

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 Klaus Bode Dr James Bradburne Antony Oliver Katy Ghahremani William James Furber (resigned 25 April 2021)
Chief Executive	Colin Tweedy LVO OBE
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Investment managers	Ruffer LLP 80 Victoria Street London SW1E 5JL
Bankers	Royal Bank of Scotland PLC Drummond House 1 Redheughs Avenue Edinburgh EH12 9JN
Charity number	1163419
Company number	9631202
Principal office and registered office	26 Store Street London 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.

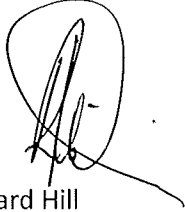
In the case of each Trustee in office at the date the Trustees' Report is approved:

- 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:

A handwritten signature in black ink, appearing to be 'Richard Hill', enclosed within a circular scribble.

Richard Hill
Trustee

20 September 2021

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

Independent auditors' report to the trustees (continued)
For the year ended 31 March 2021

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

Independent auditors' report to the trustees (continued)
For the year ended 31 March 2021

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.

The Built Environment Trust

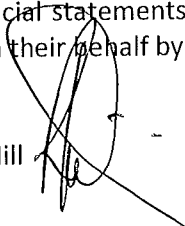
Balance sheets At 31 March 2021

	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
		<u>3,963,760</u>	<u>3,471,089</u>	<u>4,639,446</u>	<u>4,000,399</u>
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
		<u>2,773,015</u>	<u>2,950,281</u>	<u>1,343,545</u>	<u>1,501,549</u>
Creditors: amounts falling due within one year	13	(820,485)	(852,590)	(479,891)	(433,954)
		<u>1,952,530</u>	<u>2,097,691</u>	<u>863,654</u>	<u>1,067,595</u>
Net current assets					
Total assets less current liabilities		<u>5,916,290</u>	<u>5,568,780</u>	<u>5,503,100</u>	<u>5,067,994</u>
Deferred taxation	14	(7,826)	(28,003)	-	-
Defined benefit pension scheme liability	17	(1,845,000)	(1,833,000)	-	-
		<u>4,063,464</u>	<u>3,707,777</u>	<u>5,503,100</u>	<u>5,067,994</u>
Net assets					
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)	-	-
		<u>4,063,464</u>	<u>3,707,777</u>	<u>5,503,100</u>	<u>5,067,994</u>
Total funds	15				

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

The Built Environment Trust

Consolidated statement of cash flows
For the year ended 31 March 2021

Statement of cash flows	2021 £	2020 £	
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 £	2020 £	
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 £	2020 £	
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 £	Cashflows £	At 31 March 2021 £
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.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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 £	2020 £
Educational events and exhibitions	75,476	153,839
Provision of space to built environment organisations	217,204	217,360
	<u>292,680</u>	<u>371,199</u>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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 £	2020 £
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	-	-
	49,301	(24,177)

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

	2021 £	2020 £
Assets	1,877,599	2,088,557
Liabilities	(524,462)	(668,001)
Defined benefit pension scheme liability	(1,845,000)	(1,833,000)
	(491,863)	(412,444)

Subsidiary company income analysis

	2021 £	2020 £
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

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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
	<u>175,286</u>	<u>266,131</u>	<u>93,627</u>	<u>535,044</u>

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
	<u>88,945</u>	<u>4,682</u>	<u>93,627</u>

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
	<u>407,296</u>	<u>218,000</u>	<u>106,995</u>	<u>732,291</u>

	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
	<u>92,016</u>	<u>14,979</u>	<u>106,995</u>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

7. Net income/(expenditure) for the year

	2021 £	2020 £
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 £	2020 £
<i>Domestic current year tax</i>		
UK corporation tax charge/(credit)	13,230	(23,195)
Adjustment for prior years	-	850
Total current tax	13,230	(22,345)
<i>Deferred tax</i>		
Deferred tax (credit)/charge	(20,177)	10,343
(Credit)/Charge to statement of financial activities	(6,947)	(12,002)

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

9. Employees and Trustees

	2021 £	2020 £
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
	<u>1,016,000</u>	<u>1,077,864</u>

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 Number	2020 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
	<u>14</u>	<u>18</u>

Number of employees whose benefits (excluding employer pension contributions) fell within the following bands:

	2021 Number	2020 Number
£60,000 to £69,999	-	-
£70,000 to £79,999	-	1
£80,000 to £89,999	2	1
£90,000 to £99,999	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.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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
	<hr/>	<hr/>
Market value at 31 March 2021	3,688,841	3,047,374
	<hr/>	<hr/>
Historical cost at 31 March 2021	3,088,461	2,890,594
	<hr/>	<hr/>
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
	<hr/>	<hr/>
	3,485,021	2,753,086
	<hr/>	<hr/>
Cash awaiting investment	203,820	294,288
	<hr/>	<hr/>
Market value at 31 March 2021	3,688,841	3,047,374
	<hr/>	<hr/>

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
	<hr/>	<hr/>
	3,688,841	3,047,374
	<hr/>	<hr/>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

11. Fixed asset investments (continued)

b) Unlisted investments

	2021 £	2020 £
Consolidated		
£1 Ordinary shares	300	-
Unlisted investments at cost	<u>300</u>	<u>-</u>

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	<u>950,000</u>	<u>950,000</u>
Cost		
At 1 April 2020	950,000	950,000
Disposals	-	-
Revaluation	-	-
At 31 March 2021	<u>950,000</u>	<u>950,000</u>

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

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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
	<u>497,800</u>	<u>598,216</u>	<u>403,858</u>	<u>501,447</u>
Amounts falling due after one year				
Deferred tax asset – pension scheme deficit (see note 14)	350,550	348,270	-	-
	<u>848,350</u>	<u>946,486</u>	<u>403,858</u>	<u>501,447</u>
Total debtors				

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
	<u>820,485</u>	<u>852,590</u>	<u>479,891</u>	<u>433,954</u>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

14. Deferred taxation

	Consolidated		Consolidated	
	2021	2021	2020	2020
	Pension	Accelerated	Pension	Accelerated
	scheme	Capital	scheme	Capital
	deficit	allowances	deficit	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	Designated	Pension	Total
	funds	funds	deficit	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	Designated	Pension	Total
	funds	funds	deficit	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.

The Built Environment Trust

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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	-	-	-	-
	<u>1,500,000</u>	<u>26,750</u>	<u>2,056,250</u>	<u>39,230</u>

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.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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 particularly 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 £	2020 £
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 Male	2021 Female	2020 Male	2020 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 £	2020 £
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)

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2021

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.

The Built Environment Trust

Notes to the consolidated financial statements (continued) **For the year ended 31 March 2021**

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