a result, the net consolidated expenditure, before including gains on investments, actuarial losses on the pension scheme valuation, and corporation tax arising in the subsidiary company, was £197,106 compared to net consolidated expenditure of £376,310 in the prior year.

The investment portfolio has performed well with net gains on investments of £674,566 (2020: net gains of £165,972). The subsidiary company incurred a corporation tax credit of £6,947 (2020: credit of £12,002).

There was a net actuarial loss on the defined benefit pension scheme of £128,720 (2020: net actuarial loss of £72,620).

Overall, there was a net increase in consolidated funds of £355,687 for the year (2020: net reduction in funds of £270,956).

## FINANCIAL REVIEW (continued)

### Income

Income is generated from three main sources: being trading income from the subsidiary company, income from charitable activities and investment income.

Income generated in the subsidiary company and included in the consolidated SOFA, was 31% lower than last year at £1,735,958 (2020: £2,512,474). All income streams were at lower levels than the prior year predominantly due to the impact of the pandemic. The income stream most significantly affected was income from the provision of facilities for conferences, talks and events, which saw a reduction of approximately £500,000 year on year. The trend in the various income streams of the company can be seen in the last table of note 5 in the accounts.

Income from charitable activities was 21% lower than last year at £292,680 (2020: £371,199). The physical exhibition and event programme was reduced due to the closure of the building to the public, and this impacted on the level of income from partners and supporters.

### Expenditure

Expenditure incurred in the subsidiary company and included in the consolidated SOFA, decreased by 34% to £1,674,041 from £2,530,732. Expenditure relates to the provision of exhibition and office space, information services and facilities for conferences, talks and events. The closure of the Building Centre to the public enabled the running costs of the Building Centre to be reduced during the year and tight financial control was exercised over discretionary expenditure. The prior year figure includes exceptional expenditure of just over £200,000 in respect to gallery refurbishment and website development.

Charitable expenditure incurred directly by the Trust decreased by 27% to £535,044 (2020: £732,291). As explained above, the physical public programme was reduced during the year due to the impact of the pandemic.

### Reserves policy and management

Reserves are maintained at a level that enables the Trust to manage financial risk and short-term income volatility and provide a stable base for the Trust's continuing charitable activities. The reserves policy takes into consideration commitments over the medium term in respect of the Trust's property obligations under its lease and reserves have been designated for this purpose.

The level of free reserves (calculated as the total reserves in the Trust excluding tangible fixed assets and investment in its subsidiary) increased to £4,552,495 at 31 March 2021 from £4,114,969 at 31 March 2020. Of the free reserves, £2,000,000 has been designated as a property fund.

The Trustees have determined that the level of free reserves after transfers to designated funds should exceed twelve months expenditure.

Undesignated free reserves at 31 March 2021 amounted to £2,552,495 (2020: £2,114,969) which exceeds the budgeted expenditure for the year ended 31 March 2022.

## FINANCIAL REVIEW (continued)

### Investment policy and performance

The investment policy supports the reserves policy. The Trust seeks to adopt a cautious, prudent and diversified approach to balance potential returns with appropriate levels of risk.

The management of the Trust's investments is undertaken by Ruffer LLP with the aim of increasing the value of portfolios, after fees, at a higher rate than would be achieved by placing cash on deposit. A review of the investment strategy and financial performance is reported to the Trustees quarterly. The trustees were pleased with the investment performance over the year. The portfolio valuation increased to £3,688,841 at 31 March 2021 from £3,047,374 at 31 March 2020

### The Building Centre Group Pension and Assurance Scheme

In accordance with accounting standards, the consolidated financial statements of The Built Environment Trust include adjustments relating to the defined benefit pension scheme. The pension scheme was in deficit at the end of last financial year. This deficit has slightly increased during the year ended 31 March 2021. The directors of The Building Centre Group Limited and the trustees of the pension scheme have agreed a recovery plan for the elimination of the deficit by 2028.

### Going concern

The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully.

The financial year ending 31 March 2022 started with social distancing measures in place, which continued to impact on the ability of the company to earn revenue from providing facilities for physical conferences, talks and events. There is still uncertainty over when demand for physical activities in the Centre will resume and at what level. The Trust and the company are continuing with their strategic reviews to rethink and reinvent the Building Centre and the role of the Trust.

At 31 March 2021 there were consolidated net current assets of £1,952,530. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

## FINANCIAL REVIEW (continued)

### PRINCIPAL RISKS AND UNCERTAINTIES

**Risk management**
The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed.

At least once a year, a risk review is undertaken and the risks identified through this process are documented in a risk register. The principal risks and uncertainties facing the Trust and its subsidiary company are as follows:

1. **Covid-19 pandemic**
   ***Risk*** – The financial challenges brought about by coronavirus restrictions continued into the current financial year, with social distancing measures still in place at the beginning of the year. This continued to impact on the ability of the company to sell space for physical events. There is still uncertainty over when demand for physical activities in the Centre will resume, and at what level.
   ***Management*** – The Building Centre has been made Covid compliant, so that all our staff, occupiers and visitors can have confidence in their surroundings. Some public programme activities have been moved online. Our team at the Building Centre are ready to resume physical events in the Centre and are preparing to welcome back visitors in person. Costs are being tightly controlled and cashflow managed to minimise any negative financial impact.

2. **The defined benefit pension scheme**
   ***Risk*** - The defined benefit pension scheme is currently in deficit. The additional funding requirements may place significant pressure on cash flow in the future.
   ***Management***- There is good communication between the directors of The Building Centre Group Limited and the Trustees of the Pension Scheme. A recovery plan is currently in place and will be reviewed regularly in line with the triennial actuarial valuation.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

**Structure and management**
The Built Environment Trust has a wholly owned subsidiary company, The Building Centre Group Limited, which undertakes both primary purpose charitable trading activities as well as commercial trading.

The Built Environment Trust is governed by a Board of Trustees who set strategic direction, ensure that the Trust achieves its objectives and oversee governance.

The day to day management and administration of the Trust is delegated to the Chief Executive, Colin Tweedy, and his executive team.

**Remuneration policy**
All staff, including key management personnel, are employed by The Building Centre Group Limited. In setting remuneration levels, the directors have regard to pay in organisations which employ individuals with similar skills, competences and qualifications. The remuneration of key management personnel is authorised by the non-Executive Chair of The Building Centre Group Limited and the Chair of The Built Environment Trust.

## STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

### Trustees

All Trustees are members of the charity and directors of the charitable company. The Trustees must hold at least three meetings a year.

Trustees are appointed for an initial period of 3 years that can be extended for two further three year terms. The Articles of Association provide for the number of Trustees to be between three and ten. The current Trustees are shown on page 1.

The following changes to trustees have taken place:

William James Furber (resigned on 25 April 2021)

Recruitment of new trustees is based upon identifying people with skills in specific areas to ensure that there is appropriate experience on the Board. They are recruited primarily from built environment related industries. Each Trustee undertakes an induction programme that includes governance and financial documentation and meetings with the Chief Executive and members of the management team.

## FUNDRAISING

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not actively raise funds or solicit donations directly from the general public. The Charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during the period

## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of The Built Environment Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

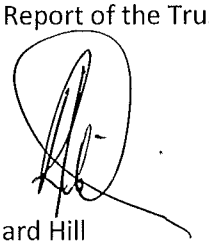
In the case of each Trustee in office at the date the Trustees' Report is approved:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- They have taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

## INDEPENDENT AUDITORS

Saffery Champness LLP have expressed their willingness to remain in office.

The Trustees have taken advantage of the small companies' regime in preparing the Report of the Trustees.
The Report of the Trustees was signed on behalf of the Trustees by:



Richard Hill
Trustee

20 September 2021

## Opinion

We have audited the financial statements of the Built Environment Trust for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated and Trust balance sheets, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 March 2021 and of the group's incoming resources and application of resources, including 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 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

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 or the parent charitable company'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 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.

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 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.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**
In the light of the 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 Report of the Trustees.

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

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

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 and 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.

**Auditor's responsibilities for the audit of the financial statements**
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Independent auditors' report to the trustees (continued)**
**For the year ended 31 March 2021**

**Use of our report**

This report is made solely to the parent charitable company'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 parent charitable company'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

**Cara Turtington (Senior Statutory Auditor)**
**for and on behalf of Saffery Champness LLP**

20 September 2021

**Chartered Accountants**
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Built Environment Trust

## Consolidated statement of financial activities
## For the year ended 31 March 2021
## (Incorporating an income and expenditure account)

| | Notes | 2021 | 2020 |
|---|---|---|---|
| | | £ | £ |
| **Income from:** | | | |
| **Legacies** | 3 | - | - |
| **Charitable activities** | 4 | 292,680 | 371,199 |
| **Other trading activities** | | | |
| Income generated in subsidiary company | 5 | 1,735,958 | 2,512,474 |
| **Investments** | | 18,214 | 32,896 |
| **Total income** | | 2,046,852 | 2,916,569 |
| **Expenditure on:** | | | |
| **Charitable activities** | 6 | 535,044 | 732,291 |
| **Raising funds** | | | |
| Expenditure incurred in subsidiary company | 5 | 1,674,041 | 2,530,732 |
| Investment management costs | | 34,873 | 29,856 |
| | | 1,708,914 | 2,560,588 |
| **Total expenditure** | | 2,243,958 | 3,292,879 |
| Net gains/(losses) on investments | | 674,566 | 165,972 |
| **Net income/(expenditure) before taxation and other recognised gains and losses** | 7 | 477,460 | (210,338) |
| Taxation | 8 | 6,947 | 12,002 |
| **Net income/(expenditure) after taxation and before other recognised gains and losses** | | 484,407 | (198,336) |
| **Other recognised (losses)/gains** | | | |
| Actuarial (loss)/gain on defined benefit pension scheme | | (131,000) | (54,000) |
| Deferred tax relating to pension scheme | | 2,280 | (18,620) |
| **Net movement in funds** | | 355,687 | (270,956) |
| **Reconciliation of funds** | | | |
| Total funds brought forward 1 April 2020 | | 3,707,777 | 3,978,733 |
| **Total funds carried forward 31 March 2021** | 15 | 4,063,464 | 3,707,777 |

The notes and accounting policies on pages 19 to 36 form part of these accounts.
All of the Trust's funds are unrestricted.

## Balance sheets
## At 31 March 2021

| | Notes | Consolidated | | Trust | |
|---|---|---|---|---|---|
| | | 2021 | 2020 | 2021 | 2020 |
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Tangible assets | 10 | 274,619 | 423,715 | 605 | 3,025 |
| Investments | 11 | 3,688,841 | 3,047,374 | 3,688,841 | 3,047,374 |
| Investments in subsidiaries | 11 | 300 | - | 950,000 | 950,000 |
| | | 3,963,760 | 3,471,089 | 4,639,446 | 4,000,399 |
| **Current assets** | | | | | |
| Debtors | 12 | 848,350 | 946,486 | 403,858 | 501,447 |
| Cash at bank and in hand | | 1,924,665 | 2,003,795 | 939,687 | 1,000,102 |
| | | 2,773,015 | 2,950,281 | 1,343,545 | 1,501,549 |
| Creditors: amounts falling due within one year | 13 | (820,485) | (852,590) | (479,891) | (433,954) |
| **Net current assets** | | 1,952,530 | 2,097,691 | 863,654 | 1,067,595 |
| **Total assets less current liabilities** | | 5,916,290 | 5,568,780 | 5,503,100 | 5,067,994 |
| Deferred taxation | 14 | (7,826) | (28,003) | - | - |
| Defined benefit pension scheme liability | 17 | (1,845,000) | (1,833,000) | - | - |
| **Net assets** | | 4,063,464 | 3,707,777 | 5,503,100 | 5,067,994 |
| **Funds** | | | | | |
| Unrestricted funds | 15 | 5,557,914 | 5,192,507 | 5,503,100 | 5,067,994 |
| Defined benefit pension scheme deficit | 15 | (1,494,450) | (1,484,730) | - | - |
| **Total funds** | 15 | 4,063,464 | 3,707,777 | 5,503,100 | 5,067,994 |

No separate company Statement of Financial Activities (SOFA) has been prepared by the Charity as permitted by section 408 Companies Act 2006. The charitable company's income for the year was £807,914 (2020: £947,016) and the surplus for the year was £435,106 (2020: deficit of £174,159).

The financial statements on pages 16 to 36 were approved by the Trustees on 20 September 2021 and signed on their behalf by:

Richard Hill
**Trustee**

**Company registration number: 9631202**

## Consolidated statement of cash flows
## For the year ended 31 March 2021

| Statement of cash flows | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Net cash used in operating activities** | **(107,441)** | **(285,721)** |
| **Cash flows from investing activities** | | |
| Investment income | 18,214 | 32,896 |
| Purchase of tangible fixed assets | (23,002) | (168,372) |
| Proceeds from the sale of investments | 1,099,753 | 1,219,170 |
| Purchase of investments | (1,066,654) | (1,189,981) |
| **Net cash provided by/(used in) investing activities** | 28,311 | (106,287) |
| Corporation tax paid | - | (66,974) |
| Change in cash and cash equivalents in the year | (79,130) | (458,982) |
| Cash and cash equivalents at 1 April | 2,003,795 | 2,462,777 |
| **Cash and cash equivalents at 31 March** | **1,924,665** | **2,003,795** |

| Reconciliation of net income to net cash flow from operating activities | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Net income for the reporting period as per the statement of financial activities** | **477,460** | **(210,338)** |
| **Adjustments for** | | |
| Investment income | (18,214) | (32,896) |
| Depreciation charges | 172,098 | 198,356 |
| (Gains)/losses on investments | (674,566) | (165,972) |
| Decrease/(increase) in debtors | 87,186 | 109,966 |
| (Decrease)/increase in creditors | (32,405) | (32,837) |
| Pension gains recognised in SOFA excluding actuarial gain | (119,000) | (152,000) |
| **Net cash used in operating activities** | **(107,441)** | **(285,721)** |

| Analysis of cash and cash equivalents | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Cash at bank and on instant access deposit accounts | 1,924,665 | 2,003,795 |

| Analysis of changes in net debt | At 1 April 2020<br>£ | Cashflows<br>£ | At 31 March 2021<br>£ |
|---|---|---|---|
| Cash and cash equivalents | 2,003,795 | (79,130) | 1,924,665 |

## 1. Accounting policies

### 1.1 Basis of preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) and with the second edition of the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 published in October 2019 (SORP) together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The Charity has adapted the Companies Act formats to reflect the SORP.

The accounts have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

### 1.2 Going concern

The accounts have been prepared on the going concern basis. The Trustees have reviewed the Trust's financial position, taking account of the satisfactory levels of reserves and cash. The Trustees believe that the Charity is well placed to manage operational and financial risks successfully. The financial year ending 31 March 2022 started with social distancing measures in place, which continued to impact on the ability of the Company to earn revenue from providing facilities for physical conferences, talks and events. There is still uncertainty over when demand for physical activities in the Centre will resume, and at what level. The Company has continued to develop its business model for the new working environment.

At 31 March 2021 there were consolidated net current assets of £1,952,530. With the careful monitoring and management of cash flow, the projected cash flow information for the period ending 12 months from the date of approval of these financial statements indicate that both the Trust and the Company will be able to cover liabilities as they fall due for payment. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to adopt the going concern basis of accounting in preparing the annual accounts.

The Charity is a public benefit entity. The accounting policies have been applied consistently throughout the accounts and the prior year.

### 1.3 Basis of consolidation

The consolidated accounts combine the results of The Built Environment Trust with its wholly owned subsidiary undertaking, The Building Centre Group Limited (Company No. 746150), on a line by line basis. In the consolidated accounts uniform accounting policies have been used. Consolidation adjustments have been made to remove transactions between the two entities and inter-entity balances have been cancelled. The consolidated entity is referred to as "the Group".

### 1.4 Incoming resources

Incoming resources are accrued and included in the SOFA when the Group is entitled to the income, receipt can be quantified and is probable. Incoming resources are deferred when they relate to future accounting periods.

### 1.5 Legacies

Legacies are recognised when probate is granted and there is sufficient information to value them.

## Accounting policies (continued)

### 1.6 Resources expended

All expenditure is accounted for on an accruals basis. Direct costs are those specifically related to producing the output of an activity. Support costs not attributable to a single activity are allocated on an appropriate basis such as headcount or staff time.

### 1.7 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at cost. Depreciation is provided so as to write off the cost of fixed assets on a straight line basis over their expected useful lives, as follows:

| | |
|---|---|
| 6% - 29% | Leasehold property improvements |
| 10% - 25% | Assets purchased for exhibition purposes |
| 10% - 20% | Fixtures, fittings, furniture and equipment |
| 25% - 33% | Computer equipment |

Fixed assets are subject to a review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

### 1.9 Investments

Listed investments are stated at fair value. The SOFA includes realised gains and losses on investments sold in the year and unrealised gains and losses on revaluation of investments.

Investments in group companies are included at cost less provision for any permanent diminution in value.

### 1.10 Financial instruments

The group has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

### 1.11 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives. A pension scheme deficit is included within the unrestricted funds to reflect the defined benefit pension scheme liability. Designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose by the Trustees.

## 1. Accounting policies (continued)

### 1.12 Pensions

For the defined benefit pension scheme, pension scheme assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by an independent actuary. FRS 102 measures the value of pension scheme assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension scheme.

### 1.13 Taxation

The Built Environment Trust is a registered charity and is exempt from UK income tax and corporation tax on charitable activities. The Trust is registered for VAT.

The subsidiary company is liable to corporation tax on its profits, based on taxable profit for the year. Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 2. Critical accounting judgements and sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical evidence and other factors

### 2.1 Critical judgements in applying the entity's accounting policies

There are no critical accounting judgements in 2021 and 2020.

### 2.2 Critical accounting estimates and assumptions

Defined benefit pension scheme
The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension liability in the balance sheet. The assumptions reflect historical experience and current trends. The valuation is particularly sensitive to the impact of the discount rate assumption on Scheme liabilities. See Note 17 for the disclosures relating to the defined benefit scheme.

## 3. Legacy income

Legacy income is not recognised until The Built Environment Trust has entitlement to the funds, the amount can be quantified and there is probability of receipt. No legacies were recognised in the year ended 31 March 2021 (2020: £nil)

## 4. Income from charitable activities

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Educational events and exhibitions | 75,476 | 153,839 |
| Provision of space to built environment organisations | 217,204 | 217,360 |
| | 292,680 | 371,199 |

## 5. Subsidiary trading company

The Building Centre Group Limited, The Built Environment Trust's wholly owned trading subsidiary, incorporated in England and Wales, engages in both primary purpose and non-primary purpose trading activities. A summary of the audited income statement of the Building Centre Group Limited for the year ended 31 March 2021 is shown below. These figures do not agree to the figures on page 16 due to the impact of consolidation adjustments.

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Income | 2,169,639 | 2,969,474 |
| Expenditure | (2,127,285) | (3,005,653) |
| | 42,354 | (36,179) |
| Taxation | 6,947 | 12,002 |
| Charitable donation under gift aid | - | - |
| Retained in subsidiary | 49,301 | (24,177) |

The assets and liabilities of The Building Centre Group Limited consolidated within the balance sheet are:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Assets | 1,877,599 | 2,088,557 |
| Liabilities | (524,462) | (668,001) |
| Defined benefit pension scheme liability | (1,845,000) | (1,833,000) |
| Represented by share capital and reserves | (491,863) | (412,444) |

### Subsidiary company income analysis

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Income from** | | |
| Provision of exhibition and office space | 1,596,314 | 1,889,341 |
| Information services | 140,315 | 186,034 |
| Facilities for conferences, talks and events | 4,736 | 521,274 |
| Other | 373,097 | 372,825 |
| Coronavirus job retention scheme income | 55,177 | - |
| | 2,169,639 | 2,969,474 |

## 6. Costs of charitable activities

| | Direct costs £ | Salary costs £ | Support costs £ | 2021 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 86,042 | 266,131 | 88,945 | 441,118 |
| Provision of space to built environment organisations | 89,244 | - | 4,682 | 93,926 |
| | 175,286 | 266,131 | 93,627 | 535,044 |

Support costs have been allocated on a headcount basis

| | Events and exhibition £ | Provision of space £ | 2021 Total £ |
|---|---|---|---|
| Governance and strategy | 32,514 | 1,712 | 34,226 |
| Management and administration | 31,981 | 1,684 | 33,665 |
| Roof repairs | 24,450 | 1,286 | 25,736 |
| | 88,945 | 4,682 | 93,627 |

**Prior year comparative figures**

| | Direct costs £ | Salary costs £ | Support costs £ | 2020 Total £ |
|---|---|---|---|---|
| Educational events and exhibitions | 293,296 | 218,000 | 92,016 | 603,312 |
| Provision of space to built environment organisations | 114,000 | - | 14,979 | 128,979 |
| | 407,296 | 218,000 | 106,995 | 732,291 |

| | Events and exhibition £ | Provision of space £ | 2020 Total £ |
|---|---|---|---|
| Governance and strategy | 23,033 | 3,750 | 26,783 |
| Management and administration | 33,339 | 5,427 | 38,766 |
| Roof repairs | 35,644 | 5,802 | 41,446 |
| | 92,016 | 14,979 | 106,995 |

## 7. Net income/(expenditure) for the year

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| This is stated after charging/(crediting): | | |
| Depreciation charge | 172,098 | 198,356 |
| Gain on disposal of fixed assets | - | - |
| Rentals payable under operating leases | | |
| - Land and buildings | 477,457 | 525,000 |
| Auditors remuneration for external audit services | | |
| - Trust | 6,850 | 6,700 |
| - Subsidiary | 10,800 | 11,400 |
| Auditors remuneration for non-audit services | | |
| - Trust | - | - |
| - Subsidiary | 21,050 | 4,600 |

## 8. Taxation

The Built Environment Trust is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities. The subsidiary company is liable to corporation tax on its profits, as set out below:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| *Domestic current year tax* | | |
| UK corporation tax charge/(credit) | 13,230 | (23,195) |
| Adjustment for prior years | - | 850 |
| Total current tax | 13,230 | (22,345) |
| *Deferred tax* | | |
| Deferred tax (credit)/charge | (20,177) | 10,343 |
| (Credit)/Charge to statement of financial activities | (6,947) | (12,002) |

## 9. Employees and Trustees

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Salaries and wages | 797,899 | 855,840 |
| Social security costs | 84,685 | 90,309 |
| Pension costs (including operating costs of defined benefit pension scheme) | 133,416 | 131,715 |
| | 1,016,000 | 1,077,864 |

An amount was paid during the year in respect to termination pay, but the amount is not disclosed due to a non-disclosure agreement being in place.

| The average number of employees, calculated on an average headcount, analysed by function was | 2021<br>Number | 2020<br>Number |
|---|---|---|
| Provision of exhibition and office space and events | 7 | 8 |
| Information services | 5 | 6 |
| Facilities for conferences, talks and events | - | 2 |
| Support services | 2 | 2 |
| | 14 | 18 |

| Number of employees whose benefits (excluding employer pension contributions) fell within the following bands: | 2021<br>Number | 2020<br>Number |
|---|---|---|
| £60,000 to £69,999 | - | - |
| £70,000 to £79,999 | - | 1 |
| £80,000 to £89,999 | 2 | 1 |
| £90,000 to £90,999 | 1 | 1 |
| £100,000 to £109,999 | 1 | 1 |

The total emoluments of key management personnel (being the executive directors) was £ 202,040 (2020: £198,984) excluding pension contributions and £229,215 (2020: £222,936) including pension contributions.

No Trustee received remuneration from the Group during the year (2020: nil). Travel expenses incurred by trustees for attending meetings, and reimbursed, amounted to £nil (2020: £3,350). As permitted by the Articles of Association, the Charity purchased and maintained throughout the year Trustees and Officers liability insurance in respect of itself and its Trustees.

## 10. Tangible fixed assets

### a) Consolidated

| | Property improvements | Furniture fittings and equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| 1 April 2020 | 3,228,023 | 613,772 | 3,841,795 |
| Additions | 15,897 | 7,105 | 23,002 |
| 31 March 2021 | 3,243,920 | 620,877 | 3,864,797 |
| **Depreciation** | | | |
| 1 April 2020 | 3,012,601 | 405,479 | 3,418,080 |
| Charge for year | 88,786 | 83,312 | 172,098 |
| 31 March 2021 | 3,101,387 | 488,791 | 3,590,178 |
| **Net book value** | | | |
| 31 March 2021 | 142,533 | 132,086 | 274,619 |
| 31 March 2020 | 215,422 | 208,293 | 423,715 |

### b) Trust

| | Furniture fittings and equipment | Total |
|---|---|---|
| | £ | £ |
| **Cost or valuation** | | |
| At 1 April 2020 and 31 March 2021 | 12,099 | 12,099 |
| **Depreciation** | | |
| 1 April 2020 | 9,074 | 9,074 |
| Charge for year | 2,420 | 2,420 |
| 31 March 2021 | 11,494 | 11,494 |
| **Net book value** | | |
| 31 March 2021 | 605 | 605 |
| 31 March 2020 | 3,025 | 3,025 |

## 11. Fixed asset investments

| | 2021 £ | 2020 £ |
|---|---|---|
| **a) Listed investments** | | |
| **Consolidated and Trust** | | |
| **Market value** | | |
| 1 April 2020 | 3,047,374 | 2,910,591 |
| Additions | 1,066,654 | 1,189,981 |
| Disposals | (1,099,753) | (1,219,170) |
| Realised and unrealised gains/(losses) on revaluation | 674,566 | 165,972 |
| **Market value at 31 March 2021** | 3,688,841 | 3,047,374 |
| **Historical cost at 31 March 2021** | 3,088,461 | 2,890,594 |
| **Listed investments** | | |
| Fixed interest securities | 1,032,412 | 950,655 |
| Equity shares | 1,510,543 | 878,048 |
| Investment companies | 86,948 | 66,879 |
| Other | 855,118 | 857,504 |
| | 3,485,021 | 2,753,086 |
| Cash awaiting investment | 203,820 | 294,288 |
| **Market value at 31 March 2021** | 3,688,841 | 3,047,374 |

The following investments in individual holdings at 31 March 2021 represented a material holding in the consolidated portfolio:

| | Market value at 31 Mar 2021 £ | Proportion of portfolio £ |
|---|---|---|
| Ruffer SICAV Fixed Income Z GBP Dis | 736,306 | 20.0% |
| Ruffer Illiquid Multi Strategies Fund 2015 Limited | 462,456 | 12.5% |
| UK (Govt Of) 0.125% I/L 22/11/2065 | 185,005 | 5.0% |

| **Geographical analysis** | Market value at 31 Mar 2021 £ | Market value at 31 Mar 2020 £ |
|---|---|---|
| In the United Kingdom | 1,071,808 | 864,726 |
| Outside the United Kingdom | 2,617,033 | 2,182,648 |
| | 3,688,841 | 3,047,374 |

## 11. Fixed asset investments (continued)

### b) Unlisted investments

| | 2021 £ | 2020 £ |
|---|---|---|
| **Consolidated** | | |
| £1 Ordinary shares | 300 | - |
| **Unlisted investments at cost** | 300 | - |

At 31 March 2021, the Building Centre Group Limited owned 100% of the share capital of three dormant subsidiary undertakings: Centre for the Built Environment Limited (Company No. 13119942), London Centre for the Built Environment Limited (Company No. 13119958) and National Centre for the Built Environment Limited (Company No. 13120223), none of which is actively trading. The share capital of each entity is £100. The dormant subsidiaries are not consolidated into these financial statements.

| | 2021 £ | 2020 £ |
|---|---|---|
| **The Trust** | | |
| £1 Ordinary shares | 800,000 | 800,000 |
| Preference shares | 150,000 | 150,000 |
| **Unlisted investments at cost** | 950,000 | 950,000 |
| **Cost** | | |
| At 1 April 2020 | 950,000 | 950,000 |
| Disposals | - | - |
| Revaluation | - | - |
| At 31 March 2021 | 950,000 | 950,000 |

The unlisted investments represent the Trust's investment in its trading subsidiary, The Building Centre Group Limited (see Note 5).

## 12. Debtors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Trade debtors | 37,594 | 54,618 | 270 | 3,819 |
| Due from subsidiary undertakings | - | - | 173,815 | 219,134 |
| Other debtors | 88,327 | 23,195 | 78,362 | - |
| Prepayments and accrued income | 371,879 | 520,403 | 151,411 | 278,494 |
| | 497,800 | 598,216 | 403,858 | 501,447 |
| **Amounts falling due after one year** | | | | |
| Deferred tax asset – pension scheme deficit (see note 14) | 350,550 | 348,270 | - | - |
| Total debtors | 848,350 | 946,486 | 403,858 | 501,447 |

## 13. Creditors

| | Consolidated | | Trust | |
|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Amounts due within one year | | | | |
| Trade creditors | 302,547 | 255,939 | 267,362 | 201,927 |
| Due to subsidiary undertakings | 300 | - | - | - |
| Other creditors | 16,529 | 17,103 | | - |
| Other taxes and social security | 51,828 | 84,660 | (18,356) | (5,770) |
| Corporation tax | - | - | - | - |
| Accruals | 112,732 | 85,742 | 22,909 | 23,547 |
| Rental and exhibition income in advance | 336,549 | 409,146 | 207,976 | 214,250 |
| | 820,485 | 852,590 | 479,891 | 433,954 |

## 14. Deferred taxation

| | Consolidated 2021 Pension scheme deficit £ | 2021 Accelerated Capital allowances £ | Consolidated 2020 Pension scheme deficit £ | 2020 Accelerated Capital allowances £ |
|---|---|---|---|---|
| Deferred tax asset | | | | |
| Balance at 1 April 2020 | 348,270 | (28,003) | 366,890 | (17,660) |
| Movement in year | 2,280 | 20,177 | (18,620) | (10,343) |
| Balance at 31 March 2021 | 350,550 | (7,826) | 348,270 | (28,003) |

## 15. Reserves

**Consolidated**

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2020 | 3,192,507 | 2,000,000 | (1,484,730) | 3,707,777 |
| Income and gains | 2,728,365 | - | - | 2,728,365 |
| Expenditure and losses | (2,372,678) | - | - | (2,372,678) |
| Transfers | 9,720 | - | (9,720) | - |
| **Unrestricted funds at 31 March 2021** | 3,557,914 | 2,000,000 | (1,494,450) | 4,063,464 |

The consolidated unrestricted funds includes a surplus in the limited company subsidiary, excluding the pension scheme deficit, which totals £52,587.

| | General funds £ | Designated funds £ | Pension deficit £ | Total unrestricted funds £ |
|---|---|---|---|---|
| Unrestricted funds at 1 April 2019 | 3,542,843 | 2,000,000 | (1,564,110) | 3,978,733 |
| Income and gains | 3,094,543 | - | - | 3,094,543 |
| Expenditure and losses | (3,365,499) | - | - | (3,365,499) |
| Transfers | (79,380) | - | 79,380 | - |
| **Unrestricted funds at 31 March 2020** | 3,192,507 | 2,000,000 | (1,484,730) | 3,707,777 |

The consolidated unrestricted funds includes a surplus in the limited company subsidiary, excluding the pension deficit, which totals £122,286.

## 15. Reserves

Trust

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2020 | 3,067,994 | 2,000,000 | 5,067,994 |
| Income and gains | 1,482,480 | - | 1,482,480 |
| Expenditure and losses | (1,047,374) | - | (1,047,374) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2021** | 3,503,100 | 2,000,000 | 5,503,100 |

| | General funds | Designated funds | Total unrestricted funds |
|---|---|---|---|
| | £ | £ | £ |
| Unrestricted funds at 1 April 2019 | 3,242,153 | 2,000,000 | 5,242,153 |
| Income and gains | 1,112,988 | - | 1,112,988 |
| Expenditure and losses | (1,287,147) | - | (1,287,147) |
| Transfers | - | - | - |
| **Unrestricted funds at 31 March 2020** | 3,067,994 | 2,000,000 | 5,067,994 |

The designated funds relate to a property fund, which are reserves earmarked for general premises protection including repairs, potential dilapidation costs and future proofing. The property fund relates to the medium term.

## 16. Operating lease commitments

The total of future minimum lease payments under non-cancellable operating leases is as follows:

| | 2021 Land and buildings £ | 2021 Equipment £ | 2020 Land and buildings £ | 2020 Equipment £ |
|---|---|---|---|---|
| Within one year | 600,000 | 12,480 | 556,250 | 12,480 |
| In two to five years | 900,000 | 14,270 | 1,500,000 | 26,750 |
| In over five years | - | - | - | - |
| | 1,500,000 | 26,750 | 2,056,250 | 39,230 |

## 17. Pension costs

During the year, the subsidiary company operated a defined benefit pension scheme and a defined contribution pension scheme for employees.

The Building Centre Group Limited Pension and Assurance Scheme (the defined benefit Scheme), is now closed to new entrants.

**Defined benefit pension scheme**
In line with normal practice, there are two bases for assessing the value of the assets and liabilities of the Scheme. For accounting purposes, they are reported in accordance with Financial Reporting Standard 102. In addition, the trustees of the Scheme commission a triennial actuarial funding valuation to ensure that the Scheme is appropriately funded. The last full actuarial valuation was carried out at 6 April 2019 and showed a funding shortfall of £0.9 million.

## 17. Pension cost (continued)

As detailed below, on a FRS 102 basis the Scheme had a deficit at 31 March 2021 of £1,845,000 (2020: £1,833,000). The valuation is paricularly sensitive to the impact of the discount rate assumption on Scheme liabilities which has changed by 0.3% (from 2.4% to 2.1%) between 2020 and 2021. The company is working with the Scheme trustees to manage the Scheme deficit. The funding shortfall is expected to be eliminated by 2028.

| Value of the scheme assets and liabilities | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Market value of assets | 3,759,000 | 3,112,000 |
| Present value of scheme liabilities | (5,604,000) | (4,945,000) |
| Deficit in scheme | (1,845,000) | (1,833,000) |
| Related deferred tax asset (see Note 14) | 350,550 | 348,270 |

**Principal actuarial assumptions**

The principal actuarial assumptions on which the valuation of the scheme was based are set out below:

| | 2021 | 2020 |
|---|---|---|
| Rate used to discount scheme liabilities | 2.1% | 2.4% |
| Rate of increase to pensions in payment | 3.2% | 2.5% |
| Rate of future price inflation – RPI | 3.3% | 2.6% |
| Rate of future price inflation – CPI | 2.3% | 1.7% |

The life expectancies used to determine benefit obligations are as follows:

| | 2021<br>Male | 2021<br>Female | 2020<br>Male | 2020<br>Female |
|---|---|---|---|---|
| Member aged 65 (current life expectancy) | 21.2 | 23.4 | 21.1 | 23.3 |
| Member aged 45 (life expectancy at 65) | 22.2 | 24.3 | 22.2 | 24.2 |

| Movements in the SOFA | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Current and past service cost | (12,000) | (13,000) |
| Interest cost on scheme liabilities | (118,000) | (124,000) |
| Interest income on assets in the scheme | 76,000 | 78,000 |
| Total pension loss recognised in the SOFA | (54,000) | (59,000) |
| Actuarial (losses)/gains | (131,000) | (54,000) |
| Deferred tax relating to pension scheme | 2,280 | (18,620) |
| Total (losses)/gains recognised in the SOFA | (128,720) | (72,620) |

## 17. Pension costs (continued)

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2020 | 3,112,000 | (4,945,000) | (1,833,000) |
| Interest income on assets in the scheme | 76,000 | - | 76,000 |
| Interest cost on scheme liabilities | - | (118,000) | (118,000) |
| Actuarial gains/(losses) | 486,000 | (617,000) | (131,000) |
| Employer contributions paid | 173,000 | - | 173,000 |
| Employee contributions paid | 3,000 | (3,000) | - |
| Benefits paid | (91,000) | 91,000 | - |
| Current and past service cost | - | (12,000) | (12,000) |
| At 31 March 2021 | 3,759,000 | (5,604,000) | (1845,000) |

The actual return on scheme assets for the year was a gain of £486,000.

| Movement in scheme assets, liabilities and deficit | Fair value of assets £ | Present value of (liabilities) | (Deficit) £ |
|---|---|---|---|
| At 1 April 2019 | 3,076,000 | (5,007,000) | (1,931,000) |
| Interest income on assets in the scheme | 78,000 | - | 78,000 |
| Interest cost on scheme liabilities | - | (124,000) | (124,000) |
| Actuarial gains/(losses) | (157,000) | 103,000 | (54,000) |
| Employer contributions paid | 211,000 | - | 211,000 |
| Employee contributions paid | 3,000 | (3,000) | - |
| Benefits paid | (99,000) | 99,000 | - |
| Current and past service cost | - | (13,000) | (13,000) |
| At 31 March 2020 | 3,112,000 | (4,945,000) | (1,833,000) |

The actual return on scheme assets for the year was a loss of £157,000.

## 18. Related party transactions

Expenses reimbursed to Trustees and the remuneration of the key management personnel are disclosed in Note 9.

Details of transactions in respect to The Building Centre Group Limited Pension and Assurance Scheme are set out in Note 17.

The Built Environment Trust has transactions with its wholly owned subsidiary, The Building Centre Group Limited, which have been eliminated on consolidation. These transactions are as follows.

The Built Environment Trust received income from The Building Centre Group Limited as follows:

- Licence fees of £497,457 (2020: £545,000)

The Building Centre Group Limited charged the following expenditure to The Built Environment Trust:

- Management fee £ 371,244 (2020: £353,000)

At 31 March 2021 there are balances outstanding between The Built Environment Trust and The Building Centre Group Limited which have been eliminated on consolidation. These balances are as follows.

Balances owed by The Building Centre Group Limited to The Built Environment Trust as follows:

- Intercompany current account £173,815 (2020: £219,134)

There are no balances owed by The Built Environment Trust to The Building Centre Group Limited.

No guarantees have been given or received.

## 19. Company status

The company is limited by guarantee and the total of those guarantees is £1 per member