BHS TRUST FUND

England & Wales · Charity number 1171705

Details

Status	Registered
Legal form	CIO
Registered	2017-02-20
Register	View on the Charity Commission register

Contact

Address	6 Knoll Place Walmer Deal Kent CT14 7LX
Phone	07495723550
Email	bhstrustfund2@gmail.com
Website	www.bhstrustfund.com

Activities

Objects: THE OBJECTS OF THE CIO ARE THE RELIEF OF FINANCIAL HARDSHIP OF PERSONS WHO WERE IN THE EMPLOY OF BHS AT ANY TIME BEFORE AND/OR ON THE 31ST AUGUST 2016 AND THEIR DEPENDENTS BY:• MAKING GRANTS AND LOANS TO INDIVIDUALS; AND• PROVIDING OTHER FORMS OF SUPPORT IN PARTICULAR BUT NOT EXCLUSIVELY SHORT BREAKS AND ADVOCACY.

Activities: Supporting the relief of financial hardship amongst former employees of Bhs Ltd, their dependants and retired employees of the company.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	£72,140	£250,712	-	-
2024-05-31	£72,379	£368,781	-	-
2023-05-31	£64,644	£364,630	-	-
2022-05-31	£73,490	£254,290	-	-
2021-05-31	£69,005	£225,417	-	-

Trustees

Name	Role	Appointed
Angela Joan Curchin		2024-04-01
Beverley Edgar		2021-02-08
Charles Martyn Jones		2024-06-01
Charles Robinson Gibson		2019-03-04
DAVID CHARLES JOHN CRUDGE		2017-04-01
Robert Andrew Eller		2019-03-04
SUSAN JANE TOPPING		2017-02-20
Susan Amanda Taylor		2023-10-23

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BHS TRUST FUND

England & Wales - Charity number 1171705

Accounts

Charity number: 1171705

BHS Trust Fund

Unaudited

Trustees' report and financial statements

For the year ended 31 May 2025

BHS Trust Fund

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BHS Trust Fund

Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 May 2025

Trustees	A Curchin B Edgar R Eller C Gibson S A Taylor S Topping CM Jones, Chair (appointed 1 June 2024) K Smalls (resigned 1 November 2024) D Crudge (resigned 31 May 2025) M Thorpe (appointed 1 June 2025) D Banford (appointed 1 June 2025)
Charity registered number	1171705
Principal office	6 Knoll Place Walmer Deal Kent CT14 7LX
Accountants	Kreston Reeves LLP 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	HSBC Bank plc 90 Baker Street London W1U 6AX
Independent Examiner	Samantha Rouse FCCA DChA Kreston Reeves LLP 37 St Margaret's Street Canterbury Kent CT1 2TU
Solicitors	Royds Withy King LLP 69 Carter Lane London EC4V 5EQ
Investment Manager	Rathbones Investment Management 30 Gresham Street London EC2V 7QN

Introduction - Message from the Chair

The BHS Trust Fund's reporting year ended on the 31st of May 2025, and this marks the end of my first full year as Chair. The year has been one of steady change within the organisation and one of continuous economic challenge for our applicants. There has been a similar challenge for our operators to optimise our costs, as the number of applicants contacting the Trust for support continues to decline. This is despite our continual and timely communication of our willingness to help former BHS colleagues in need of financial or well-being support.

Impact Assessment

On taking over the reins, I was keen to better understand the impact that we are having on the people that we help, and to see what our beneficiaries think of our application process. So, we introduced a Feedback questionnaire in September 2024, the outcome from which is reported later in this review.

Board Effectiveness Review

One of my first actions as Chair was to undertake a Board Effectiveness Review in the Autumn of 2024, whereby I issued each Trustee and the Trust Fund Manager with a structured questionnaire covering the composition, operation, skills, interaction and performance of the Trustees and the board.
I then held a one-to-one discussion, in confidence, with each participant to ascertain their views on how we worked as a team, how well we were kept informed and how effective we thought the Trust was in meeting its charitable objectives.
I summarised these discussions and produced an anonymised report for the board in January. This described what we collectively thought the BHS Trust Fund did well and proposed some action points for the Board to take forward. These action points were intended to further improve our performance and take account of the succession planning and personnel changes due in 2025.
In summary everyone on the board was happy with the daily operation of the Trusts' finances, investment management, risk management, and financial reporting.

Together we agreed to the following changes to our structure and strategy planning, to take us into 2025/2026:

We should recruit up to three new Trustees to cover for one planned retirement and one retirement due to ill health in the year.

We should recruit a Trustee with experience in IT systems and GDPR and regroup the Trust board subgroup leads under new Trustee leadership, reflecting the skills we are fortunate to have in the group

We should undertake a further review of the Trustee induction programme, and in particular provide a more structured programme of self-help training, to be completed in the first 6 months. This is in addition to the formal induction day training and Trustee training sessions provided by our external professional advisors.

We felt well supported by our Trust Fund Manager and her team. However, we agreed that we should review the process of signing off full grant applications and Christmas applications to make it simpler by giving the operations team more autonomy to deal with the more routine applications.

I am pleased to report that all these changes were actioned and implemented by the year end, and we should reap the benefits of a more efficient and skills focused approach to our work in the current reporting year.

Trustee Retirements

Finally, I would like to thank the Trustees who stepped down during the year under review.
My particular thanks go to Helene Hamer who retired as Chair at the end of May 2024, after 16 years as Fund Manager, Trustee and Chair of the BHS Trust Fund. I hope to continue the exemplary leadership Helene provided in her tenure.

Secondly, my thanks go to David Crudge who retired after 11 years with the Trust, during which time he provided a consistently high standard of advice and scrutiny of our financial investment and risk management, which was of great reassurance to the Trust.
Thirdly, my thanks go to Keith Smalls, who after 4 years as a Trustee, and 33 years as a successful employee of BHS, had to retire due to ill health. His contribution will be greatly missed by his Trustee colleagues.

Overall, the Trust remains in a good financial state of funding, and the challenge for the coming year will be to continue to reach out to our potential beneficiaries through our social media activity, work with the BHS Retired Staff Association, and refinement of our direct mailing list. Ensuring that every penny we spend is for the benefit of former BHS colleagues is optimised in the coming year.

Martyn Jones
Chair of Trustees - BHS Trust Fund

THE AIM AND MISSION OF THE BHS TRUST FUND

The BHS Trust Fund (Charity Number – 1171705) is a Charitable Incorporated Organisation (CIO), formerly known as the Bhs Limited Employees Trust Fund. It was established by Bhs Limited in 1951 to support the relief of hardship amongst its employees. Upon the closure of Bhs Limited in August 2016, it was agreed by the Trustees to continue the Fund's work by becoming a CIO and supporting former BHS employees with one year's service or more.

PUBLIC BENEFIT STATEMENT

In setting out and planning the activities of the charity, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

OUR VISION

- To ensure that no former BHS Employee struggles to meet their daily financial / wellbeing needs.
- Our strategy: We need to reach more of our potential qualifying audience, to optimise the use of the Trust's funds. To do this we are
  1. Developing a new direct emailing list.
  2. Extending the membership of the Retired Staff Association and utilising their network.
  3. Contacting the BHS pension scheme providers to see if we can communicate with their BHS scheme members.
  4. Monitoring and responding to the feedback from our successful applicants to keep the application process a simple and user friendly as possible.

Reflection on 2024 -2025

Marketing

Spreading the message - along with spreading the message about what we do through word of mouth and via charity links, our regular Facebook posts continue to remind former BHS colleagues of how we can support, often with real life examples. We hope to encourage individuals facing challenging times to step forward via our website contact link or by telephoning our small, friendly team.

Increasing our retired staff social network - we already have a thriving social network of c230 BHS former colleagues, who meet regularly for a coffee and chat, supported by the BHS Trust Fund. Our aim is to welcome new individuals to our Retired Staff Association (RSA), so expanding our network of 26 groups of retirees. We have started to strengthen our communications with RSA members, ensuring they are fully aware of how we support former employees facing difficult times.

Feedback on how we're helping - we introduced our Feedback questionnaire in September 2024 to better understand our impact on beneficiaries' lives. Comprising a simple set of questions sent to all beneficiaries, it can be completed online or via paper in just a few minutes. We are delighted to have a 72% return rate and receive helpful feedback about how we're supporting individuals, most of which is extremely positive. 77% of returns confirm that our help is benefitting individuals for the longer term, which is excellent news! Examples of feedback are given below.

Feedback Quotes from individuals helped

'I suffer from anxiety & have ADHD, but the Trust Fund team helped me every step of the way, making it easy to understand what to do & how to gather information'

'The process was very straightforward - I felt anxious as I hadn't encountered anyone from BHS for years, however, the empathy of the team was very comforting. I didn't feel judged, I felt heard and supported'

'For the first time in years, I haven't had to pay £60 a month on overdraft fees! And the vouchers will help me so much - having food in my fridge will be one less worry for me, as sometimes I couldn't even afford milk'

'The Fund helped me massively after I suddenly lost my job and didn't receive any wages owed, as my employer went into liquidation. It meant I was able to pay bills and buy food and essentials'

'I was helped to be at home with no fear of bailiffs knocking and have food in the fridge'

'You've helped me & my daughter restart life, alleviating so many financial worries'

'A very fair process, the team made me feel comfortable throughout – we are truly grateful'

'I hope others know about the help you offer - my faith in humanity has been restored by you'

Financial and Risk Management

Financial

The BHS Trust Fund consists of a portfolio of financial assets, from which the core objective is to provide an income, over a reducing time horizon. Income and Capital withdrawals from the portfolio form an important part of our overall expenditure. To achieve this the portfolio has a balanced objective.

The Trustees recognise the realisation of such an objective is dependent upon favourable market conditions and the sound discretionary investment management performance entrusted to our advisors Rathbones - Incorporating Investec Wealth & Investment (UK).

- Rathbones maintain an active oversight of the Fund's financial assets.
- Assets are broadly spread, with performance being measured against a benchmark that reflects the Fund is comfortable with a low/medium risk profile.
- A reasonable weighting in more conservative assets, allows for sizable capital withdrawals, quarterly.
- Fund performance statistics are reported to the Trustee's on a quarterly basis.
- Information concerning the current global investment environment and the likely impact is shared with the Trustee's as and when necessary.

Reserves Policy

This Policy sets out the Trustees commitment to ensuring that the BHS Trust Fund complies with its legal duty of managing the Funds resources responsibly. A sum equivalent to at least six months total expenditure of £150,000 in unrestricted Reserves across its savings and current bank accounts at HSBC, separate from that of the main investment fund.

Financial Review

Grant awards summary 2024 – 2025

£95, 383 - 60 Grant awards – covering rent & mortgages, food vouchers, white goods, credit cards, council tax and utilities.

£9,288 – 5 Wellbeing awards – covering short breaks, days out and subscription to online wellbeing platform.

£18,644 – 62 Christmas Grants – covering food vouchers and hampers.

Risk Management

The BHS Trust Fund maintains a Risk Register that identifies potential organisational risks, assesses their impact, and outlines mitigation measures. Numeric measures of probability and impact are calculated against specific risks to determine relative levels of potential concern.

- The Risk Register is subject to Operational sub-group oversight.
- Identification of the six risks with the greatest probability and impact scores collated annually.
- Trustee Risk assurance reports are completed quarterly on the above, ensuring issues and emerging trends are captured and action taken if required.

People

Succession planning and development will continue to be an integral part of People priorities

- Two new Trustees have been recruited (joined 01/06/2025) using a robust recruitment process. Induction, training plans with Buddy/Mentoring support implemented during the first 6 months.
- All current employees and volunteers are encouraged to pursue outside personal development if desired. Costs would be covered by the Fund after approval agreed.
- Yearly development discussions have been completed for all Case Workers and employees. This has established development requirements and highlighted future requirements to fulfil long term succession planning needs.
- Trustees and Case Workers actively encourage participation in meetings. Quarterly Zoom meetings with Case Workers have included interactive training, consisting of refresher and coaching sessions to assist in ongoing and future personal development.

What's to Come 2025 - 2026

Marketing

New ways to reach former BHS colleagues - reaching individuals is key if we are to provide support to those in need. Not everyone is aware that we're still here today or of how we can help, and we appreciate that social media isn't for everyone! So, we're renewing our database platform to enable our messages to be conveyed more effectively.

Encouraging individuals to come forward - we continue to find new ways to spread the word about what we do. We know that individuals can be anxious about reaching out and recognise the importance of reassuring applicants that we're a small, friendly, and professional team, so we've started to post profiles of our team members to help do this. In addition, we use stories of individuals we've helped with their permission and identities anonymised, to help others realise that they're not alone in needing support.

Finance

Key objective going forward is that the potential decrease in applicants is carefully monitored. Looking at the potential variances in budgets and the cost base of the fund. The moving longevity of the fund should continually be addressed.

- The solvency of the fund will continue to be monitored on a monthly basis. Variances in Budgets v Actual spend should be understood and addressed as required.
- Continue to benchmark the Funds operational efficiency. Looking at the ratio of costs v grants awarded. Recognising that costs are fixed and grants awarded are variable in both numbers and cash amounts awarded.
- The stock markets, where a large amount of the Funds money is invested remains volatile, due to global events, Regular updates and meetings with the fund's investment manager supports our understanding of our portfolio activities. Managed by Rathbones, in line with our agreed investment strategy.
- Longevity of the fund will continue to be monitored, considering the grant numbers, cash awards given, and a volatile stock market, will continue to present challenges and debate.

People and RSA

2025-26 should be a busy period for the People & RSA sub-group. We will review & update our succession plans.

- The recent development of a structured self-help programme to support the induction of new Trustees is currently being evaluated by our 2 new Trustee recruits and will be adapted for use by new Case Workers.
- The first edition of a twice-yearly newsletter for our Retired Staff Association members to raise awareness of the Fund and for them to share their memories & activities will be sent out to group leaders for distribution in September and we look forward to receiving their feedback & suggestions for future editions.
- In addition, as the applications we receive become more complex, we will continue to provide development for our Case Workers, to support them, share experience and build confidence. The next session is due to take place at November's meeting.
- Finally, we will conduct a review of the recently re-worked Skills Matrix to ensure the information gathered is being used to benefit both individuals and the wider Fund through further training /coaching.

Operational Efficiency, Audit and Risk

The operational team is now a consolidated team, with clear objectives for each role within the team. There are regular meetings to ensure consistency with processes and procedures.

- Introduction of Dropbox holding electronic casefiles, developing shared work files, and limiting paper files.
- Introduction of new application process to reflect the diverse nature of applicant requests received requiring support.
- Continued evaluation to reduce administration costs to a minimum, without impacting on our operational efficiencies and professionalism.
- Introduction of detailed data reports - provided monthly for Marketing, grant giving breakdown information to assist in supporting both our marketing and longevity planning.
- Independent Examination audit - new auditors appointed. 2024-2025 is the first year with this new process in place.
- Quarterly review of policies and risk assurance reports to be presented at OTM's for approval.
- Risk Register reviewed regularly
- Evaluation and update of our current mailing list.

Trustees' report (continued)
For the year ended 31 May 2025

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

CM Jones

CM Jones
Chair
Date: 05/02/2026

Independent examiner's report
For the year ended 31 May 2025

Independent examiner's report to the Trustees of BHS Trust Fund ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 May 2025.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: S M Rouse

Dated: 5 February 2026

Samantha Rouse

FCCA DChA

Kreston Reeves LLP
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Statement of financial activities
For the year ended 31 May 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Investments	3	**72,140**	**72,140**	72,374
Other income	4	**-**	**-**	5
Total income		**72,140**	**72,140**	72,379
Expenditure on:				
Investment management fees	5	**15,056**	**15,056**	18,484
Charitable activities	7	**235,656**	**235,656**	350,297
Total expenditure		**250,712**	**250,712**	368,781
Net expenditure before net gains on investments		**(178,572)**	**(178,572)**	(296,402)
Net gains on investments		**16,158**	**16,158**	102,509
Net movement in funds		**(162,414)**	**(162,414)**	(193,893)
Reconciliation of funds:				
Total funds brought forward		**2,602,523**	**2,602,523**	2,796,416
Net movement in funds		**(162,414)**	**(162,414)**	(193,893)
Total funds carried forward		**2,440,109**	**2,440,109**	2,602,523

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 19 form part of these financial statements.

Balance sheet
As at 31 May 2025

	Note		2025 £		2024 £
Fixed assets					
Investments	11		**2,239,908**		2,355,949
Current assets					
Debtors	12	-		13,441	
Cash at bank and in hand		**210,978**		256,095	
		210,978		269,536	
Current liabilities					
Creditors: amounts falling due within one year	13	**(10,777)**		(22,962)	
Net current assets			**200,201**		246,574
Total assets less current liabilities			**2,440,109**		2,602,523
Charity funds					
Restricted funds	14		-		-
Unrestricted funds	14		**2,440,109**		2,602,523
Total funds			**2,440,109**		2,602,523

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

CM Jones

CM Jones
Chair
Date: 05/02/2026.

The notes on pages 12 to 19 form part of these financial statements.

Notes to the financial statements
For the year ended 31 May 2025

1. General information

BHS Trust Fund is a charitable incorporated organisation, with charity number 1171705, and is registered in England and Wales. The Charity's registered office is 6 Knoll Place, Walmer, Deal, Kent, CT14 7LX.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The financial statements are presented in UK sterling, which is the Charity's functional currency, and rounded to the nearest pound.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Notes to the financial statements
For the year ended 31 May 2025

2. Accounting policies (continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Investment income

	Unrestricted funds 2025 £	**Total funds 2025 £**	Total funds 2024 £
Income from listed investments	67,546	**67,546**	68,074
Income from interest receivable	4,594	**4,594**	4,300
	72,140	**72,140**	72,374
Total 2024	72,374	72,374	

Notes to the financial statements
For the year ended 31 May 2025

4. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Other incoming resources 1	-	-	5
Total 2024	5	5	

5. Investment management costs

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investment management fees	15,056	**15,056**	18,484
Total 2024	18,484	18,484	

6. Analysis of grants

	Grants to Individuals 2025 £	Total funds 2025 £	Total funds 2024 £
Grants payable	122,003	**122,003**	203,604
Total 2024	203,604	203,604	

7. Analysis of expenditure by activities

	Grants to Individuals 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Expenditure on charitable activities	-	113,653	**113,653**	146,693
Grants payable	122,003	-	**122,003**	203,604
	122,003	113,653	**235,656**	350,297
Total 2024	203,604	146,693	350,297	

Notes to the financial statements
For the year ended 31 May 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	66,843	**66,843**	71,239
RSA	13,311	**13,311**	12,417
Invoices	12,025	**12,025**	37,725
Bank charges	60	**60**	60
Trustee expenses	3,875	**3,875**	5,162
Operational expenses	9,794	**9,794**	3,197
Telephone	1,009	**1,009**	1,715
Case workers	2,596	**2,596**	2,652
Auditor's remuneration	-	-	11,460
Legal and professional fees	-	-	1,066
Accountancy	4,140	**4,140**	-
	113,653	**113,653**	146,693
Total 2024	146,693	146,693	

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,800 and an accounts preparation fee of £2,340. For the year ended 31 May 2024, the auditor's remuneration amounts to an audit fee of £11,460.

9. Staff costs

	2025 £	2024 £
Wages and salaries	**65,743**	69,058
Contribution to defined contribution pension schemes	**1,100**	2,181
	66,843	71,239

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Employees	**5**	5

Notes to the financial statements
For the year ended 31 May 2025

9. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees consider that they together with the Trust Fund Manager, Grant Manager and Fund Administrator, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. The total remuneration (including employers' national insurance contributions) of the key management personnel for the year was £53,399 (2024: £46,066).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 May 2025, expenses totalling £3,874 were reimbursed or paid directly to 7 Trustees (2024 - £5,162 to 11 Trustees) for travel expenses.

11. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 June 2024	**2,355,949**
Additions	**607,829**
Disposals	**(751,938)**
Revaluations	**28,068**
At 31 May 2025	**2,239,908**
Net book value	
At 31 May 2025	**2,239,908**
At 31 May 2024	2,355,949

12. Debtors

	2025 £	2024 £
Due within one year		
Prepayments and accrued income	-	13,441
	-	13,441

Notes to the financial statements
For the year ended 31 May 2025

13. Creditors: Amounts falling due within one year

	2025 £	2024 £
Pension creditor	**236**	-
Other creditors	**6,401**	7,513
Accruals and deferred income	**4,140**	15,449
	10,777	22,962

14. Statement of funds

Statement of funds - current year

	Balance at 1 June 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 May 2025 £
Unrestricted funds					
General Funds	**2,602,523**	**72,140**	**(250,712)**	**16,158**	**2,440,109**

Statement of funds - prior year

	Balance at 1 June 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 May 2024 £
Unrestricted funds					
General Funds	2,796,416	72,379	(368,781)	102,509	2,602,523

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Fixed asset investments	2,239,908	**2,239,908**
Current assets	210,978	**210,978**
Creditors due within one year	(10,777)	**(10,777)**
Total	2,440,109	**2,440,109**

Notes to the financial statements
For the year ended 31 May 2025

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Fixed asset investments	-	2,355,949	2,355,949
Current assets	-	269,536	269,536
Creditors due within one year	-	(22,962)	(22,962)
Total	-	2,602,523	2,602,523

16. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £1,100 (2024: £2,181).

At the balance sheet date, £236 (2024: £Nil) was payable to the fund and is included in creditors.

17. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 May 2025.

BHS TRUST FUND

England & Wales - Charity number 1171705

Accounts

BHS Trust Fund

Annual Report and Accounts

31 May 2024

Charity Registration Number
1171705

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Reference and administrative details of the charity, its trustees and advisers

Trustees	D Crudge A Curchin B Edgar R Eller C Gibson M Jones (Chair) K Smalls S A Taylor S Topping
Postal address	BHS Trust Fund PO Box 7762 Kettering NN16 6NP
Telephone	07495 723550
Charity registration number	1171705
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 90 Baker Street London W1U 6AX
Investment managers	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN
Solicitors	Royds Withy King LLP 69 Carter Lane London EC4V 5EQ

INTRODUCTION - MESSAGE FROM OUR CHAIR

The BHS Trust Fund's reporting year ended on the 31st of May, and I am sure you will all agree it was one of our most challenging years yet. One that required the whole team to go the extra mile to ensure the Fund is ready to meet its purpose, but also the demands of our ever-changing world. The key features of our year:

- Cost of living crisis expected to continue throughout 2024.
- Economic climate issues continue putting pressure on household incomes.
- Continued effects of the wars in Europe and the Middle East.
- Summer election in the UK.

At this point, I am going to suggest that you take a little time to read the Trustees' full report. It shows that as a Fund we are in good shape with regards to our governance procedures, management, and operational standards. It also shows the commitment made by the whole team as they have worked through the last twelve months to fulfil their responsibilities and deal with the many challenges faced. The key objectives and achievement areas are all detailed within the strategic subgroup reports.

These achievements reflect that we have a great wealth and depth of knowledge within our Trustee and Caseworker teams, along with a wide range of skills, experience, and energy to deliver. One must always appreciate how the Fund would exist and achieve what we actually do, without the generosity of those who have chosen to volunteer for us. Not forgetting our employees who are always prepared to go above and beyond when needed.

As this is my final Chair's report, I hope you will not mind me taking a little time to reflect on my time within this role. For me, this journey has been one of pure joy, to have been able to collaborate with the team to help so many former BHS employees. Many who can now look to the future more positively, following the financial support they have received from the Fund. Working with the team, who are so motivated and knowledgeable, has allowed me to learn and grow, constantly challenging the team to move the Fund forward, during these challenging times.

I mentioned earlier that the Fund was currently in a good place from a governance point of view and operationally sound. I also feel the same can be said for our People succession. This year due to planned turnover, we have looked to invest in our people to ensure we are ready to meet future needs.

- Operations - A new team was established this year led by Janet Day, who has taken up the baton as the BHS Trust Fund Manager, supported by Louise, as Grant Manager and Debra as Administrator. We have also added Kirsty to support our social media and our marketing activities within the operational team as well.
- Trustee Board - our current Board are both hardworking and committed. Their skills and knowledge cover all aspects of the role they are required to deliver. They are professional and confident, comfortable challenging their colleagues, at the same time respecting others' opinions.

INTRODUCTION - MESSAGE FROM OUR CHAIR (continued)

- Angela Curchin - retired as BHS Trust Fund Manager but remains within the Fund as a newly appointed Trustee. She brings to the team a comprehensive operational knowledge, as well as a long-term involvement within the Charity sector.

- Amanda Taylor - an experienced Caseworker, who brings extensive HR and ER knowledge to her newly appointed Trustee role.

- Caseworkers - We have also recruited four new individuals to join our Caseworker team. They have a varied range of experiences, knowledge, and people management skills. Judith, Julie, Liz, and Michael are all settling in very nicely.

All that remains now is to welcome the Fund's new Chair, Martyn Jones. Martyn started his new role at the beginning of the new financial year 1st June 2024. He brings to his role an extensive knowledge in the Charity sector and is already an experienced Chair. He was Founding Chair of the Mast Academy Trust, and Chair of the Morrison Foundation 2015-2023. I wish him well and I am confident the Fund will continue to evolve under his guidance and leadership.

I will sign off now with a sincere 'Thank you' for the last eight years. it has been a real honour to play my part alongside all of the Trustee team.

Helene

Helene Hamer

Outgoing Chair of Trustees (Retired 31 May 2024)

The Trustees present their report together with the accounts of the BHS Trust Fund, a Charitable Incorporated Organisation (CIO) (the "Trust" or the "Fund") for the year ended 31 May 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 33 to 36 of the attached accounts and comply with the constitution, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Introduction and background

BHS Trust Fund (Charity Number – 1171705) is a Charitable Incorporated Organisation (CIO), formerly known as the Bhs Limited Employees Trust Fund. It was established by Bhs Limited in 1951 to support the relief of hardship amongst its employees.

Upon the closure of Bhs Limited in August 2016, it was agreed by the Trustees to continue the Fund's work by becoming a CIO and supporting former BHS employees with one year's service or more.

In setting out and planning the activities of the charity, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The aim of BHS Trust Fund

- Our Vision: To ensure that no former BHS Employee struggles to meet their daily basic needs.
- Our Mission: To help and support former BHS Employees and their dependents through difficult times.
- Our Strategy: To support and make a difference to the lives of our beneficiaries, whilst delivering our C.I.O Charitable purpose. To deliver this the Trustee group must demonstrate good governance, work as an effective team, using and having the appropriate balance of skills, background and knowledge to make informed decisions.

Achievements for 2023 - 2024

Our achievements are based on 3 strands which underpin our BHS Trust Fund Strategy with the support of the Operational function:

- Increasing Our Beneficiaries - Marketing Communication
- Team Development
- Financial and Risk Management.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2023 – 2024 (continued)

Increasing Our Beneficiaries - ***Marketing Communications***
Our objective is to increase the number of former employees in need who receive our help through effective marketing communications. In particular, to reach new individuals who may not be aware of the BHS Trust Fund or may be apprehensive about asking for help.

Marketing Co-ordinator- During 2023/2024**,** we successfully recruited a part-time Marketing Co-Ordinator (8 hrs per week) to initiate and deliver our marketing activity. This appointment has enabled us to deliver a varied and frequent schedule of social media posts plus mail communications to help us reach individuals in need of our support.

Brand Identity This year, we refreshed our brand identity, ensuring our social media presence, website and marketing materials reflect a more modern and attractive new image. This work was designed and produced in-house at low cost.

Applications 2023/2024 - Applicants continued to face the challenges of costs of living, particularly food and energy costs. In addition, we heard from many individuals with complex health and well-being circumstances, layered on top of financial worries and often interconnected. Our results are summarised below:

Full applications (excluding Xmas applicants/awards)

- We received 250 initial contacts/applications TY vs 253 LY. Of these, 18 were regretted by Trustees and 109 individuals didn't pursue their application
- 112 applicants received a full award, up from 94 LY (+19%)
- The average value of full awards was £1366 per beneficiary vs £1722 LY
- In addition, 4 applicants were provided with well-being support vs 9 applicants LY.

Xmas applications

- 113 applicants received help at Xmas vs 116 (LY). Of these, 87 received vouchers, 17 were provided with full support i.e. help with bills and 9 received hampers
- The average award for Xmas 2024 was £375 vs £494 LY. This represented a meaningful increase against awards in 2022 and earlier, as a result of our decision to increase the value of our awards at this expensive time of year.

Team Development
The ongoing development and inclusion of our wider team continues to be one of our key priorities.

OBJECTIVES AND ACTIVITIES (continued)

Trustees

- Our Trustee review process has been successfully completed.
- The Trustee development opportunities continue to be extensive. Fund advisors Buzzacott and Investec continue to offer in house opportunities via webinar and on site. The above and participation in other external training ensures personal development.
- All Trustees take an active role in the creation and development of the overall Fund Strategy. This is achieved by either leading a strand of the strategy or adopting a supportive role.
- A new Chairperson has been recruited. A robust induction and detailed training plan were in place, delivered prior and just after commencement of role.
- Additional Trustee recruitment is required to fulfil the succession plan going forward, ensuring that we have all of the skills and knowledge to effectively govern the Fund.

Caseworkers

- Caseworkers' development discussions have again been completed and individual documentation has been shared. allowing continued understanding of Caseworkers' views of the Fund and enabling improvement opportunities to be shared.
- Caseworkers' quarterly meetings continue on Zoom, enabling updates on strategy, actual cases, and the ongoing activities of the Fund.
- Project resource has allowed the completion of the recruitment of 4 new caseworkers. Training plans and a full induction has been completed with all new volunteers.
- Trustees continue to be encouraged to participate in the Caseworkers' quarterly zoom meetings.

Financial and Risk Management

Financial

The BHS Trust Fund consists of a portfolio of financial assets, from which the core objective is to produce a sustained level of income, and to seek capital growth. The aim is to preserve its value sufficient to meet operational overheads and grant expenditure over a 5-7 years' time horizon.

The Trustees recognise the realisation of such an objective is dependent upon favourable market conditions and the sound discretionary investment management performance that they entrust to their advisors, Investec Wealth & Investment Limited.

In setting the above objective, the Trustees understand that Investec maintains an active oversight of the Fund's financial assets. These assets are broadly spread, targeting primarily a mix of short-dated Bonds and Global Equities, with relative performance measured against a benchmark that reflects the Fund is comfortable with a low-medium risk profile.

OBJECTIVES AND ACTIVITIES (continued)

Financial and Risk Management

Financial

Investec formally report Fund performance statistics to Trustees on a quarterly basis, informing of the current global investment climate and their overview of events likely to influence investment performance into the near-term future. The BHS Fund Manager has on-line access to the Investec website that provides Trustees with current portfolio information as, and when, necessary.

Risk Management

The Fund maintains a Risk Register that considers and evaluates the various risks to which the organisation could possibly be exposed, assessing their possible impact, and confirming the appropriate mitigation measures that are in place.

Numeric measures of probability and impact are calculated against specific risks to determine relative levels of potential concern and therefore identify the principal risks and uncertainties facing the organisation.

The Register is subject to operational sub-group oversight, with principal risks reviewed by means of an Assurance process which is completed and shared with Trustees on a quarterly timescale.

Potential risks are assimilated under five generic headings.

- **Governance and Management**
  Considers the risks the Trust might suffer from lack of strategic direction, ineffective Trustee oversight, or a malfunctioning organisational structure.

- **Operational**
  Looks at the risks inherent in a failure to succession-plan key roles, not providing adequate training and development opportunities to broaden the skills base, or lack of care for the well-being of employees and volunteers. Potential risks associated with the delivery of a less-than-optimal service provision for grant beneficiaries are also examined.

- **Financial**
  Risks include those that might arise due to the fluctuating value of investments, by pursuing an inappropriate investment strategy, or sub-optimal performance standards delivered by the Fund's investment managers. Also covered are the risks associated with fraud, both internal and external, a lack of internal budgetary control or lapse in book-keeping processes.

- **Reputational, Environmental or External**
  Considers the possible damage to the Fund's reputation and public perception through association with unsuitable collaborative organisations. Other risks covered in this area include a failure to recognise and address demographic changes that might generate either exponential growth, or a gradual decline, in the numbers of potential Fund beneficiaries.

OBJECTIVES AND ACTIVITIES (continued)

Financial and Risk Management

Risk Management *(continued)*

- **Compliance with Laws and Regulatory Requirements**
  Looks at the existential risks to which the Fund might become exposed if not meeting compliance with, for example, Charity Commission, HMRC, Audit reporting or GDPR requirements.

Operational

Our Fund Manager continues responsibility for the Governance, Structure and Management on a day-to-day basis of the BHS Trust Fund. Working very closely with the Chair and Trustee Board members, the Fund Manager ensures that the Fund operates in a professional manner, is compliant and ensures the delivery of the best possible applicant/beneficiary outcomes.

The key objectives completed within the audit year 2023-2024 fall in the following categories:

- Working with both the Project Resource team and the People sub-group, ensured that all Operational positions have individuals in place, taking up their new appointments with increased responsibilities. A mentoring and work shadowing plan continued, ensuring a seamless transition for the Trust Fund.

- Working Smarter - a continued review of all BHS Trust Fund processes and daily requirements, identifying any improvement opportunities and ensuring all are fit for purpose. Implementation of review findings proved effective especially when faced with time pressured outcomes - example Christmas 2023 campaign process.

- Researched and implemented a third-party provider to move the Operational team's monthly payroll, HMRC and Pensions administration, away from the Fund Manager's role.

- Created a Cyber Security policy to provide guidance to the Trustees, Operational team and Caseworkers on how to protect the Fund's sensitive information against any possible breaches and threats and to ensure we comply with any relevant regulations. Training on going.

- Introduced a Social Media Policy, which outlines how Fund employees and volunteers should represent themselves and our brand on social media, protecting our security, reputation, and legal interests.

- Reviewed and updated our GDPR policy and procedures, Health and Safety policy and guidelines. in addition to other policies due for review on a rolling basis, ensuring that all legislative requirements are covered, with robust documents and processes.

- Supported the provision of a comprehensive Wellbeing offer through the engagement of Vivup, who provide a specialist service. Feedback of this additional level of support that the Fund can offer beneficiaries continues to be monitored and promoted.

OBJECTIVES AND ACTIVITIES (continued)

Financial and Risk Management

Operational *(continued)*

- Completed a comprehensive working group to update the application form to capture all necessary information in detail to reflect the changing circumstances of our applications in this current economic climate and to provide the Board of Trustees with a detailed reflection of the applicant to be able to make a clear informed decision.

- The Fund's Annual Audit was completed by Buzzacott, confirming that all the financial controls and legal requirements were being delivered consistently by the Operational team.

Review of Activities

The BHS Trust Fund Strategy is split into three stands of responsibility and delivered by the following three sub-groups, supported by the Operational team

- Marketing Communication

- People

- Financial and Risk Management.

Our focus as always has been to react and be reflective of the current economic climate to support as many former BHS Employees and RSA (Retired Staff Association) as we possibly can. The BHS Trust Fund has a very clear set of strategic objectives that the Trustees reviewed and approved at their 'Away Day' held in London, prior to the commencement of the financial year in question. All required actions were allocated to one or more of the above sub-groups and revised and amended as required each quarter. By continuing to use this approach, we have been able to focus on developing and utilising the skills and experience of the entire team of Trustees, Employees and Case Workers.

Financial Support

The BHS Trust Fund has had a very busy and successful year. During 2023-2024 the Trust Fund awarded hardship and wellbeing grants in total to the value of £207,882 versus the previous year of £223,366, representing a decrease of £15,484.

Grants continued to be awarded, supporting the payment of a variety of debts, rent arears, utility bills and credit cards payments. Essential items were purchased for the home including washing machines, fridge freezers, cookers, beds, specialised equipment and aids, house repairs, car repairs. Support was also awarded for funeral costs and numerous food shopping vouchers were distributed throughout the year, providing much needed support to meet the increasing costs of purchasing food items. A small number of wellbeing grants to support days out and short breaks were granted. Having engaged with Vivup, a provider of Wellbeing services, we have been able to offer third party confidential counselling sessions.

OBJECTIVES AND ACTIVITIES (continued)

Review of Activities (continued)

Financial Support *(continued)*
Throughout 2023-2024 the Trustees approved 112 full grants and 4 Wellbeing short breaks. This was against a backdrop of the previous year of 94 full grants and 9 Wellbeing short breaks.

Christmas grants awarded this year was a total of 113 versus 116 the previous year. The total spends being £42,333 versus £57,350 in 2022-2023. The majority of this spend was in food shopping vouchers.

The Trustees have this year focused on understanding the dynamics of our beneficiaries - new applicants compared with returning applicants who have previously been awarded grants both during the year and at Christmas time. There was a balanced approach that all help approved for both new and returning applicants should be at a level that would ease the financial budget pressures individuals faced, reducing the need for the applicant to request further support.

We have made a difference

Thank you so much for your kindness and generosity. This wonderful gift of a break away will be very much enjoyed. Thank you once again

I would like to take this opportunity to thank all the members of the BHS trust fund for their time and decision to award me Asda vouchers. I was genuinely so surprised at the amount I received. It was a great help and took the pressure off me over the last few weeks. I was able to pay and catch up with some bills.

Thank you again.

I would like to thank everyone who helped and supported myself and my husband in our most desperate time.

Thank you so much for your help whilst waiting for my pension - it is very much appreciated.

Christmas Applications and Grants
At the end of October 2023, the Fund sent out our Christmas support message in the form of a Christmas card, along with a letter from our Chair, Helene Hamer, to all our retired staff and named individuals on our Mailing list. This communication gave the BHS Trust Fund the opportunity to reinforce and explain what types of support would be available over the festive season.

OBJECTIVES AND ACTIVITIES (continued)

Review of Activities (continued)

Christmas Applications and Grants *(continued)*
Over the years we have become more aware of how many of our beneficiaries find Christmas both a very difficult and emotional time, not only for those struggling financially, but for those on their own and others with very little to look forward to. Many are just pleased to have received the Christmas card and know that someone from their former BHS family cares about them.

Making a difference at Christmas

> I would like to thank BHS trust fund for your gift, much appreciated. Financially it really helped myself and my family so much to enjoy Christmas

> I cried opening the envelope, thank you so much – you have no idea how helpful this is to me.
>
> Thank you very much for this lovely support, I am very grateful and overwhelmed by your generosity. Thank you so much.

Retired Staff Association (RSA)
Our RSA groups have again had a very busy year, as they continue to meet on a monthly basis for their coffee, cake, and a chat. With an aging group of lifelong work colleagues, this gives everyone the opportunity to get together to talk about the many fond memories they all have from their working days within BHS.

The RSA groups also celebrated Christmas 2023 with a variety of Christmas activities and having a number of lovely lunches across the country, something the BHS Trust Fund always encourages and funds. The letters and photographs received showed just how much enjoyment and fun was had by all the members attending.

Caseworker Update
Our volunteer Caseworker team plays a crucial role in supporting and successfully delivering help and guidance to our applicants and beneficiaries. The increased complexity of each applicant case has resulted in the Caseworkers spending significantly more time with each case, to fully understand their individual needs and circumstances. This is key to preparing their reports and recommendations for the Trustee group, for their consideration and potential approval.

As a result of this increased workload, there has been a need to increase our Caseworker group numbers, with 4 new volunteers. Our aim is to ensure that all geographical areas of the UK are covered and that we are prepared for the current and any future increases in workload.

FINANCIAL REVIEW

Results for the year

A summary of the results for the period is given on page 30 of the attached accounts.

Total income during the period amounted to £72,379 (2023 - £64,644).

Expenditure totalled £368,781 (2023 - £364,630), with relief of hardship amounting to £350,297 (2023 - £345,706).

Net gains on the revaluation and on the disposal of investments amounted to £102,509 (2023 – net losses of £80,006). This resulted in a net decrease of funds of £193,893 for the year (2023 - net decrease of £379,992).

Reserves policy and financial position

The Trustees aim to maintain the Trust's reserves at a level sufficient to ensure the ongoing and future development of the Trust's activities having regard to the profile and demographics of the Trust's beneficiary group.

Unrestricted funds amounted to £2,602,523 at 31 May 2024 (2023 - £2,796,416). The Trustees are of the opinion that this level of free reserves matches the policy set out above.

Investment performance

During the period, the Trust's investment managers invested in accordance with the Trustees' investment policy set out earlier in this report. At the end of the period, the Trust's listed investments (including cash held for re-investment) were valued at £2,456,025 (2023 - £2,462,051). These investments were largely held in a mix of UK and overseas fixed interest stocks, equities, and property and alternative funds as disclosed within note 8 to the accounts.

The portfolio generated income of £68,074 (2023 - £62,597) during the period, which represents a yield of 3% (2023 – 3%). The yield is consistent with market returns in general. The portfolio generated unrealised losses during the period of £90,744 (2023 – unrealised losses of £43,510).

OUR FUTURE – JUNE 2024 TO MAY 2025 MARTYN JONES (Incoming Chair)

I joined the BHS Trust at an interesting time of change both for the UK economic outlook and for the Trust itself.

There is a view that for the majority of the population, things are feeling better, with wages currently running ahead of inflation and prices falling in some areas such as fuel and utilities. However, for the roughly 20% of the population who are living below the breadline, financial life remains as tough as ever. There is, however, a newly elected government, whose vowed intent is to get the economy growing again, for the benefit of ordinary working people.

Consequently, the future of the BHS Trust Fund remains both challenged and challenging.

Challenged in terms of the increasing complexity of the applications the Fund is receiving and challenging in terms of getting the message out that the BHS Trust Fund is still around to assist ex and retired BHS colleagues who are in financial difficulties.

OUR FUTURE – JUNE 2024 TO MAY 2025 (continued)

Thanks to the work conducted last year by our excellent operations team, volunteer caseworkers, and dedicated Trustees, we will continue to face the challenge of finding appropriate support and targeted financial help for complex applications.

In addition, the Trustees and caseworkers will continue to work on the challenge of extending the reach of the BHS Trust fund to ex-employees in need, and to extend the financial help and support to more of the Retired (BHS) Staff Associations around the country.

This work will continue to be managed by three strategic subgroups involving Trustees, Ops team members and Caseworkers, planning and executing the strategies in the three principal areas of focus.

- Marketing and communications - spreading awareness of who and where we are, and what we do.
- People training and development - ensuring everyone in the Trust is trained and confident in handling complex applications, some of which come with potential safeguarding issues.
- Finance and Risk management - ensuring that we plan and execute the use of the Trust Fund's investments wisely and to the benefit of the maximum number of applicants.

It is vital that we continue to focus on delivering the optimal support for ex-BHS colleagues financially and in terms of advice and their wellbeing.

It is equally important that we extend our reach and support to retired BHS colleagues, who welcome and enjoy meeting each other regularly, to share their memories of working at BHS, and the challenges of being retired with only limited resources available.

Finally, it is crucial that we continue to focus on delivering all that we do at best cost, professionally and empathetically to the highest responsible standards.

Marketing Communications

This key strategic strand centres on ensuring the BHS Trust Fund fulfils its objects through reaching as many former Bhs employees who need our help as possible.

For individuals who already know of us, it's key to remind them that we are still here to help and remove any barriers to getting in touch. And for those who are unaware of what we do, we strive to find new ways to reach them. Our focus is on:

- **Increasing and maintaining awareness of the BHS Trust Fund**
- **Encouraging individuals to apply, particularly new applicants to the Fund**

OUR FUTURE – JUNE 2024 TO MAY 2025 (continued)

Marketing Communications (continued)
This year, we plan to:

- Establish a feedback process to identify our impact on beneficiary lives
- Promote our Well-being and Short Breaks support on our website and through social media posts, to include Vivup lifestyle discounts.
- Continue to develop new approaches on Facebook and other channels i.e. sharing personal stories and promoting campaigns from partner charities
- Explore opportunities to establish regular email communications with former employees
- Review our Retired Staff Association, with the aim of growing this population, communicating more regularly and providing appropriate support

People
Succession planning will continue to be an integral part of our People priorities in the coming year, as we carry on with the recruitment and development of our new volunteer Trustees, Caseworkers and Operational team members. We will ensure that we support both promotional and potential development opportunities within the Trust Fund.

Project Resource

- Project Resource will be reviewed, as recruitment requirements are ongoing due to one recent trustee resignation and potential vacancies from trustee retirements in 2025.
- Support will be available to assist in recruitment needs.

Training and Development
We will ensure that all new employees/volunteers follow a structured Induction programme and have an initial Development programme in place, including Buddy/Mentoring support and regular quarterly reviews.

All current Employees/Volunteers will be encouraged to proactively pursue their own personal development needs, taking the opportunity to attend all appropriate quarterly meetings and available external Webinars, delivered by our Fund Managers of Buzzacott and Investec.

The Skills Matrix document for all employees and volunteers will be reviewed and updated, so that we can identify any skill gaps requiring additional support. It will also be used to identify strengths within the team that can be fully utilised for the benefit of the Fund.

We will continue to encourage team participation in all of our quarterly meetings by running more interactive sessions, along with an increased number of external speakers, from a range of other Charities or professional agencies.

OUR FUTURE – JUNE 2024 TO MAY 2025 (continued)

Training and Development (continued)
Finally, we will continue to deliver an annual review discussion for all our Trustees, Caseworkers, and Employees. These allow us a fantastic opportunity to gain the views from the whole team, used both to support individual development and Trust Fund progression.

- A new Chair has been recruited after a robust recruitment process.
- Recruit at least 2 additional Trustees to the team, ensuring that we have the resources, expertise, and diversity of individuals in place, ready to meet the challenges of the next five years.
- Continue to review the number of Caseworkers based on workload and requirements.
- Safeguarding refresher training will be completed for all existing volunteers and operational team, with new recruits completing full safeguarding training.

Financial and Risk Management
The key objective for the year ahead is to ensure the sustainability of the BHS Trust Fund in what is expected to be an uncertain investment environment. Following 2 years of unprecedented growth the organisation anticipates a levelling of activity both in terms of beneficiary numbers and grant expenditure

- We will continue to measure the Fund's internal financial performance, comparing actual monthly and year to date metrics against budget, ensuring any substantive variances are understood, and addressed where necessary.
- Mindful of the change in strategy which has resulted in steering the Fund towards investing its resources in a more risk-averse direction, we will closely monitor movements in Fund asset value. We would expect this investment approach to partly smooth out what might otherwise have been unsettling market volatility.
- We are aware of plans that are intended to bring about a merger of our investment manager, Investec, with another large organisation, Rathbones. We expect to be kept informed on progress and will seek reassurance of continuity in terms of a close working relationship.
- We will benchmark BHS Trust Fund operational efficiency (operating costs relative to the value of beneficiary awards) against that of other grant-giving charities by comparing performance ratios across the sector. Our aim is to achieve a beneficiary spend against operational spend ratio of 65:35. However, we recognise that operational spend is essentially fixed, therefore, to realise this objective we have to maintain grant giving at levels at least on a par with last year.
- Trust Fund solvency will be measured on a quarterly basis, by calculating moving annual costs as a ratio of current Fund asset value, to establish a projection of how many years into the future the Fund might reasonably continue to fulfil its core purpose. This projection will be under constant review given the variable numbers of applicants and beneficiaries, to always ensure we have sufficient reserves to meet current demand for our support, and that of the foreseeable future.

OUR FUTURE – JUNE 2024 TO MAY 2025 (continued)

Financial and Risk Management (continued)
Risk oversight remains a key strategic objective. Respective subgroups will continue to review, and report back each quarter, by means of the Trustee assurance process, on the Risk Register content which falls within their operational remit. As new or unforeseen risks evolve consideration will be given to the mitigation already in place and agreement reached on any new actions required. From this on-going analysis principal risk factors will continue to be re-evaluated and carefully monitored.

Operational Focus
Our Fund Manager continues responsibility for the Governance, Structure and Management on a day-to-day basis of the BHS Trust Fund, working very closely with the Chair and Trustee Board members. The Fund Manager ensures that the Fund operates in a professional manner, is compliant and ensures the delivery of the best possible applicant/beneficiary outcomes.

The key objectives for the year ahead will fall into the following categories.

- Working Smarter - a continued review of all BHS Trust Fund processes and daily requirements, identifying any improvement opportunities and ensuring all are fit for purpose. Example: investigate electronic saving of documents and shared drives.

- Research and deliver findings to Board of Trustees – moving away from a full audit to Independent Examination based on Charity Commission guidelines for our level of Investment portfolio. Our current auditors do not offer this service. It is possible that we may transition to a new auditor company for 2024-2025.

- Continue to develop the Caseworker team effectiveness in completing complex applications, ensuring all parties feel supported and listened to when discussing and writing up applicant's case notes and recommendations.

- Continued support of the provision of a comprehensive Wellbeing offer through the engagement of Vivup, who provide specialist services.

- Implementation and review of the Fund's performance by our beneficiaries, collated via a feedback form used by our operational team when an individual case has been concluded. This enables us to identify whether and how we are making a difference to our beneficiaries' lives.

GOVERNANCE, STRUCTURE AND MANAGEMENT

The BHS Trust Fund is governed by a Charitable Incorporated Organisation (CIO). This was approved by the Charity Commission on 20th February 2017 and came into force at midnight on 31st May 2017, when the Charitable Trust known as the BHS Limited Employee Trust Fund become dormant, with all its assets being transferred to the BHS Trust Fund, Charity Registration Number 1171705. All reference to the previous Charitable Trust has been subsequently removed from the Register of Charities.

BHS Trust Fund - Trustees

The following individuals served as the trustees of the charity from 1 June 2023 to the date of approval of this report (except as shown):

Trustee	
Helene Hamer – Chair	(Retired 31st May 2024)
Susan Topping - Deputy Chair	
David Crudge	
Charles Gibson	
Robert Eller	
Keith Smalls	
Beverly Edgar	
Susan Amanda Taylor	
John Holmes	(Resigned 1st January 2024)
Martyn Jones - Chair	(Appointed 1st June 2024)
Angela Curchin	(Appointed 1st April 2024)

Though out the year, Trustees have attended a variety of webinars and external courses, relevant to their personal development needs and responsibilities. Ensuring that everyone is keeping up to date with current legislative and governance issues that affect the BHS Trust Fund.

Brief Biographical details of the Trustees

Helene Hamer - Chair – *Helene retired from her role as Chair and Trustee on 31st May 2024*



As Chair, I am so proud to be working with my team of Trustees, Case Workers, and our dedicated Operational Team. It is also great to know and see the BHS passion, dedication, commitment and caring, for our former colleagues, is as alive today, as it was when BHS Stores closed.

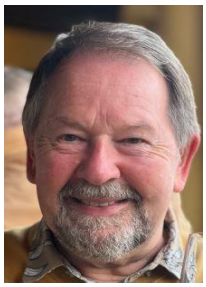
Given the opportunity to join Team BHS, as a young teenager, it was not just a job! I had joined a family, one which gave me the chance to develop my career, that took me through 35 years of working in Stores, Regional Management and finally 16years as Fund Secretary.

No surprise that I was a little worried about what life would be like without BHS when I made the decision to step away from the role of Fund Secretary. Well, that did not happen! I was given the opportunity to become a Trustee, a voluntary role I held for a short time and then around the time BHS closed I became Chair. I often get asked why I volunteer with the Fund. Firstly, the individuals who come to us for support were part of a dedicated work force that contributed to making BHS and to play a part in being able to offer them support when they find themselves in need is. Plus, I work with the most fantastic people who are empathic, honest open individuals and a joy to be around.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Martyn Jones - Chair *- Martyn joined the team as Chair from 1st June 2024*



I joined the BHS Trust Fund as a Trustee earlier this year, and took over as Chair in June, following the retirement of my long serving and dedicated predecessor, Helene Hamer. She will be a hard act to follow.

I started my career in retail and food retailing with BHS as a Department Manager back in 1976. Little did I think then that I would be involved with ex BHS colleagues again, 44 years later. I have been very lucky and had a full-on career, finishing up on the board of Morrisons supermarkets, as well as serving on various charitable trust boards in the areas of Early Intervention, Hospice Care, Charity Shops and Education Trusts. I helped to set up the Morrisons Foundation and stayed there as Chair for 9 years.

The BHS Trust's big challenge is improving awareness of what we can do for, and where we can be contacted by, ex BHS colleagues who may need a helping hand through times of health or financial misfortune. With the help of social media, and through the Retired Staff Associations around the country, we hope to optimise the use of our legacy funds to help as many BHS colleagues as possible. They, like us all, are getting older and potentially in need of more assistance. I intend to bring my experience to bear, with the fantastic help of our committed team, in planning for and delivering this awareness and help.

Apart from my work with the BHS Trust Fund, I am fortunate to be able to indulge a passion for world travel, seeing the people, wildlife, and trying the food from all areas and cultures. Once a food retailer, always a food retailer, wherever you are in the world!

Sue Topping - Deputy Chair



I worked in BHS Human Resources for 29 years, with the final 6 years as HR Director. We faced many challenges over the years, but the most enjoyable aspect was working with such fantastic people - always professional, committed, passionate and caring about each other.

Leaving the BHS family was difficult, so continuing as a Trustee for the BHS Trust Fund, was a great way to stay connected. We look after such an important legacy set up by BHS Directors in 1951 - who would have thought it would still be helping former BHS employees over 70 years later! It's hugely rewarding and humbling to be able to support individuals facing difficult times for a wide variety of reasons. We always love to hear how things have improved from those we've helped. We're constantly finding new ways to spread the word so that we increase the number of individuals we support. My hope is that we can continue for many years to come.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

David Crudge



My retail career commenced in 1968 when I joined BHS as a management trainee. On leaving the company after ten years I gained further retail experience with Mothercare, before then establishing my own business. This subsequently led to a consultancy role with Clarks Shoes where my career ultimately progressed to leadership of the Franchise division.

Following retirement in 2009 my ambition was to seek volunteering opportunities that might enable a value-added transfer of my business and life skills to support suitable charitable causes. Currently I serve as a volunteer with my local hospice and act, also, as a trained mediator in dispute resolution with the regional mediation service. My appointment in 2014 as a Case Worker with the BHS Trust Fund has subsequently led to my serving as a Trustee with the Fund.

This re-connect with BHS, through the workings of the Trust Fund, is a relationship with which, from a cultural perspective, I feel very comfortable. To be actively engaged as a Trustee with an organisation that strives to reach out to help, encourage, and support former BHS employees, many of whom are now experiencing significant financial, health and psychosocial problems, is a role that personally I find most rewarding and worthwhile.

Charles Gibson



I joined BHS in 1978 as a management trainee in Glasgow.

After completing my management training, I relocated to various locations in the UK. In 1992 I returned to Scotland and took up the post of Manager in our Glasgow store, later moving to our Edinburgh store in Princess Street. I subsequently left BHS to pursue other retail opportunities, returning to BHS in 2005 and remained with the company until my retirement in 2016.

My initial role with the BHS Trust Fund was as a Case Worker, which subsequently led to my current role as a Trustee. Without a doubt, those individuals who worked for BHS were the company's most valuable asset. Their hardworking and caring attitude coupled with their sense of commitment bears testimony to this. It is a privilege to be part of the BHS Trust Fund team and I am grateful for the opportunity that this has given me to reconnect with former colleagues and assist ex-employees. many of whom are experiencing substantial difficulties. I find this both rewarding and humbling.

Robert Eller



I very much enjoyed my 13 years being part of the BHS Foodservice team, initially as an analyst and then as a buyer. During this time, I made many friends throughout the business, some now part of the Trustee and Case Workers group and I look back with great affection and gratitude for the experiences I gained being part of that BHS team.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Robert Eller *(continued)*
I am currently employed as Head of Purchasing for Apetito, a manufacturing company based in Wiltshire, providing meals to some of the most vulnerable people in society, including Hospitals, Care homes and Meals on Wheels, and includes the retail brand Wiltshire Farm Foods, delivering frozen ready meals to the elderly in their homes.

With this relevant business experience, I was keen to become further involved in charity work and was delighted to be appointed as a Trustee. I am keen to gain more experience of how our Charity operates and supports people.

Despite the closure of the BHS business in 2016, the Fund, has continued to be able to reach those most in need and developing the strategy for the future success of the Fund, working alongside the Trustee and Case Worker Team, is a continued source of satisfaction and great enjoyment.

Keith Smalls



I joined BHS in 1973 as a management trainee and worked for the company for 33 years. I always enjoyed my time with the company, and I had a close affinity with the people. In 2020, when I was given the opportunity to join the BHS Trust Fund, I felt privileged and honoured to join the team.

I was very aware of the excellent work being carried out by the Trust Fund, during my time working in BHS. Joining the Trustee Team is allowing me to give something back to the BHS Team I once was part of and giving me a more comprehensive appreciation of the valuable work, they do in so many ways.

The Fund works with many people, who often face life changing events, usually unexpected, that significantly impacts their daily lives. Many are very sad cases, where people are simply desperate for help. Our work is very rewarding and meaningful and the reason why I do this role.

I have been very lucky in my life, not without its ups and downs, but fortunately more ups than downs. Sadly, this is not the case for many people, not usually through their own fault, but by events outside of their control. There is no better feeling than helping others who need help or are not coping. My position as a Trustee, has been very fulfilling and a worthwhile role for me.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Beverley Edgar



When I began my career in BHS in 1979, I would never have imagined that I would still be connected to the people I worked with again in 2024!

My career has always been about looking after people and especially during the last 18 years as a Manager and HR Director with the NHS. I have been privileged to learn so much during this time and I do know how challenging life can be for so many people. Working in the NHS has been truly rewarding and has led to me being appointed as a Trustee at the Midlands Hospice Partnership - a role I am passionate about and again helps me use my skills and knowledge to help people most in need.

Equally, I am so pleased to have been appointed as a Trustee of the BHS Trust Fund, because I know we can genuinely help former colleagues when they might need us the most. Anyone can find themselves in a difficult financial situation or may feel lonely or isolated. The work we do enables our former colleagues to feel that the BHS Family is alive today, as a caring network and that we are still upholding the values we shared in looking after each other - even if for some of us, it was many years ago.

Susan Amanda Taylor



I worked in the HR team for BHS for over 10 years, until the business closed in 2016. As I had intended to remain with BHS until I retired, I took the opportunity to return to the BHS family, as a Volunteer Case Worker for the Trust Fund following retirement, in 2021, as a way of reconnecting with a company I had loved.

I have recently been appointed as a Trustee for the Fund, a role I'm both delighted and privileged to take on. I have become a Trustee as I believe this will afford me the opportunity to give something back to some of our former colleagues, who have found themselves in difficult circumstances and enable them to regain control of their lives. I am finding my ability to contribute to the Fund's aim of supporting former BHS colleagues extremely rewarding and, at times, very humbling.

Being a Trustee is a new experience for me and I am looking forward to developing new skills during my time in this role, as well as utilising skills acquired during my working life which I hope, will add value to the Fund.

John Holmes



I joined BHS in 1977 as a management trainee in Blackpool.

I worked for the Company in various roles for 39 years only leaving when the business closed in 2016.

BHS has been a major part of my life. It was challenging and rewarding but what I always thought made it special was the people you worked with on a day-to-day basis. I feel lucky to have had such a long career with the Company.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

John Holmes *(continued)*
The Trust Fund has been helping both current and former employees for many years. When the opportunity came along for me to join the Trustee Team it was not something I needed to think twice about.

It is a great privilege to be part of the BHS Trust Fund team and to be able to help and support former colleagues who are experiencing difficult times.

Angela Curchin



I began my retail career with BHS, as a Saturday assistant back in 1974, and was extremely fortunate to have been with the company all of my working life.

Joining the management training scheme enabled me to progress through to becoming a Store Manager in many stores across the Midlands. My role when I finally left the business in August 2016 was in regional HR.

My BHS journey did not end when the stores closed their doors for the final time, as I was delighted to be offered and accepted a position within the BHS Trust Fund, as the Fund Manager. For the last eight years, until my retirement at the end of March 2024. The Charity has supported so many individuals who faced major challenges in their lives and I am so grateful that I have been able to play a very small part in helping them and their families.

It is fitting that now my association with BHS still continues, as I was appointed a Trustee of the board in April 2024. I can continue to use the skills and knowledge that I have learnt over many years, but especially the last eight years when as the Trust Fund manager, building a small operational team, we have seen the Fund go from strength to strength. It is a privilege to be able to support the work that the Fund continues to deliver. It makes such a difference when former colleagues can be helped and supported, often at the most difficult of times for them, and to be part of that team is both worthwhile and rewarding.

Statement of Trustees' responsibilities
The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure and management reporting

The Trustees are ultimately responsible for the policies, activities and assets of the Trust. They meet at least three times a year to review the developments with regard to the Trust, its grant giving and loan activities and make any important decisions. When necessary, the Trustees seek advice and support from the Trust's professional advisers including investment managers, solicitors and accountants.

Day to day administration of the Trust is carried out by the appointed Trust Fund Manager, supported by the Fund Administrator. Both are wholly accountable to the Trustees, supported by a number of volunteer Case Workers. The Trust Fund Manager and Fund Administrator meet with, and communicate with, the Trustees on a regular basis. This is carried out through regular meetings, email communication and use of Skype.

At their meetings, the Trustees review the investment performance, and the investment managers attend the meetings to update the trustees in detail on the portfolio. The Trustees review the proposals for grants to be made and approve them as appropriate.

Key management personnel

The Trustees consider that they together with the Trust Fund Manager and Grant Manager, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Key management personnel (continued)
The remuneration of the Trust Fund Manager and Grant Manager is decided upon by the Trustee team.

Risk management
In line with the requirement for charity Trustees to undertake a risk assessment exercise and report on the same in their annual report, the Trustees have looked at the risks the Trust faces and have reviewed the measures in place to deal with them. The Trustees have identified five main areas where risks may occur:

- Governance and management
- Operational
- Financial
- Reputational
- Laws, regulations, external and environmental

Governance and management looks at the risk the Trust suffers from a lack of direction, the skills and training of the Trustees and the good use of its funds.

Operational looks at the risk inherent in the activities of providing grants and making loans to individuals.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational looks at possible damage to reputation, through association with unsuitable organisations or with inappropriate activity.

Laws, regulations, external and environmental looks at the effects of government policies, the consequences of non-compliance with laws and regulations and the effect of external matters on the investment portfolio.

Having assessed the major risks to which the Trust is exposed, in particular those relating to the investments and the finances, the Trustees believe that by ensuring controls exist over key financial systems, and by delegating the investment management function to investment managers, subject to regular monitoring, including periodic reviews of performance against benchmark, they have established effective systems to mitigate those risks.

The key risks for the Trust during the period, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

- The value of investments. The value of listed investments is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Trust's needs, both now and in the future.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- Reliance on key staff and Trustees and the need for succession planning**.** Advice is taken on investment management, accountancy, legal and business matters from professionals. The Trustees meet regularly.

Approved by the Trustees and signed on their behalf by:

Trustee: C M Jones

Date: 05/02/2025

Independent auditor's report to the Trustees of BHS Trust Fund

Opinion

We have audited the accounts of BHS Trust Fund (the 'charity') for the year ended 31 May 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 May 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the accounts does not cover the other information and 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 accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 22 and 23, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and Trustees as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of Trustees' meetings; and
- enquiring of management and Trustees as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 10 February 2025

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

Statement of financial activities Year to 31 May 2024

	Notes	Unrestricted funds 2024 funds £	Unrestricted funds 2023 funds £
Income from:			
Investments	1	**68,074**	62,597
Interest receivable	1	**4,300**	2,047
Other sources		**5**	—
Total income		**72,379**	64,644
Expenditure on:			
Raising funds			
. Investment management fees		**18,484**	18,924
Charitable activities			
. Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company	2	**350,297**	345,706
Total expenditure		**368,781**	364,630
Net expenditure before investment losses		**(296,402)**	(299,986)
Net investment gains (losses)	8	**102,509**	(80,006)
Net expenditure and net movement in funds	5	**(193,893)**	(379,992)
Reconciliation of funds:			
Fund balances at 1 June 2023		**2,796,416**	3,176,408
Fund balances at 31 May 2024		**2,602,523**	2,796,416

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 May 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Investments	8		**2,456,025**		2,462,051
Current assets					
Debtors	9	**13,441**		235	
Cash at bank and in hand		**156,019**		360,857	
		169,460		361,092	
Creditors: amounts falling due within one year	10	**(22,962)**		(26,727)	
Net current assets			**146,498**		334,365
Total net assets			**2,602,523**		2,796,416
The funds of the Trust					
Unrestricted income funds			**2,602,523**		2,796,416

Approved by the Trustees and signed on their behalf by:

Trustee: C M Jones

Approved on: 05/02/2025

Statement of cash flows Year to 31 May 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	**(385,747)**	(362,867)
Cash flows from investing activities:			
Investment income and interest received		**72,374**	64,645
Proceeds from disposal of investments		**2,609,512**	1,027,056
Purchase of investments		**(2,437,143)**	(469,874)
Net cash provided by investing activities		**244,743**	621,827
Change in cash and cash equivalents in the period		**(141,004)**	258,960
Cash and cash equivalents at 1 June 2023		**397,099**	138,139
Cash and cash equivalents at 31 May 2024	B	**256,095**	397,099

Notes to the statement of cash flows for the period to 31 May 2024

A Reconciliation of net expenditure to new cash flows from operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	**(193,893)**	(379,992)
Adjustments for:		
Losses on investments	**(102,509)**	80,006
Investment income and interest receivable	**(72,374)**	(64,644)
Increase in debtors	**(13,206)**	(4)
Increase (decrease) in creditors	**(3,765)**	1,767
Net cash used in operating activities	**(385,747)**	(362,867)

B Analysis of changes in cash and cash equivalents

	2023 £	Cash flows £	2024 £
Cash at bank and in hand	360,857	(204,838)	**156,019**
Cash held by investment managers	36,242	63,834	**100,076**
Total cash and cash equivalents	397,099	(141,004)	**256,095**

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 May 2024 with comparative information given in respect to the year to 31 May 2023.

The accounts have been prepared in accordance with the principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The Trust constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The main area in the accounts where judgements and estimates have been made relates to estimating future income and expenditure flows for the purpose of assessing going concern.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees have concluded that there are no material uncertainties related to events, or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due.

With regard to the next accounting period, the year ending 31 May 2024, the most significant areas that affect the carrying value of the assets held by the Trust will be the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Income recognition

Income is recognised in the period in which the Trust has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises investment income, interest receivable, and income from other sources.

Investment income is recognised once the dividend or similar income has been declared or is payable and notification has been received of the amount due.

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

Income from other sources is recognised when the Trust is entitled to the income, the amount due can be quantified and there is probability of receipt.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

a. Expenditure on raising funds comprises the fees paid to investment managers in connection with the management of the Trust's listed investments.

b. Expenditure on charitable activities comprises expenditure on the Trust's primary charitable purposes as described in the Trustees' report and includes grants payable so as to relieve the hardship of former employees of Bhs Limited, their dependents or retired employees of the company together with costs directly related to the relief of hardship. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

   Included within expenditure on charitable activities is the cost of food vouchers which are purchased to hand to beneficiaries of the charity when the trustees believe it more appropriate to give these rather than cash grants. At any one time, the charity will have a small quantity of such vouchers which have not been allocated to beneficiaries. These are not recorded as stock as their value is not deemed material to the charity's accounts.

Allocation of support and governance costs

The provision of grants and loans to beneficiaries requires expenditure on support and administrative services in respect to liaising with grant and loan applicants and recipients. In addition, in order to carry out the primary purposes of the Trust it is necessary to incur expenditure on support in the form of accounting, office services and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Trust (including audit costs) and costs in respect to its compliance with regulation and good practice.

All such direct and indirect overheads are allocated to the Trust's principal charitable objective of relieving hardship amongst former employees of Bhs Limited, their dependents and retired former employees of that company.

All expenditure is stated inclusive of irrecoverable VAT.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the period in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Trust anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

The unrestricted income funds represent those monies that are freely available for application towards achieving any charitable purpose that falls within the Trust's charitable objectives.

1 Income from: Investments and interest receivable

	2024 £	2023 £
Income from listed investments		
UK fixed interest securities	**27,160**	3,593
Overseas equities	**19,306**	17,151
UK equities	**12,572**	24,980
Alternatives	**9,036**	16,873
	68,074	62,597
Income from interest receivable	**4,300**	2,047
	72,373	64,644

2 Expenditure on: Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company

	2024 £	2023 £
Grants payable	**203,604**	220,452
Retired Staff Association expenses	**12,417**	13,694
Administration costs including liaison with grant and loan recipients	**134,276**	111,560
	350,297	345,706

Administration costs including liaison with grant and loan recipients include staff costs of £71,239 (2023 – £54,923) (note 3).

The grants payable during the period were for the following purposes:

	2024 £	2023 £
Hardship grants	**148,705**	159,411
Christmas grants	**42,333**	56,850
Holiday	**12,566**	4,191
	203,604	220,452

During the year a total of 229 grants were awarded to individuals by the Trust (2023: 219 grants). On occasions more than one grant has been awarded to an individual.

3 Staff costs and remuneration of key management personnel

Staff costs during the period were as follows:

	2024 £	2023 £
Wages and salaries	**69,058**	54,923
Other Pension Costs	**2,181**	–
	71,239	54,923

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2023 – none)

The average number of employees during the year was five (2023– four).

The Trustees consider that they together with the Trust Fund Manager, Grant Manager and Fund Administrator, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. The total remuneration (including employers' national insurance contributions) of the key management personnel for the year was £46,066 (2023 – £39,065).

4 Governance costs

	2024 £	2023 £
Auditor's remuneration (including VAT):		
. Statutory audit services	**11,460**	12,600
Legal and professional	**1,066**	1,224
	12,526	13,824

5 Net expenditure and net movement in funds

This is stated after charging:

	2024 £	2023 £
Staff costs (note 3)	**71,239**	54,923
Auditor's remuneration (including VAT)	**11,460**	12,600

6 Trustees' expenses and remuneration and transactions with trustees

None of the trustees received any remuneration for their services during the year (2023 – none).

Travel expenses totalling £5,162 were reimbursed to eleven trustees during the year (2023 – £7,653 to eight trustees).

7 Taxation

The Trust is a registered charity and, therefore, is not liable to income tax or capital gains tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Investments

	2024 £	2023 £
Listed investments at market value		
At 1 June 2023	**2,425,809**	3,062,998
Additions at cost	**2,437,143**	469,874
Disposals at opening book value (proceeds: £2,609,512; realised gains: £11,765	**(2,597,747)**	(1,063,553)
Unrealised gains (losses) on revaluation	**90,744**	(43,510)
At 31 May 2024	**2,355,949**	2,425,809
Cash held by investment managers for reinvestment	**100,076**	36,242
	2,456,025	2,462,051
Listed investments at historic cost	**2,322,991**	2,012,350

All listed investments were dealt in on a recognised stock exchange.

Listed investments held on 31 May 2024 comprised of:

	2024 £	2023 £
UK fixed interest securities	**973,620**	44,630
Overseas fixed interest securities	**100,360**	138,786
UK equities	**122,397**	577,581
Overseas equities	**823,644**	1,222,357
Property funds	**–**	192,488
Alternatives	**335,928**	249,967
	2,355,949	2,425,809

At 31 May 2024, the following holdings constituted material holdings when compared to the value of the total listed investment portfolio at that date:

	2024 Market value £	2024 % of portfolio %
UK (Govt of) 2.75% Glit Snr 9/24 GBP1000	**198,895**	8.4%
UK (Govt of) 0.125% Snr 30/01/26 GBP1000	**139,890**	5.9%

9 Debtors

	2024 £	2023 £
Accrued investment income	**13,441**	235
	13,441	235

10 Creditors: amounts falling due within one year

	2024 £	2023 £
Grants payable	**7,513**	11,792
Accruals	**15,449**	14,935
	22,962	26,727

11 Related party transactions

Other than those disclosed in note 6, there were no related party transactions requiring disclosure in the year to 31 May 2024 (2023 – none).

12 Unrealised gains

The total unrealised gains at 31 May 2024 constituted movements on revaluation and were as follows:

	2024 £	2023 £
Total unrealised gains at 31 May 2024: On investments	**32,958**	413,455
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 June 2023	**413,455**	658,295
In respect to disposals in the period	**(471,240)**	(201,330)
Net (losses) gains arising on revaluations arising in the period	**90,744**	(43,510)
Total unrealised gains at 31 May 2024	**32,959**	413,455

BHS TRUST FUND

England & Wales - Charity number 1171705

Accounts

BHS Trust Fund

Annual Report and Accounts

31 May 2023

Charity Registration Number
1171705

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Reference and administrative details of the charity, its trustees and advisers

Trustees	D Crudge B Edgar R Eller C Gibson H Hamer (Chairperson) J Holmes K Smalls S A Taylor S Topping
Postal address	BHS Trust Fund PO Box 7762 Kettering NN16 6NP
Telephone	07495 723550
Charity registration number	1171705
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 90 Baker Street London W1M 2AX
Investment managers	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN
Solicitors	Royds Withy King LLP 69 Carter Lane London EC4V 5EQ

INTRODUCTION - MESSAGE FROM OUR CHAIR

The BHS Trust Fund's reporting year has come to an end for the period from 1st June 2022 to 31st May 2023. The year had started off with increased optimism for many, with hope that a more normal way of life might soon resume.

Moving forward, the reality was that we found ourselves facing another period of significant change and challenge. It was a year of political instability, with a cost-of-living crisis and soaring energy prices. In addition, we mourned the loss of our dear Queen Elizabeth II.

As the year started to unfold, it was clear we needed to be ready to meet a greater demand for our financial resources. Whilst a number of government initiatives had been put in place to support individuals facing increased energy costs, rising food prices caused considerable stress for many families and in some cases, very tough decisions had to be made to enable them to put food on the table.

The Trustees set about re-evaluating and adjusting the Fund's available finances to ensure we could make a real difference through these challenging times. We worked with our Fund Managers at Investec and re-assessed our strategic responsibilities. As a result, the team delivered a considerable uplift in both cash grants awarded at +57% and a beneficiary increase of +46% versus last year. An extraordinary performance both with full grants and Christmas grants.

This has been an exceptional year for our Fund and certainly one we could not have achieved without the commitment of the whole team of my fellow Trustees, our dynamic Operational employees, and our dedicated front line Case Workers. They all stepped up to ensure we could be there, delivering the financial support for our former BHS colleagues when they needed it the most.

Whilst ensuring we effectively met the needs of our beneficiaries; we still had our Charity to manage. The day-to-day responsibilities of a small Charity such as ours, requires everyone to be fully committed, ensuring a professional and timely level of support is consistently delivered. You can see from the achievements section in the Trustees' report just how hard the team has worked to keep the planning and organising wheels moving at the same time as focussing on supporting our beneficiaries.

The biggest challenges we continue to face as a group of Trustees moving forward are:

- Continuing to spread the word that the Fund is here to support former employees;
- Effectively supporting Beneficiary Wellbeing;
- Delivering the resources required to meet the Fund needs;
- The financial stability and longevity of the Fund; and
- Managing changes within the Operational Team personnel.

INTRODUCTION - MESSAGE FROM OUR CHAIR (continued)

As I end my message, may I express my sincere appreciation to my fellow Trustees for their energy and dedication during this last year. After a nine-year period in office as a Trustee, Rosemary Tocock has decided it is now the right time to retire. Her commitment, enthusiasm, and her drive in supporting and moving the Fund forward has been considerable. On behalf of us all, thank you so much for your dedicated support.

Our Trustee team knows how fortunate we are to have such a skilled and committed Operational Team, ably led by Angela Curchin. I acknowledge that she has brought this new team through a very challenging first year and I thank each of them for their contributions. Finally, our Case Workers are a great group of individuals who volunteer on the front line, and I warmly acknowledge the work they do and the passion they bring.



Helene Hamer

Chair of Trustees

The Trustees present their report together with the accounts of the BHS Trust Fund, a Charitable Incorporated Organisation (CIO) (the "Trust" or the "Fund") for the year ended 31 May 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 34 to 37 of the attached accounts and comply with the constitution, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Introduction and background

BHS Trust Fund (Charity Number – 1171705) is a Charitable Incorporated Organisation (CIO), formerly known as the Bhs Limited Employees Trust Fund. It was established by Bhs Limited in 1951 to support the relief of hardship amongst its employees.

Upon the closure of Bhs Limited in August 2016, it was agreed by the Trustees to continue the Fund's work by becoming a CIO and supporting former BHS employees with one year's service or more.

The aim of BHS Trust Fund

- Our Vision: To ensure that no former BHS Employee struggles to meet their daily basic needs
- Our Mission: To help and support former BHS Employees and their dependents through difficult times.

Achievements for 2022 - 2023

Our achievements are based on 4 strands which underpin our BHS Trust Fund Strategy:

- Increasing Our Beneficiaries
- Team Building
- Financial and Risk Management
- Operational

Increasing Our Beneficiaries

Our objective is to increase the number of former employees in need who receive our help through effective marketing communications. In particular, to reach new individuals who may not be aware of the BHS Trust Fund or may be apprehensive about asking for help.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2022 – 2023 (continued)

Increasing Our Beneficiaries *(continued)*
During 2022/2023, as we moved on from the pandemic period, many individuals continued to face the challenges of a cost-of-living crisis, with complex health and well-being circumstances often a major factor too. Through a more varied and frequent programme of activity on social media, we successfully reached more individuals in need of our support, with some very positive results:

- 80% uplift in initial applications received vs LY from 146 to 262
- 29% increase in applicants receiving a full award from 73 to 94
- Average full awards were £1,696 per beneficiary
- 9 applicants were helped with well-being/short breaks/family days out
- Christmas applicants supported increased by 55% from 75 to 116
- A significant uplift in the average value of Christmas awards from £216 to £490, an agreed approach to provide more meaningful support at a challenging time of year.

During the year, we were fortunate to secure 2 volunteer marketing/social media professionals, who undertook a review of all our marketing activities. Opportunities were identified to enable us to reach a wider BHS audience and making our messages more effective, including a refresh of our brand identity.

We also started the recruitment of a part-time Marketing Administrator (8 hrs per week) to initiate and deliver our marketing activity. Operating without dedicated expertise has become an increasing challenge for our small team.

Team Building
The ongoing development and inclusion of our wider team continues to be one of our key priorities.

Trustees

- Our Trustee review process has been successfully completed.
- The Trustee development opportunities continue to be extensive. Fund advisors Buzzacott and Investec continue to offer in house opportunities via webinar and on-site training.
- Opportunities exist if any Trustee requests an opportunity to attend external courses that may be beneficial to the Fund or individuals.
- All Trustees take an active role in the creation and development of the overall Fund Strategy. This is achieved by either leading a strand of the strategy or adopting a supportive role.

OBJECTIVES AND ACTIVITIES (continued)

Team Building (continued)

***Trustees** (continued)*

- Trustees continue to be encouraged to participate in the Case Workers' quarterly zoom meetings.
- The need to recruit 2/3 new Trustees has been recognised and a recruitment plan is in place. Our need to plan succession for the Chair was also recognised.

Case Workers

- Case Workers' Development Discussions have again been completed, allowing continued understanding of Case Workers' views on the Fund, and enabling improvement opportunities to be shared.
- Case Workers' quarterly meetings continue on Zoom, enabling updates on strategy, actual cases, and the ongoing activities of the Fund.
- Review of Questioning and Listening training has been completed providing feedback on training, enabling discussion on progress.
- An information day was held in person for those Case Workers who indicated an interest in employment with the Fund or an interest in becoming a Trustee. This was a key part of succession planning.

Operational Team

- Following the information day, a robust interview process was completed, resulting in two new recruits joining the Operations Team.
- The new recruits joined in January 2023, facilitating engagement with the existing team, and allowing time to gain knowledge and absorb experience.
- New members of the Operational Team completed a robust induction programme and have ongoing training plans in place.
- The attendance of the Operations Team at Trustee Meetings and other relevant Team Meetings ensures that they remain fully informed and engaged.

Financial and Risk Management

Financial

The BHS Trust Fund consists of a portfolio of financial assets, from which the core objective is to produce a sustained level of income, and to seek capital growth. that preserves its value in real terms over a long-term time horizon.

OBJECTIVES AND ACTIVITIES (continued)

Financial and Risk Management (continued)

Financial *(continued)*
The Trustees recognise the realisation of such an objective is dependent upon favourable market conditions and the sound discretionary investment management performance entrusted to their advisors, Investec Wealth & Investment Limited.

In setting the above objective, the Trustees understand that Investec maintains an active oversight of the Fund's financial assets. These assets are broadly spread, targeting primarily UK and Overseas equities, with relative performance measured against a benchmark that reflects the Fund is comfortable with a medium-high risk profile.

Investec formally report Fund performance statistics to Trustees on a quarterly basis, informing of the current global investment environment and their analysis of events likely to influence investment performance into the near-term future. The BHS Fund Secretary has on-line access via the Investec website that informs Trustees of the current portfolio value as, and when, necessary.

Risk Management
The Fund maintains a Risk Register that examines and evaluates the various risks to which the organisation could possibly be exposed, assessing their possible impact, and detailing the appropriate mitigation measures that are in place. Numeric measures of probability and impact are calculated against specific risks to determine relative levels of potential concern. This identifies the principal risks and uncertainties facing the organisation. The Register is subject to operational sub-group oversight, with principal risks reviewed by means of a Trustee Assurance process, completed on a quarterly timescale.

The Trustees have identified five general areas within which risks may occur.

- **Governance and Management**
  Considers the risks the Trust might suffer from lack of strategic direction, ineffective Trustee oversight, or a misaligned organisational structure.

- **Operational**
  Looks at the risks inherent in a failure to succession plan key roles, not providing adequate training and development opportunities to broaden the skills base, or lack of care for the well-being of employees and volunteers. Within this area, potential risks associated with the delivery of a less than optimal service provision for potential beneficiaries are also examined.

- **Financial**
  Risks include those arising because of the fluctuating value of investments, an inappropriate investment strategy, or sub-optimal performance standards delivered by the Fund's investment managers. Also covered are the risks associated with fraud, both internal and external, a lack of internal budgetary control or lapse in accounting processes.

OBJECTIVES AND ACTIVITIES (continued)

Financial and Risk Management (continued)

Risk Management *(continued)*

- **Reputational, Environmental or External**
  Considers the possible damage to the Fund's reputation and public perception through association with unsuitable collaborative organisations. Other risks covered in this area include a failure to recognise and address demographic changes that might generate either exponential growth, or a gradual decline, in the numbers of potential Fund beneficiaries.

- **Compliance with Laws and Regulatory Requirements**
  Looks at the risks the Fund might suffer in not attaining compliance with, for example, Charity Commission, HMRC, Audit reporting or GDPR requirements.

Operational

The Operational sub-group has reviewed and delivered several exciting and very necessary projects, which have supported the increased efficiencies, compliance, and governance needs of the BHS Trust Fund.

Areas of focus have been as follows:

- **Operational Structure**

  - During 2022-2023, the Operational team had a number of challenges to face in regard to the team, given our Grant Manager was due to retire at the end of May 2023 and our Fund Manager also planned to retire in the early part of 2024.

  - To ensure a seamless transition, a succession plan was put into place by the Trustee group, which enabled us to commence a recruitment programme.

  - Following a meeting in London with all interested parties, selection interviews/assessments took place and as a result, Louise Hawcroft, an internal applicant, was appointed Grant Manager designate to work alongside the existing Grant Manger until her retirement.

  - To backfill the Fund Administrator position, which Louise had held, Debra Sawyer joined the team in January 2023.

  - As a result of increased workloads and expected changes in the Fund Manager role, Janet Day joined the team in January 2023, with a plan for her future development into the role of Fund Manager during 2024.

OBJECTIVES AND ACTIVITIES (continued)

Operational (continued)

- **Working Practices/Documentation Review**
  - ◊ With increased numbers of Contacts and Applications, many of these being significantly more complex than in previous years, detailed work was undertaken by the Operational team to review all processes and working practices. The results enabled us to improve our response times and remove any unnecessary practices in the day-to-day operation.
- **Compliance and Governance**
  - ◊ A number of Trust Fund policies were reviewed to ensure they remained fully compliant and 'Fit for Purpose' with both the Health and Safely policy and procedures being completely re written. Other policies continued to be checked on a rolling basis.
  - ◊ The Fund's Annual Audit was completed by Buzzacott, confirming that all the financial controls and legal requirements were being delivered consistently by the Operational team.

REVIEW OF ACTIVITIES

Our focus this year as always has been to support as many former BHS Employees as we possibly can. The BHS Trust Fund has a very clear set of strategic objectives that the Trustees established at their 'Away Day' held in Reading, prior to the commencement of the financial year in question. All required actions were allocated to one or more of the above groups and revised and amended as required each quarter. By using this approach, we have been able to focus on developing and utilising the skills and experience of the entire team of Trustees, Employees and Case Workers.

Financial support

The Bhs Trust Fund has had a very busy and successful year. During the 2022-2023, the Trust Fund awarded hardship grants in total to the value of £223,366 versus the previous year of £137,595, representing an increase of +62% and an additional support spend of £85,771.

The Trustee group had made a conscious decision to be more generous with their levels of support throughout the year, due to the everyday challenges facing individual applicants. Grants continued to be awarded, supporting the payment of a variety of debts, rent arears, utility bills and credit cards payments. Essential items were purchased for the home including washing machines, fridge freezers, cookers, and beds. Support was also awarded for funeral costs and numerous food shopping vouchers were distributed throughout the year, providing much needed support to meet the increasing costs of purchasing food items.

Throughout 2022-2023 the Trustees approved 94 full grants and 9 Wellbeing short breaks. This was against a backdrop of the previous year of 73 full grants and 2 Wellbeing short breaks.

REVIEW OF ACTIVITIES (continued)

Financial support (continued)

The biggest increases in both applications and approved support levels came from Christmas grants, which was very much reflective of the general economy and the daily challenges being faced by many. Christmas grants awarded this year was a total of 116 versus 75 the previous year +55%. The total spends being £57,350 versus £16,169 in 2021-2022 - +255%. The majority of this spend was in food shopping vouchers.

As with previous years, if the BHS Trust Fund cannot help directly, we always try to signpost the applicant to another more appropriate charity or service. Part of this process also includes giving the individuals the confidence and support they need to go to a statutory body to query or discuss their benefit entitlements and what support packages may be available to them.

During this audit year, the Trustees have also continued to build collaborative links with other major charities, who may be able to assist.

We have made a difference:

> I just wanted to reach out and give you an update, to show you just how much of an impact your help and financial support has had. Since having our garden fenced in and made safe for our son, it has given my husband the confidence and quality time to spend with our son. I have seen huge improvements in his mental health and at his worse time, the garden was a sanctuary for us a family.

> The carpets are all fitted, and the house actually looks acceptable now - I cried when I saw it.
>
> Kids love the new bed and mattresses. They said they didn't realise how uncomfortable their old mattresses were, which made me so sad.
>
> I honestly cannot put into words what the BHS Trust Fund has done for us. How lovely you all are. I prided myself on working there for nearly 10 years but since leaving, life has been less than kind to us as a family. I'm humbled for the support you have bestowed on us.
>
> Thank you so much, forever in your debt.

OBJECTIVES AND ACTIVITIES (continued)

Christmas Applications and Grants

> Thank you for your kindness and financial support, that has enabled us as a family to choose a wonderful headstone for my late husband's grave. We will be eternally grateful for this help and support during these very difficult and sad times.

> We just wanted to say a massive thank you to everyone at the Fund for the help over the last six months with paying our mortgage payments. It has been a massive weight off our shoulders to know that these have been covered and our house remains secure, whilst I continue my battle to regain good health. I am so proud to have worked for such a caring business. I wish you all the success in the future and again we are so grateful for your help.

At the start of November 2022, the Fund sent out our Christmas support message in the form of a Christmas card, along with a letter from our Chair, Helene Hamer, to all our retired staff and named individuals on our Mailing list. This communication gave the BHS Trust Fund the opportunity to reinforce and explain what types of support would be available over the festive season.

Over the years we have become more aware of how many of our beneficiaries find Christmas both a very difficult and emotional time, not only for those struggling financially, but for those on their own and others with very little to look forward to. Many are just pleased to have received the Christmas card and know that someone from their former BHS family, cares about them.

Making a difference at Christmas:

> To everyone at the BHS Trust Fund - you are truly amazing for giving me the help, time, and financial support that you have provided. We both had a lovely Christmas. Your shopping vouchers meant a 'worry free' Christmas in terms of money and I am so grateful for all the support you have given me over the last year. Thank you.

> I cannot thank you and the BHS Trust Fund enough for your kindness - I am overwhelmed. It had taken me quite a few weeks before I had the courage to make the phone call. Please pass on my thanks to my Case Worker, who was just lovely and very understanding. This gift completely changed what we could do together as a family on Christmas Day, and in fact for the whole of December.

> Thank you so very much for the wonderful hamper that we received from the Trust Fund. The contents were amazing and made our Christmas a bit more special. It is very nice that after everything that has happened at BHS that the staff are still remembered and thought of in such a generous way. We hope that you all have a good Christmas and wish you a prosperous New Year. And thank you again!

Christmas greetings from The BHS Trust Fund



Can we help you this year ?

We very much hope that you are looking forward to enjoying the festive season with family and friends.

It has been a very difficult year for many, so if you know of a former BHS colleague who is struggling with financial or other worries, or if you personally need some support, then do not hesitate to call Denise on 07908 994146 or Louise on 07572 737984 before the 1st of December 2022 or visit the contact page on our website www.bhstrustfund.com

We are here to help - so do get in touch!

MERRY CHRISTMAS

Best wishes from all of us at the

BHS Trust Fund

OBJECTIVES AND ACTIVITIES (continued)

Retired Staff Association (RSA)

Our RSA groups have again had a very busy year, as they continue to meet on a monthly basis for their coffee, cake, and a chat. With an aging group of lifelong work colleagues, this gives everyone the opportunity to get together to talk about the many fond memories they all have from their working days within BHS.

The Trustees decided that as Queen Elizabeth II would become the first British monarch to celebrate a Platinum Jubilee marking 70 years of service in June 2022, all RSA groups could arrange an afternoon tea party to celebrate this wonderful occasion. Below is an extract from a letter received from one of the groups.

> *Just a little note to say that we had a lovely afternoon celebrating the Queen's Platinum anniversary. The tea was wonderful, and it was lovely that all seven RSA members could attend. The waitress brought out so many lovely stands full of sandwiches, scones, cakes and not forgetting the trifles.*
>
> *After our tea, which we all enjoyed so much, we raised a glass and drank a toast to the Queen and to the Trust to say, 'thank you'. We hope that everyone enjoyed their afternoon teas as much as we did!*

The RSA groups also celebrated Christmas 2022 with a variety of Christmas activities and having a number of lovely lunches across the country, something the BHS Trust Fund always encourages and funds. The letters and photographs received showed just how much enjoyment and fun was had by the members attending.

Case Worker Update

The role that our volunteer Case Worker team plays in supporting and successfully delivering help and support, has always been an extremely important one within the Fund. Our Case Worker team have again played an even more critical role, as the numbers of applicants applying to the Fund have increased significantly this year versus last year. Not only have we seen increased contacts to the Fund, but the complexity of each case has also resulted in the Case Workers having to spend increased amounts of time with each applicant, to really get to know and understand their individual circumstances. This is so important when they finally prepare their reports and recommendations that are presented to the Trustee group for discussion and approval.

As a result of this increased workload, the expectation is that we will need to recruit at least another three Case Workers to the team as we move into 2023-2024. Our aim is to ensure that all geographical areas of the UK are covered and that we are prepared for the current and any future increases in workload.

FINANCIAL REVIEW

Results for the year

A summary of the results for the period is given on page 31 of the attached accounts.

Total income during the period amounted to £64,644 (2022 - £73,490).

Expenditure totalled £364,630 (2022 - £254,290), with relief of hardship amounting to £345,706 (2022 - £232,401).

Net losses on the revaluation and on the disposal of investments amounted to £80,006 (2022 – net losses of £112,333). This resulted in a net decrease of funds of £379,992 for the year (2022 - net increase of £293,133).

Reserves policy and financial position

The Trustees aim to maintain the Trust's reserves at a level sufficient to ensure the ongoing and future development of the Trust's activities having regard to the profile and demographics of the Trust's beneficiary group.

Unrestricted funds amounted to £2,796,416 at 31 May 2023 (2022 - £3,176,408). The Trustees are of the opinion that this level of free reserves matches the policy set out above.

Investment performance

During the period, the Trust's investment managers invested in accordance with the Trustees' investment policy set out earlier in this report. At the end of the period, the Trust's listed investments (including cash held for re-investment) were valued at £2,462,051 (2022 - £3,078,840). These investments were largely held in a mix of UK and overseas fixed interest stocks, equities, and property and alternative funds as disclosed within note 8 to the accounts.

The portfolio generated income of £62,597 (2022 - £73,312) during the period, which represents a yield of 3% (2022 – 2%). The yield is consistent with market returns in general. The portfolio generated unrealised losses during the period of £43,510 (2022 – unrealised losses of £136,713).

OUR FUTURE – JUNE 2023 TO MAY 2024

As we move on from what has been a very challenging year, we endeavour to be optimistic about the future. Many of the challenges resulting from the current economic climate look certain to continue into the first half of the next fiscal year. Increased levels of inflation continue to impact our beneficiaries, with rising costs of rents/mortgages/supplies and transport, putting additional pressures on households and businesses alike.

When our Subgroup leaders take on the challenge of assessing and prioritizing our Fund's Strategic Objectives for 2023-2024, the above factors are a key consideration, as they impact directly on the Fund delivering its objectives to our beneficiaries.

Our Strategic Objectives are outlined in more detail below by our Trustee Subgroup leaders. We have learnt a lot from the last twelve months and have taken the opportunity to talk to the team on a quarterly basis - listening, learning, and adapting as required.

OUR FUTURE – JUNE 2023 TO MAY 2024 (continued)

At our Trustee Away Day we agreed to realign and rename our subgroups, enabling us to be more adaptable and responsive to the needs of our beneficiary group. We have decreased the total number from five to three, allowing us the opportunity to focus our resources. The subgroups are:

- Marketing Communications;
- People; and
- Financial and Risk Management.

In respect of our wellbeing support for beneficiaries, we are looking to collaborate with VIVUP, a company that can provide the professional expertise we need. This will enable us to offer a comprehensive program of wellbeing support to our beneficiaries when needed and will be a very positive and exciting step forward for the Fund during 2024.

Outside of the Strategic Subgroup framework, we will also be setting up specific project group opportunities, prioritising other areas of the Trust Fund that are considered important to our overall success going forward.

Marketing Communications

This key strategic strand centres on ensuring the BHS Trust Fund fulfils its objects through increasing its applicants and more crucially, its beneficiaries.

For individuals who already know of us, it's key to remind them that we are still here to help and remove any barriers to getting in touch. And for those who are unaware of what we do, we strive to find new ways to reach them. Our focus is on:

- Increasing and maintaining awareness of the BHS Trust Fund
- Encouraging individuals to apply, particularly new applicants to the Fund.

This year, we plan to:

- Commence a new part-time Marketing Administrator (c8 hours per week) to focus on initiating and delivery of all marketing activities.
- Take new approaches on Facebook and other channels i.e. sharing personal stories on a regular basis, to help break down barriers in individuals who may be apprehensive about getting in touch. Grow our followers across all channels.
- Refresh our brand identity and house-style, ensuring our social media presence, website and marketing materials reflect our new image.
- Continue to build relationships with relevant charities and other organisations who can partner and promote our work, through following and linking on social media.

OUR FUTURE – JUNE 2023 TO MAY 2024 (continued)

People

Succession planning will continue to be an integral part of our People priorities in the coming year, as we carry on the recruitment and development of our new Volunteers and Operational team members, ensuring that we support both promotional and natural turnover within the Trust Fund. This continues to impact all areas of the Fund's sub-group strategies and project work being undertaken.

Project Resource

- We continue to support the work being undertaken by the Project Resource Group and the Operational Team in their efforts to deliver the additional resources needed to protect the future of the Fund. Key to this will be to instigate recruitment of a Chair, due to the planned retirement of our existing Chair during 2024. In addition, we need to source additional Trustees and Case Workers to support increasing applicant numbers and succession requirements within the team.

- The Trustees have agreed to work with the Project Resource Group to source candidates with the correct levels of professional expertise, passion and a real empathy with the Fund's objectives and applicant needs.

Training and Development

We will ensure that all new employees/volunteers follow a structured Induction programme and have an initial Development programme in place, including Buddy/Mentoring support and regular quarterly reviews.

All current Employees/Volunteers will be encouraged to proactively pursue their own personal development needs, taking the opportunity to attend all appropriate quarterly meetings and available external Webinars, delivered by our Fund Managers of Buzzacott and Investec.

The Skills Matrix document for all employees and volunteers will be reviewed and updated, so that we can identify any skill gaps requiring additional support. It will also be used to identify strengths within the team that can be fully utilised for the benefit of the Fund.

We will continue to encourage team participation in all of our quarterly meetings by running more interactive sessions, along with an increased number of external speakers, from a range of other Charities or professional agencies.

Finally, we will continue to deliver an annual review discussion for all our Trustees, Case Workers, and Employees. These allow us a fantastic opportunity to gain the views from the whole team, used both to support individual development and Trust Fund progression.

In conjunction with the individual Sub-groups, Project Resource is in place to address some critical succession/ recruitment issues facing the BHS Trust Fund during 2023-2024.

- To make plans to identify a replacement Chair for the BHS Trust Fund, as our present Chair, Helene Hamer is planning to retire during 2024.

OUR FUTURE – JUNE 2023 TO MAY 2024 (continued)

Training and Development (continued)

- To recruit at least three additional Trustees to the team, to ensure that we have the resources, expertise, and diversity of individuals in place, ready to meet the challenges of the next five years.

- To recruit three to five additional Case Workers to support the increased demands being placed on the existing team with rising numbers of applicants/beneficiaries.

- To support the recruitment, development, and promotion of individuals to provide succession for the retirement of Denise Banner, Grant Manager on the 31st of May 2023 and the planned retirement of Angela Curchin, Fund Manager on 31st of March 2024.

Financial and Risk Management

The key objective for the year ahead is to ensure the BHS Trust Fund remains financially secure, anticipating that beneficiary numbers, the value of grant awards and the associated operating overheads will again grow by as much as 30% compared with activity levels recorded in 2022/2023.

- We will continue to monitor the Fund's financial activities, comparing actual monthly and year to date performance with budget, to ensure any substantive variances are understood, and addressed where necessary.

- In anticipation of increasing levels of Fund activity, continuing inflationary pressures and further geopolitical turbulence, the Trustees, together with Investec, will explore whether any significant changes to investment strategy might be required.

- We will benchmark BHS Trust Fund operational efficiency (operating costs relative to the value of beneficiary awards) against that of other grant-giving charities by comparing performance ratios across the sector.

- Trust Fund solvency will be measured on a quarterly basis, by calculating moving annual costs as a ratio of current Fund asset value, to establish a projection of how many years into the future the Fund might reasonably continue to fulfil its core purpose. This projection will be under constant review given the rising numbers of applicants and beneficiaries to ensure that we have sufficient funds to meet the level of demand for our support. Should we feel our assets could fall short earlier than expected, we may decide to review the level of financial help we provide to extend the longevity of the Fund.

Each strategic sub-group will continue to review, and report back on a quarterly basis, by means of the Trustee assurance process, the Risk Register content which falls within their operational remit. As new or unforeseen risks evolve consideration will be given to the mitigation already in place and agreement reached on any new actions required. From this on-going analysis principal risk factors will be re-evaluated and carefully monitored.

OUR FUTURE – JUNE 2023 TO MAY 2024 (continued)

Operational Focus

Our Fund Manager continues responsibility for the Governance, Structure and Management on a day-to-day basis of the BHS Trust Fund. Working very closely with the Chair and Trustee Board members, the Fund Manager ensures that the Fund operates in a professional manner, is compliant and ensures the delivery of the best possible applicant/beneficiary outcomes.

The key objectives for the year ahead will fall into the following categories.

- Working with both the Project Resource team and the People Sub-group, ensure that all Operational positions have individuals in place, working towards taking up new appointments with increased responsibilities. A mentoring and work shadowing plan will be created, ensuring a seamless transition for the Trust Fund.

- Working Smarter - a full review of all BHS Trust Fund processes and daily requirements, identifying any improvement opportunities and ensuring all are fit for purpose.

- Research third party providers to move the Operational team's monthly payroll, HMRC and Pensions administration, away from the Fund Manager's role.

- Create a Cyber Security policy to provide guidance to the Fund team on how to protect the Fund's sensitive information against any possible breaches and threats and to ensure we comply with any relevant regulations.

- Introduce a Social Media Policy, which outlines how Fund employees and volunteers should represent themselves and our brand on social media, protecting our security, reputation, and legal interests.

- Review and update our GDPR policy and procedures, in addition to other policies due for review on a rolling basis, ensuring that all legislative requirements are covered, with robust documents and processes.

- Supporting the provision of a comprehensive Wellbeing offer through the engagement of VIVUP, who will be providing a specialist service. This will significantly enhance the levels of support that the Fund can offer beneficiaries.

GOVERNANCE, STRUCTURE AND MANAGEMENT

The BHS Trust Fund is constituted as a Charitable Incorporated Organisation (CIO) (Charity Registration Number 1171705). This was approved by the Charity Commission on 20th February 2017.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

BHS Trust Fund - Trustees

The following individuals served as the trustees of the charity from 1 June 2022 to the date of approval of this report (except as shown):

Trustee	
Helene Hamer - Chair	
Susan Topping - Deputy Chair	
Rosemary Tocock, MBE	(Retired May 2023)
David Crudge	
Charles Gibson	
Robert Eller	
Keith Smalls	
Beverly Edgar	
Susan Amanda Taylor	(Appointed October 2023)
John Holmes	(Appointed October 2023)

Though out the year, Trustees have attended a variety of webinars and external courses, relevant to their personal development needs and responsibilities. Ensuring that everyone is keeping up to date with current legislative and governance issues that affect the BHS Trust Fund.

Brief Biographical details of the Trustees

Helene Hamer - Chair



As Chair, I am so proud to be working with my team of Trustees, Case Workers, and our dedicated Operational Team. It is also great to know and see the BHS passion, dedication, commitment and caring, for our former colleagues, is as alive today, as it was when BHS Stores closed.

Given the opportunity to join Team BHS, as a young teenager. It was not just a job! I had joined a family, one which gave me the chance to develop my career, that took me through 35 years of working in Stores, Regional Management and finally 16years as Fund Secretary.

No surprise that I was a little worried about what life would be like without BHS when I made the decision to step away from the role of Fund Secretary. Well, that did not happen! I was given the opportunity to become a Trustee, a voluntary role I held for a short time and then.

Around the time BHS closed I became Chair. I often get asked why I volunteer with the Fund. Firstly, the individuals who come to us for support were part of a dedicated work force that contributed to making BHS and to play a part in being able to offer them support when they find themselves in need is. Plus, I work with the most fantastic people who are empathic, honest open individuals and a joy to be around.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Sue Topping - Deputy Chair



I worked in BHS Human Resources for 29 years, with the final 6 years as HR Director. We faced many challenges over the years, but the most enjoyable aspect was working with such fantastic people - always professional, committed, passionate and caring about each other.

Leaving the BHS family was difficult, so continuing as a Trustee for the BHS Trust Fund, was a great way to stay connected. We look after such an important legacy set up by BHS Directors in 1951 - who would have thought it would still be helping former BHS employees over 70 years later! It's hugely rewarding and humbling to be able to support individuals facing difficult times for a wide variety of reasons. We always love to hear how things have improved from those we've helped. We're constantly finding new ways to spread the word so that we increase the number of individuals we support. My hope is that we can continue for many years to come.

Rosemary Tocock – MBE



I became a Trustee of the BHS Trust Fund, a role I am very proud of, as I wanted to give something back, having enjoyed my long-time service with the Company and the people that I met while at BHS.

I have a broad understanding of how other Charities work. Currently I am Chairman of The Reading and Wokingham MS Society, a role I enjoy. My husband had MS all our married life.

I also help with Girl Guiding and The National Trust, which again I find extremely satisfying. These roles have widened my outlook on the various ways there are of helping others.

I have enjoy being a Trustee and as a Charity, we have created something to be very proud of. We have helped and guided many people, who are trying to ensure a better future for themselves and their families, which is very rewarding. After nine years of being on the board, I have made the decision to retire in May 2023.

David Crudge



My retail career commenced in 1968 when I joined BHS as a management trainee. On leaving the company after ten years I gained further retail experience with Mothercare, before then establishing my own business. This subsequently led to a consultancy role with Clarks Shoes where my career ultimately progressed to leadership of the Franchise division.

Following retirement in 2009 my ambition was to seek volunteering opportunities that might enable a value-added transfer of my business and life skills to support suitable charitable causes. Currently I serve as a volunteer with my local hospice and act, also, as a trained mediator in dispute resolution with the regional mediation service. My appointment in 2014 as a Case Worker with the BHS Trust Fund has subsequently led to my serving as a Trustee with the Fund.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

David Crudge *(continued)*
This re-connect with BHS, through the workings of the Trust Fund, is a relationship with which, from a cultural perspective, I feel very comfortable. To be actively engaged as a Trustee with an organisation that strives to reach out to help, encourage, and support former BHS employees, many of whom are now experiencing significant financial, health and psychosocial problems, is a role that personally I find most rewarding and worthwhile.

Charles Gibson
I joined BHS in 1978 as a management trainee in Glasgow.



After completing my management training, I relocated to various locations in the UK. In 1992 I returned to Scotland and took up the post of Manager in our Glasgow store, later moving to our Edinburgh store in Princess Street. I subsequently left BHS to pursue other retail opportunities, returning to BHS in 2005 and remained with the company until my retirement in 2016.

My initial role with the BHS Trust Fund was as a Case Worker, which subsequently led to my current role as a Trustee. Without a doubt, those individuals who worked for BHS were the company's most valuable asset. Their hardworking and caring attitude coupled with their sense of commitment bears testimony to this. It is a privilege to be part of the BHS Trust Fund team and I am grateful for the opportunity that this has given me to reconnect with former colleagues and assist ex-employees. many of whom are experiencing substantial difficulties. I find this both rewarding and humbling.

Robert Eller
I very much enjoyed my 13 years being part of the BHS Foodservice team, initially as an analyst and then as a buyer. During this time, I made many friends throughout the business, some now part of the Trustee and Case Workers group and I look back with great affection and gratitude for the experiences I gained being part of that BHS team.



I am currently employed as Head of Purchasing for Apetito, a manufacturing company based in Wiltshire, providing meals to some of the most vulnerable people in society, including Hospitals, Care homes and Meals on Wheels, and includes the retail brand Wiltshire Farm Foods, delivering frozen ready meals to the elderly in their homes.

With this relevant business experience, I was keen to become further involved in charity work and was delighted to be appointed as a Trustee. I am keen to gain more experience of how our Charity operates and supports people.

Despite the closure of the BHS business in 2016, the Fund, has continued to be able to reach those most in need and developing the strategy for the future success of the Fund, working alongside the Trustee and Case Worker Team, is a continued source of satisfaction and great enjoyment.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)



Keith Smalls

I joined BHS in 1973 as a management trainee and worked for the company for 33 years. I always enjoyed my time with the company, and I had a close affinity with the people. In 2020, when I was given the opportunity to join the BHS Trust Fund, I felt privileged and honoured to join the team.

I was very aware of the excellent work being carried out by the Trust Fund, during my time working in BHS. Joining the Trustee Team is allowing me to give something back to the BHS Team I once was part of and giving me a more comprehensive appreciation of the valuable work, they do in so many ways.

The Fund works with many people, who often face life changing events, usually unexpected, that significantly impacts their daily lives. Many are very sad cases, where people are simply desperate for help. Our work is very rewarding and meaningful and the reason why I do this role.

I have been very lucky in my life, not without its ups and downs, but fortunately more ups than downs. Sadly, this is not the case for many people, not usually through their own fault, but by events outside of their control. There is no better feeling than helping others who need help or are not coping. My position as a Trustee, has been very fulfilling and a worthwhile role for me.

Beverley Edgar



When I began my career in BHS in 1979, I would never have imagined that I would still be connected to the people I worked with again in 2023!

My career has always been about looking after people and especially during the last 18 years as a Manager and HR Director with the NHS. I have been privileged to learn so much during this time and I do know how challenging life can be for so many people. Working in the NHS has been truly rewarding and has led to me being appointed as a Trustee at the Midlands Hospice Partnership - a role I am passionate about and again helps me use my skills and knowledge to help people most in need.

Equally, I am so pleased to have been appointed as a Trustee of the BHS Trust Fund, because I know we can genuinely help former colleagues when they might need us the most. Anyone can find themselves in a difficult financial situation or may feel lonely or isolated. The work we do enables our former colleagues to feel that the BHS Family is alive today, as a caring network and that we are still upholding the values we shared in looking after each other - even if for some of us, it was many years ago.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Susan Amanda Taylor



I worked in the HR team for BHS for over 10 years, until the business closed in 2016. As I had intended to remain with BHS until I retired, I took the opportunity to return to the BHS family, as a Volunteer Case Worker for the Trust Fund following retirement, in 2021, as a way of reconnecting with a company I had loved.

I have recently been appointed as a Trustee for the Fund, a role I'm both delighted and privileged to take on. I have become a Trustee as I believe this will afford me the opportunity to give something back to some of our former colleagues, who have found themselves in difficult circumstances and enable them to regain control of their lives. I am finding my ability to contribute to the Fund's aim of supporting former BHS colleagues extremely rewarding and, at times, very humbling.

Being a Trustee is a new experience for me and I am looking forward to developing new skills during my time in this role, as well as utilising skills acquired during my working life which I hope, will add value to the Fund.

John Holmes



I joined BHS in 1977 as a management trainee in Blackpool.

I worked for the Company in various roles for 39 years only leaving when the business closed in 2016.

BHS has been a major part of my life. It was challenging and rewarding but what I always thought made it special was the people you worked with on a day-to-day basis. I feel lucky to have had such a long career with the Company.

The Trust Fund has been helping both current and former employees for many years. When the opportunity came along for me to join the Trustee Team it was not something I needed to think twice about.

It is a great privilege to be part of the BHS Trust Fund team and to be able to help and support former colleagues who are experiencing difficult times.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure and management reporting

The Trustees are ultimately responsible for the policies, activities and assets of the Trust. They meet at least three times a year to review the developments with regard to the Trust, its grant giving and loan activities and make any important decisions. When necessary, the Trustees seek advice and support from the Trust's professional advisers including investment managers, solicitors and accountants.

Day to day administration of the Trust is carried out by the appointed Trust Fund Manager, supported by the Fund Administrator. Both are wholly accountable to the Trustees, supported by a number of volunteer Case Workers. The Trust Fund Manager and Fund Administrator meet with, and communicate with, the Trustees on a regular basis. This is carried out through regular meetings, email communication and use of Skype.

At their meetings, the Trustees review the investment performance, and the investment managers attend the meetings to update the trustees in detail on the portfolio. The Trustees review the proposals for grants to be made and approve them as appropriate.

Key management personnel

The Trustees consider that they together with the Trust Fund Manager, Grant Manager and Fund Administrator, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Key management personnel (continued)
The remuneration of the Trust Fund Manager, Grant Manager and Fund Administrator is decided upon by the Trustee team.

Risk management
In line with the requirement for charity Trustees to undertake a risk assessment exercise and report on the same in their annual report, the Trustees have looked at the risks the Trust faces and have reviewed the measures in place to deal with them. The Trustees have identified five main areas where risks may occur:

- Governance and management
- Operational
- Financial
- Reputational
- Laws, regulations, external and environmental

Governance and management looks at the risk the Trust suffers from a lack of direction, the skills and training of the Trustees and the good use of its funds.

Operational looks at the risk inherent in the activities of providing grants and making loans to individuals.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational looks at possible damage to reputation, through association with unsuitable organisations or with inappropriate activity.

Laws, regulations, external and environmental looks at the effects of government policies, the consequences of non-compliance with laws and regulations and the effect of external matters on the investment portfolio.

Having assessed the major risks to which the Trust is exposed, in particular those relating to the investments and the finances, the Trustees believe that by ensuring controls exist over key financial systems, and by delegating the investment management function to investment managers, subject to regular monitoring, including periodic reviews of performance against benchmark, they have established effective systems to mitigate those risks.

The key risks for the Trust during the period, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

- The value of investments. The value of listed investments is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Trust's needs, both now and in the future.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- Reliance on key staff and Trustees and the need for succession planning**.** Advice is taken on investment management, accountancy, legal and business matters from professionals. The Trustees meet regularly.

Approved by the Trustees and signed on their behalf by:

Helene Hamer

Trustee

Date: 8 February 2024

Independent auditor's report to the Trustees of BHS Trust Fund

Opinion

We have audited the accounts of BHS Trust Fund (the 'charity') for the year ended 31 May 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 May 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and Trustees as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of Trustees; and
- enquiring of management and Trustees as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 9 February 2024

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

Statement of financial activities Year to 31 May 2023

	Notes	Unrestricted funds 2023 funds £	Unrestricted funds 2022 funds £
Income from:			
Investments	1	**62,597**	73,312
Interest receivable	1	**2,047**	23
Other sources		**—**	155
Total income		**64,644**	73,490
Expenditure on:			
Raising funds			
. Investment management fees		**18,924**	21,889
Charitable activities			
. Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company	2	**345,706**	232,401
Total expenditure		**364,630**	254,290
Net expenditure before investment losses		**(299,986)**	(180,800)
Net investment losses	8	**(80,006)**	(112,333)
Net expenditure and net movement in funds	5	**(379,992)**	(293,133)
Reconciliation of funds:			
Fund balances at 1 June 2022		**3,176,408**	3,469,541
Fund balances at 31 May 2023		**2,796,416**	3,176,408

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 May 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investments	8		**2,462,051**		3,078,840
Current assets					
Debtors	9	**235**		231	
Cash at bank and in hand		**360,857**		122,297	
		361,092		122,528	
Creditors: amounts falling due within one year	10	**(26,727)**		(24,960)	
Net current assets			**334,365**		97,568
Total net assets			**2,796,416**		3,176,408
The funds of the Trust					
Unrestricted income funds			**2,796,416**		3,176,408

Approved by the Trustees and signed on their behalf by:

Helene Hamer

Trustee

Approved on: 8 February 2024

Statement of cash flows Year to 31 May 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	**(362,789)**	(277,024)
Cash flows from investing activities:			
Investment income and interest received		**64,567**	75,506
Proceeds from disposal of investments		**1,027,056**	438,693
Purchase of investments		**(469,874)**	(238,269)
Net cash provided by investing activities		**621,749**	275,930
Change in cash and cash equivalents in the period		**258,960**	(1,094)
Cash and cash equivalents at 1 June 2022		**138,139**	139,233
Cash and cash equivalents at 31 May 2023	B	**397,099**	138,139

Notes to the statement of cash flows for the period to 31 May 2023

A Reconciliation of net movement in funds to net cash used in operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	**(379,922)**	(293,133)
Adjustments for:		
Losses on investments	**80,006**	112,333
Investment income and interest receivable	**(64,644)**	(73,335)
Increase in debtors	**4**	—
Increase (decrease) in creditors	**1,767**	(22,889)
Net cash used in operating activities	**(362,789)**	(277,024)

B Analysis of changes in cash and cash equivalents

	2022 £	Cash flows £	**2023 £**
Cash at bank and in hand	122,297	238,560	**360,857**
Cash held by investment managers	15,842	20,400	**36,242**
Total cash and cash equivalents	138,139	258,960	**397,099**

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 May 2023 with comparative information given in respect to the year to 31 May 2022.

The accounts have been prepared in accordance with the principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The Trust constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The main area in the accounts where judgements and estimates have been made relates to estimating future income and expenditure flows for the purpose of assessing going concern.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees have concluded that there are no material uncertainties related to events, or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due.

With regard to the next accounting period, the year ending 31 May 2024, the most significant areas that affect the carrying value of the assets held by the Trust will be the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Income recognition

Income is recognised in the period in which the Trust has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises investment income, interest receivable, and income from other sources.

Investment income is recognised once the dividend or similar income has been declared or is payable and notification has been received of the amount due.

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

Income from other sources is recognised when the Trust is entitled to the income, the amount due can be quantified and there is probability of receipt.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

a. Expenditure on raising funds comprises the fees paid to investment managers in connection with the management of the Trust's listed investments.

b. Expenditure on charitable activities comprises expenditure on the Trust's primary charitable purposes as described in the Trustees' report and includes grants payable so as to relieve the hardship of former employees of Bhs Limited, their dependents or retired employees of the company together with costs directly related to the relief of hardship. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

   Included within expenditure on charitable activities is the cost of food vouchers which are purchased to hand to beneficiaries of the charity when the trustees believe it more appropriate to give these rather than cash grants. At any one time, the charity will have a small quantity of such vouchers which have not been allocated to beneficiaries. These are not recorded as stock as their value is not deemed material to the charity's accounts.

Allocation of support and governance costs

The provision of grants and loans to beneficiaries requires expenditure on support and administrative services in respect to liaising with grant and loan applicants and recipients. In addition, in order to carry out the primary purposes of the Trust it is necessary to incur expenditure on support in the form of accounting, office services and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Trust (including audit costs) and costs in respect to its compliance with regulation and good practice.

All such direct and indirect overheads are allocated to the Trust's principal charitable objective of relieving hardship amongst former employees of Bhs Limited, their dependents and retired former employees of that company.

All expenditure is stated inclusive of irrecoverable VAT.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the period in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Trust anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

The unrestricted income funds represent those monies that are freely available for application towards achieving any charitable purpose that falls within the Trust's charitable objectives.

1 Income from: Investments and interest receivable

	2023 £	2022 £
Income from listed investments		
UK fixed interest securities	**3,593**	4,736
Overseas equities	**17,151**	21,797
UK equities	**24,980**	32,461
Alternatives	**16,873**	14,318
	62,597	73,312
Income from interest receivable	**2,047**	23
	64,644	73,335

2 Expenditure on: Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company

	2023 £	2022 £
Grants payable	**220,452**	140,419
Retired Staff Association expenses	**13,694**	8,076
Administration costs including liaison with grant and loan recipients	**111,560**	83,906
	345,706	232,401

Administration costs including liaison with grant and loan recipients include staff costs of £54,923 (2022 – £41,548) (note 3).

The grants payable during the period were for the following purposes:

	2023 £	2022 £
Hardship grants	**159,411**	122,027
Christmas grants	**56,850**	16,169
Holiday	**4,191**	2,223
	220,452	140,419

During the year a total of 219 grants were awarded to individuals by the Trust (2022: 163 grants). On occasions more than one grant has been awarded to an individual.

3 Staff costs and remuneration of key management personnel

Staff costs during the period were as follows:

	2023 £	2022 £
Wages and salaries	**54,923**	41,548

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2022 – none)

The average number of employees during the year was four (2022 – three).

The Trustees consider that they together with the Trust Fund Manager, Grant Manager and Fund Administrator, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. The total remuneration (including employers' national insurance contributions) of the key management personnel for the year was £39,065 (2022 – £41,548).

4 Governance costs

	2023 £	2022 £
Auditor's remuneration (including VAT):		
. Statutory audit services	**12,600**	9,150
Legal and professional	**1,224**	1,152
	13,824	10,302

5 Net expenditure and net movement in funds

This is stated after charging:

	2023 £	2022 £
Staff costs (note 3)	**54,923**	41,548
Auditor's remuneration (including VAT)	**12,600**	9,150

6 Trustees' expenses and remuneration and transactions with trustees

None of the trustees received any remuneration for their services during the year (2022 – none).

Travel expenses totalling £7,653 were reimbursed to eight trustees during the year (2022 – £1,492 to seven trustees).

7 Taxation

The Trust is a registered charity and, therefore, is not liable to income tax or capital gains tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Investments

	2023 £	2022 £
Listed investments at market value		
At 1 June 2022	**3,062,998**	3,375,755
Additions at cost	**469,874**	238,269
Disposals at opening book value (proceeds: £1,027,056; realised losses: £36,496)	**(1,063,553)**	(414,313)
Unrealised losses on revaluation	**(43,510)**	(136,713)
At 31 May 2023	**2,425,809**	3,062,998
Cash held by investment managers for reinvestment	**36,242**	15,842
	2,462,051	3,078,840
Listed investments at historic cost	**2,012,350**	2,377,703

All listed investments were dealt in on a recognised stock exchange.

Listed investments held on 31 May 2023 comprised of:

	2023 £	2022 £
UK fixed interest securities	**44,630**	80,540
Overseas fixed interest securities	**138,786**	149,028
UK equities	**577,581**	922,095
Overseas equities	**1,222,357**	1,415,113
Property funds	**192,488**	224,494
Alternatives	**249,967**	271,728
	2,425,809	3,062,998

At 31 May 2023, the following holdings constituted material holdings when compared to the value of the total listed investment portfolio at that date:

	2023 Market value £	2023 % of portfolio %
Charities Property Fund	**162,598**	**6.7**
JP Morgan Funds Ltd US Equity Inc K	**160,272**	**6.6**
Blackrock Fm Ltd, European Dynamic Fd Inc	**132,512**	**5.5**
Brown Advisory Fds US Sustainable Gth Si GBP	**181,625**	**7.5**
Spdr S&P500 Etf Tr. Units Ser 1 S&P	**236,007**	**9.7**

9 Debtors

	2023 £	2022 £
Accrued investment income	**235**	231
	235	231

10 Creditors: amounts falling due within one year

	2023 **£**	2022 £
Grants payable	**11,792**	11,898
Accruals	**14,935**	13,062
	26,727	24,960

11 Related party transactions

Other than those disclosed in note 6, there were no related party transactions requiring disclosure in the year to 31 May 2023 (2022 – none).

12 Unrealised gains

The total unrealised gains at 31 May 2023 constituted movements on revaluation and were as follows:

	2023 **£**	2022 £
Total unrealised gains at 31 May 2023: On investments	**413,455**	685,295
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 June 2022	**658,295**	877,671
In respect to disposals in the period	**(191,833)**	(80,044)
Net (losses) gains arising on revaluations arising in the period	**(80,007)**	(112,332)
Total unrealised gains at 31 May 2023	**413,455**	685,295

BHS TRUST FUND

England & Wales - Charity number 1171705

Accounts

BHS Trust Fund

Annual Report and Accounts

31 May 2022

Charity Registration Number
1171705

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Reference and administrative details of the charity, its trustees and advisers

Trustees	D Crudge B Edgar R Eller C Gibson H Hamer (Chairperson) K Smalls R Tocock MBE S Topping
Postal address	BHS Trust Fund PO Box 7762 Kettering NN16 6NP
Telephone	07495 723550
Charity registration number	1171705
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 90 Baker Street London W1M 2AX
Investment managers	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN
Solicitors	Royds Withy King LLP 69 Carter Lane London EC4V 5EQ

INTRODUCTION - MESSAGE FROM OUR CHAIR

Our reporting year from June 2021 to May 2022 has come to end. It was a real step forward to have lockdown restrictions on social mixing end in March 2022. Certainly, a real positive for everyone, as we could all see our lives returning to normal, though many of us felt it would be a different normal. Covid 19 has had a profound effect on us all having changed our lives and values, both at work and home, in ways we never imagined.

Whilst we have come through the challenges of the last two years, we still have more significant challenges to face. These include the havoc that the pandemic created, impacting the world economy and the effects of the War in Ukraine, resulting in increased energy prices and cost of living price rises.

Here at the BHS Trust Fund, we have had to face change also, ensuring that we can respond to the effects of all the above on our society and applicants. We have been prepared to challenge and question our operations at all levels, ensuring that we could respond to the needs of all our beneficiaries.

Our four strategic objectives of Increasing Our Beneficiaries, Team Building, Financial and Risk Management and Operational, are rigorously reviewed and challenged at our quarterly meetings, to ensure our focus is both maintained and fit for purpose. I am pleased to announce that we will introduce a Wellbeing strand for 2022/2023, which will allow us to develop greater levels of support for individuals and their families. This will allow them time and relaxation away from the stress and anxieties caused by today's many challenges.

We are in the privileged position of being able to provide help and support to all former BHS Employees who have come to us throughout this financial year. What has become very clear to us all is that our applications have become more complex and often taking the individuals much longer to take the difficult steps of asking for our help. Whilst this year we have seen a small decrease of 5% in our contacts to the Fund, 146 against 153, our actual cash awards are up by 10%. Our Christmas grant activity saw a 15% decrease from 88 to 75 grants awarded. We believe these small decreases come following the exceptional increases achieved, the previous year, when we all faced our first ever enforced lockdown. Through this period many people faced worries about their incomes and work status, increasing stress and anxiety levels. In addition, concerns regarding not only their own health, but that of their family and friends were also prevalent. These worries may not have gone away, but many individuals have learned to cope better as time goes by.

May I take a moment to recognise our team of Employees, Caseworkers and Trustees who have certainly risen to the demands and challenges that we have faced, constantly adapting and being there when needed. We are so proud to have such a dedicated team of individuals.

When you go through our Trustees' report you will see that whilst some things have gone well, there will be some areas where we feel we could have done better, as we endeavour to provide help and support to individuals and their families who worked at BHS. Our key message remains unchanged - we are here to help. Our small team of incredible people are very focused on being there to make a difference for everyone who is struggling through these very difficult and uncertain times.

INTRODUCTION - MESSAGE FROM OUR CHAIR (continued)

As I end this message, may I share with you that the BHS Trust Fund celebrated its 70-year anniversary in December 2021. We have been here as a Fund, supporting our former employees, who worked for BHS during its 80+ years presence on the High Street, until the company finally closed in August 2016. As we now move into 2022/2023, I know I can speak for the whole Trust Fund Team, as well as myself, that it has been a great privilege and honour to have supported and made a real difference to the lives of our beneficiaries and their families through these very difficult times of the Covid 19 Pandemic.

The Trustees present their report together with the accounts of the BHS Trust Fund, a Charitable Incorporated Organisation (CIO) (the "Trust" or the "Fund") for the year ended 31 May 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 38 to 41 of the attached accounts and comply with the constitution, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Introduction and background

BHS Trust Fund (Charity Number – 1171705) is a Charitable Incorporated Organisation (CIO), formerly known as the Bhs Limited Employees Trust Fund. It was established by Bhs Limited in 1951 to support the relief of hardship amongst its employees.

Upon the closure of Bhs Limited in August 2016, it was agreed by the Trustees to continue the Fund's work by becoming a CIO and supporting former BHS employees with one year's service or more.

The aim of BHS Trust Fund

- Our Vision: To help and support any former BHS Employees and their dependants, through difficult times

- Our Mission: To ensure that no former BHS Employee struggles to meet their daily basic needs

The BHS Trust Fund achieves its principal objectives by awarding financial grants to Individuals, these being our former BHS Employees.

We also provide opportunities for our beneficiaries, who are often going through stressful or difficult situations in their lives, to apply for our current holiday programme, which includes individual holidays or a short UK break.

Individuals can make a personal application by directly contacting our Trust Fund Manager, Grant Manger or Administrator. Alternatively, contact with the BHS Trust Fund can be made via our website or one of our social media platforms. An application form is sent out for completion and on its return, the next steps will be discussed and agreed.

The Caseworker will then arrange a meeting or telephone call, to go through the application and gain an understanding of how the Fund may be able to support the applicant. Following this, recommendations are made and the case file, which may include the involvement of other outside agencies, will be sent to the Trustees Board for approval of the most appropriate levels of support.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022

Our achievements are based on 4 strands which underpin our BHS Trust Fund Strategy:

- Increasing Our Beneficiaries
- Team Building
- Financial and Risk Management
- Operational

Increasing Our Beneficiaries

Our Fund Awareness strand of work is renamed Increasing Our Beneficiaries - this better describes the primary objective of our marketing and communications activity, which is to increase the number of individuals in need who receive our help.

We have seen a small decrease in applicants of 5% year on year, from 153 to 146 and a corresponding reduction in beneficiaries of 7% from 81 to 75. In addition, our Christmas awards decreased by 15% from 88 to 75. Our average full awards have increased by 23% year on year to an average of £1,622 per beneficiary, as we endeavour to better meet the needs of our applicants, many of whom face a complex range of challenges.

Whilst we have a watchful eye over this decrease in applicants and beneficiaries, these reductions are relatively small and we believe can primarily be accounted for by an exceptional year in 2020/2021, the first year of the pandemic. Across this year, individuals experienced a high degree of anxiety through major health concerns, job losses and economic pressures, resulting in a heightened level of demand for our support.

Setting aside the pandemic year, we are pleased that both the number of applicants and individuals helped show an increase against 2 years ago, 2019/2020, before the pandemic hit down – full grants were up by 36% and full applications were higher by 27%.

To raise the level of both applicants and beneficiaries, our activities centred on increasing awareness and encouraging individuals to contact us:

- Social media - Facebook remains of key importance as a channel to reach our followers of nearly 1,000 to remind them that we're here to help and to encourage individuals in need to get in touch. We refreshed with a new post and topical message every 2 to 3 weeks and used boosted posts to reach more individuals. Each new Facebook post is reflected on our website, Instagram, and Twitter.

  We monitored the source of our applicants more rigorously so we can assess the effectiveness of individual Facebook posts. For the full year, circa 30% of applicants have been encouraged to apply having seen a Facebook post and we believe this will continue to increase going forward.

  We undertook a review of our wider use of social media, supported by a Caseworker with marketing experience. This identified several potential opportunities for us, which will be addressed going forward.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Increasing Our Beneficiaries *(continued)*

- BHS Trust Fund website - this year saw a major piece of work to refresh our website, with the overall aim of ensuring it conveys all the right messages in a friendly and accessible way. We gathered ideas from our wider team and identified the best ideas to take forward.

  This work was completed primarily within the financial year, introducing Frequently Asked Questions, new and more appropriate images, the use of symbols to signpost different sections and clearer navigation, to name a few improvements.

- Mailing List - we continued to grow this, albeit by a relatively small amount as individuals are increasingly using social media rather than more traditional communication routes.

  All applicants are now automatically added to the mailing list unless they opt out. Our mailing list is particularly effective for our Christmas campaign, when we send a seasonal card and letter and encourage individuals who are struggling financially to apply for help at Christmas.

Team Building

The ongoing development and inclusion of our wider team continues to be one of our key priorities.

Following our review of the BHS Trust Fund's strategic objectives earlier this year, we decided to rename this strand Team Building. We felt this reflected our responsibilities more appropriately, working with our skilled and knowledgeable team of both volunteers and employees

Also, through the course of this year we have continued to collaborate with our team on succession planning. This has allowed us to future proof the Trust Fund's needs and ensure that we have the resources in place to meet the demands of the next 2-5years.

We have a cohesive team, who are prepared to influence and challenge to help us achieve our key objectives.

- Trustees
  - Our Trustee review process has been successfully completed, allowing us to create a skills matrix that details individual needs.
  - Upon completion of the review process, personal development plans have been created and regularly reviewed.
  - The Trustee development opportunities have been extensive. Attendance at governance sessions with our Fund Advisors, Buzzacott and Investec, in-house opportunities, as well as external webinars.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Team Building *(continued)*

- Trustees (continued)
  - ◊ All Trustees take an active role in the creation and development of the Fund Strategy which includes leading or supporting sub-group activities and conducting regular reviews.
  - ◊ Trustees are encouraged to take part in the Caseworkers' quarterly meetings, which includes facilitating and group participation.

- Caseworkers
  - ◊ Caseworkers' development discussions have been completed, which allowed us to understand more fully their personal aspirations.
  - ◊ The completion of the review process allowed us to establish their personal development plans, with their aspirations being built into our succession planning programme.
  - ◊ This year we have had the opportunity to enhance our Caseworker numbers with three new volunteers. All successfully completed their induction period and were supported throughout by a mentoring colleague.
  - ◊ Continuation of Caseworkers' quarterly meetings, held on Zoom, enabled them to be updated, review applications, share the strategic updates and day to day activities of the Fund.
  - ◊ Caseworkers and Trustees have had the opportunity to attend presentations from outside charities, with speakers from Step Change, a debt management charity, and the Fashion Textiles and Children's Trust.
  - ◊ We continue to review, maintain and update the Caseworkers' tool kit, providing information and fact sheets, to assist them when preparing for applicant interviews.

- Operational Team
  - ◊ Operational Team development discussion have taken place. Through these discussions we have gained a clear understanding of the team's personal objectives for the future.
  - ◊ Following the Operational reviews, we have been able to conduct a detailed assessment of our Operational succession planning needs.
  - ◊ Our new Fund Administrator has followed and successfully completed an induction and initial training programme.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Team Building *(continued)*

- Operational Team (continued)
  - ◊ All Operational team members are fully included and engaged in all aspects of training and development within the Fund.
  - ◊ The Trust Fund Manager holds regular team meetings, which involves opportunities to review and assess her team's knowledge and skills development.
  - ◊ Attendance at all Ordinary Trustee Meetings, the AGM, and any other relevant team meetings, ensures they are kept fully informed and engaged.

Financial Strategy

The BHS Trust Fund consists of a portfolio of financial assets, from which the core objective is to produce a sustained level of income and capital growth that preserves its value in real terms over a long-term time horizon.

The Trustees recognise the realisation of such an objective is dependent upon favourable market conditions and the sound discretionary investment management performance entrusted to their advisors, Investec Wealth & Investment Limited.

In setting the above objective, the Trustees understand that the Fund's financial assets are subject to active oversight and management by Investec. These assets are broadly spread, targeting primarily UK and Overseas equities, with relative performance measured against a benchmark that reflects the Fund is comfortable with a medium-high risk profile.

Investec formally report Fund performance statistics to Trustees on a quarterly basis, informing of the current global investment environment and their analysis of events likely to influence investment performance into the near-term future. The BHS Trust Fund Manager has on-line access via the Investec website that informs Trustees of the current portfolio value as, and when, necessary.

Risk Management

The Fund maintains a Risk Register that examines and evaluates the various risks to which the organisation could possibly be exposed, detailing the appropriate mitigation measures that are in place. The Register is subject to strategic sub-group oversight with review and up-date on a quarterly timescale.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Risk Management *(continued)*
The Trustees have identified five general areas within which risks may occur.

- **Governance and Management**
  Considers the risks the Trust might suffer from lack of strategic direction, ineffective Trustee oversight, or a misaligned organisational structure.

- **Operational**
  Looks at the risks inherent in a failure to succession plan key roles, not providing adequate training and development opportunities to broaden the skills base, or lack of care for the well-being of employees and volunteers. Within this area, potential risks associated with the delivery of a less than optimal service provision for potential beneficiaries are also examined.

- **Financial**
  Risks include those arising because of the fluctuating value of investments, an inappropriate investment strategy, or sub-optimal performance standards delivered by the Fund's investment managers. Also covered are the risks associated with fraud, both internal and external, a lack of internal budgetary control or lapse in accounting processes.

- **Reputational, Environmental or External**
  Considers the possible damage to the Fund's reputation and public perception through association with unsuitable collaborative organisations. Other risks covered in this area include a failure to understand and address demographic changes that might generate either exponential growth, or a gradual decline, in the numbers of potential Fund beneficiaries.

- **Compliance with Laws and Regulatory Requirements**
  Looks at the risks the Fund might suffer in not attaining compliance with, for example, Charity Commission, HMRC, Audit reporting or GDPR requirements.

The Fund Risk Register identifies specific risks to which the Trust could potentially be exposed. The document considers how these risks might individually impact the organisation and confirms all the current mitigating actions. These are subject to regular review by means of a dynamic Trustee assurance process.

Numeric measures of probability and impact are assessed against each specific risk to determine relative levels of potential concern. This highlights where the principal risks and uncertainties lie within the organisation and how they have been addressed during this accounting period.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Risk Management *(continued)*
There are three examples of these described below, together with the actions the Trust has purposefully put in place, to mitigate impact.

- ◊ An organisation that is challenged in raising awareness and extending its reach towards its intended audience.

  The Trust is actively and successfully developing communication links through social media channels. its own website, and directly via its database of ex-employees, to cascade topical information and messaging that engages with its target audience. Purposeful collaboration with other charities, notably StepChange and FTCT, has led to referrals from these organisations. Progressively positive response rates have been recorded throughout this accounting period.

- ◊ A challenging investment environment creating Fund value volatility.

  Active lines of communication with Investment Manager that informs reasons for volatility, reassuring Trustees to focus on >10 years timescales.

- ◊ Staff turnover within a small team that could result in loss of people with critical skills and experience.

  A detailed and approved succession plan exists with a clear and specific timescale to meet operational needs and maintain required skills. A review process is completed annually which recognises individual achievements and further development needs.

Operational
As with all the other strategic strands, the Operational one has reviewed and delivered several exciting and very necessary projects and actions, which have supported increased efficiencies, compliance, and governance needs.

The main areas of focus have been as follows:

- ♦ Operational Structure
  - ◊ A full review was undertaken to understand the Operational team's needs, in terms of the number of employees the BHS Trust Fund required to deliver a first-class professional operation - to fulfil both today's need, and the expected growth and demands being placed on the Fund in the future

  - ◊ The proposal was drafted and submitted for Trustee approval, which resulted in the appointment of our new Fund Administrator.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Operational *(continued)*

- Operational Structure (continued)
  - ◊ Part of the above review resulted in the Fund Secretary being appointed to the role of Trust Fund Manager and a new role of Grant Manger being created. All these appointments became effective in September 2021.
  - ◊ The Job Descriptions and Personal Specifications were written to support the above changes, giving everyone clear objectives and accountabilities.
  - ◊ The remuneration packages were reviewed, in line with increased responsibilities and demands of the various jobs.
  - ◊ Coaching and development needs were identified and plans put in place to address any shortcomings.

- Working Smarter
  - ◊ The Trustees and Operational team reviewed all the requirements necessary to deliver 'working from home' both effectively and securely. Recommendations approved by the Trustees, ensured that only dedicated Fund equipment and devices could be used, and other office equipment required could be purchased.
  - ◊ Equipment purchased along with protection and backup systems, to ensure that as a Fund we were as protected and compliant as possible.

- Fund Policies
  - ◊ Ongoing review of all the Fund's policies on a rolling basis, ensuring they remain 'Fit for Purpose 'and relevant throughout the year
  - ◊ Our policy for Awarding Grants was revisited, amended, and approved. This had been distributed for inclusion in our updated Caseworkers Tool Kits
  - ◊ Working in conjunction with the Financial and Risk Management subgroup, the Risk Management Policy, the Risk Register, and associated documents had been completely reworked. This has resulted in an enhanced and detailed document, which totally support compliance and best practice.

- Holiday Programme
  - ◊ The holiday programme review commenced, to ensure that it met the needs of our beneficiaries. Due to an amount of nervousness around group holidays and people getting together, no foreign holiday was planned for September 2021. This work will continue into 2022-2023.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2021 - 2022 (continued)

Operational *(continued)*

- Holiday Programme (continued)
  - ◊ The Fund have awarded a small number of Weekend & Short breaks to support individuals and in several cases, their families. This area has huge potential to grow, with other wellbeing opportunities being looked at.

- Documentation Review
  - ◊ All documents that are regularly used by the Operational team have been re-evaluated, as part of the Working Smarter section i.e., format, content, and necessity.
  - ◊ Clear understanding of which documents should be retained in hard copy versus electronic storage, considering the needs and expectations of our Auditors.
  - ◊ As part of the Succession Planning and Operational Structure changes, role descriptions for both the Chair of the Trust Fund and the Trustees were rewritten, clearly establishing individual responsibilities and required actions.

Review of Activities

The BHS Trust Fund Strategy is split into four stands of responsibility and delivered by the following four Sub-groups.

- Increasing our Beneficiaries
- Team Building
- Financial and Risk Management
- Operational

Our focus this year, as always, has been to support as many former BHS Employees as we possibly can. To do this, we have had a very clear Strategy for the Trustee group to focus on. This is delivered by the above four Sub-groups, each responsible for and to deliver the agreed work to support the achievements of our overall objectives. By establishing a challenging Strategy for the Fund, reviewed quarterly, we have been able to focus on developing and utilising the skills of the entire team, our Trustees, Fund Employees and Caseworkers, in a clear and effective manner.

OBJECTIVES AND ACTIVITIES (continued)

Financial Support

During the financial year 2021/2022, the BHS Trust Fund awarded hardship grants to the value of £138,196, this represented an increase of +4% versus the previous year spend of £132,846. 75 grants had been awarded, and whilst this was slightly down on the previous year of 81 awards, the Trustee group had made a conscious decision to be more generous with their levels of support, if the applicant required increased help. Grants were awarded to support the payment of a variety of debts, rent arears, utility bills and credit cards payments. Purchasing essential items for the home including washing machines, fridge freezers, cookers, and beds. Support was also awarded for funeral costs and numerous food shopping vouchers were distributed throughout the year, providing relief from rising food costs.

The Fund continued to support applicants over the festive Christmas period by awarding a further £13,600 in Christmas grants to 63 applicants. These individuals and families benefitted from food shopping vouchers, enabling them to purchase food and a few seasonal treats to help them and their families enjoy the Christmas festivities.

6 Christmas Food Hampers, valued at £919, were distributed to applicants who were house bound or suffering from wellbeing issues.

Throughout this period, the Fund continued to process and action full grants, with a further 6 of these applicants receiving both a full award as well as an additional Christmas grant to the value of £1,650. With the above three strands of support for Christmas in place, the Fund awarded £16,169 in total, allowing the Fund to help families enjoy Christmas, after what had been a very challenging year

Part of the period covered by this Annual report was subject to the various restrictions concerning Covid 19, however towards the end of the financial year, as the restrictions started to lift, the Operational Team started to look at how best we support our applicants with short breaks and holidays, as travel abroad had not been allowed or was extremely challenging for many for a prolonged period. Individuals' confidence in travelling abroad continued to be uncertain, so no group holiday was planned for September 2021. The Fund's provision of travel, short breaks, and UK holidays is under ongoing review. Again, we are trying to ensure that the Trust Fund meets the changing needs of its beneficiaries.

If the BHS Trust Fund cannot help directly, we always try to signpost the applicant to another more appropriate charity or service. Part of this process includes giving the individual the confidence and support they need to go to a statutory body to query or discuss their benefit entitlements and what support packages that may be available to them. During this financial year, the Trustees have also continued to build collaborative links with other major charities, who may be able to assist.

OBJECTIVES AND ACTIVITIES (continued)

Financial Support (continued)

We have made a difference:

> Firstly, could I take this opportunity to thank the Fund for all you have done for me, with three months of my rent being paid when I moved into my new property and also purchasing essential white goods for my kitchen. Without the Trust Fund, I would have been in a terrible situation. I am eternally grateful for everything the Trust and its team have done for me.

> I have been someone, for who you really have been life saving in so many ways. I cannot tell you how much it has meant to have my two credit card debts cleared and to receive three months of food shopping vouchers for my local Tesco Store.
>
> Again, I would like to thank the Fund, you have been there in very difficult times for me, and your support really has been invaluable and so appreciated.

> I cannot thank you enough for all the help and financial support you have given to me. It is such an enormous weight that has been lifted off my shoulders. I've had such a hard time recently, not just financially, but with my health issues. I really thought I never be able to cope, but the Trust Fund came along and saved the day. I could not have done this alone. A special thanks must go to the team, who sorted everything out for me.

Christmas Applications and Grants

At the start of November 2021, the Fund sent out our Christmas support message in the form of a Christmas card, along with a letter from our Chair, Helene Hamer, to all our retired staff, many previous beneficiaries and all individuals on our contact list. This communication gave the BHS Trust Fund the opportunity to reinforce and explain what types of support would be available over the festive season.

Over the years we have become more aware of how many of our beneficiaries find Christmas both a very difficult and emotional time, not only for those struggling financially, but for those on their own and others with very little to look forward to. Many are just pleased to have received the Christmas card and know that someone from their former BHS family, cares about them.

Making a difference at Christmas:

> I was absolutely delighted to receive my Christmas shopping vouchers through the post. They will help a lot during the days ahead. So, thank you very much, it is so kind of you all to help in this way, giving me this little bit of Christmas cheer. I was so worried that I would not be able to give my children a few presents and a nice Christmas lunch, but with the Fund help, that has all changed and we are looking forward to having a lovely time together.

OBJECTIVES AND ACTIVITIES (continued)

Christmas Applications and Grants (continued)

Making a difference at Christmas: *(continued)*

> Oh, my hamper is filled with all kinds of luxuries, which I am really enjoying. I spent Christmas on my own. The contents of my hamper helped so much. It means the world to me that somebody cares. I can't thank you enough. All at the Trust Fund keep safe and well.

> Thank you so very much for my lovely hamper that we received for Christmas, the contents were perfect for us, very yummy, everything that we needed to make our Christmas special.
>
> It is so nice that the BHS Trust Fund still manages to give so much to ex-employees and continues to support those in need. Not many companies can claim to do that. We hope that you all have a wonderful Christmas and manage to stay well. Wishing you all a very happy and healthy New Year. Thank you.

Christmas greetings from The BHS Trust Fund



Can we help you this year ?

We very much hope that you are looking forward to enjoying the festive season with family and friends.

If you know of a former BHS colleague who is struggling with financial or other worries, or if you personally need some support, then do not hesitate to call Angela on 07495 723550 or Denise on 07908 994146 before the 1st of December 2021 or visit the contact page on our website www.bhstrustfund.com

We are here to help - so do get in touch!



Best wishes from all of us at the

BHS Trust Fund

OBJECTIVES AND ACTIVITIES (continued)

Retired Staff Association (RSA)

As the various lockdown restrictions started to be lifted and individuals' confidence slowly returned, some of the RSA groups stated to meet again for their monthly coffee, cake, and a chat meeting. Sadly, several of our existing RSA members fell into one or more of the vulnerable groups encouraged to stay at home or be cautious about meeting in crowded places, still refrained from meeting face to face with their RSA friends.

Throughout the lockdown period our RSA Group Representatives had been encouraged to keep in contact with their members by telephone on a regular basis. Many of these members live alone and don't always have family close by, so these regular catch-up chats were very welcomed. These calls continued for the group members that were still unsure about attending actual meetings. A few of the RSA groups did venture out for Christmas Lunch and for some, this was their first get together in nearly 18 months.

To celebrate and mark the Trust Fund's 70th Birthday, which had been in December 2021, the Trustees awarded all members the opportunity to share a celebratory lunch. This had been postponed until May 2022. Group representatives organised these get togethers which were very welcomed and enjoyed by the members attending

Extract from a letter - received from one of the RSA Group Representatives:

What a nice surprise and a lovely day. We finally managed to all meet for our Christmas Lunch, in person, all together, after such a long time. It was just as if we had picked up the conversations where we had left them some 12 months earlier. We spent a few hours chatting and nibbling.

Many, many thanks for all that the Trustee do for our group. We all love meeting up and feel very lucky to be part of the BHS family.

Caseworker Update

The role that the Caseworker plays, has always been an extremely important one within the Fund. We all had to change our ways of working to support both our team members and our applicants, through the pandemic and into the early part of this financial year. Our Caseworker team has played an even more critical part in supporting the daily operations of the Fund. In many cases, initial meetings with possible beneficiaries were held by telephone to obtain the information that the Trustees require, rather than having a face-to-face meeting. This has ensured that all our applicants are dealt with in an extremely timely and efficient manner. As individual cases have increased in complexity, the time spent by this group of volunteers has also increased significantly.

During the year, we are delighted to have recruited three new Caseworkers and plan to further increase these numbers during 2022/2023. Our aim is to ensure that all geographical areas of the UK are covered and that we are prepared for a potential increase in workload.

FINANCIAL REVIEW

Results for the year

A summary of the results for the period is given on page 35 of the attached accounts.

Total income during the period amounted to £73,490 (2021 - £69,005).

Expenditure totalled £254,290 (2021 - £225,417), with relief of hardship amounting to £232,401 (2021 - £204,023).

Net losses on the revaluation and on the disposal of investments amounted to £112,333 (2021 – net gains of £475,332). This resulted in a net decrease of funds of £293,133 for the year (2021 - net increase of £318,920).

Reserves policy and financial position

The Trustees aim to maintain the Trust's reserves at a level sufficient to ensure the ongoing and future development of the Trust's activities having regard to the profile and demographics of the Trust's beneficiary group.

Unrestricted funds amounted to £3,176,408 at 31 May 2022 (2021 - £3,469,541). The Trustees are of the opinion that this level of free reserves matches the policy set out above.

Investment performance

During the period, the Trust's investment managers invested in accordance with the Trustees' investment policy set out earlier in this report. At the end of the period, the Trust's listed investments were valued at £3,062,998 (2021 - £3,375,755) and comprised 8% (2021 - 8%) UK and overseas fixed interest stocks, 76% (2021 - 79%) UK and overseas equities, and 16% (2021 - 13%) property and alternative funds. At 31 May 2022, the investment managers were also held £15,842 as cash awaiting investment (2021 - £64,022).

The portfolio generated income of £73,312 (2021 - £68,844) during the period, which represents a yield of 2% (2021 – 2%). The yield is consistent with market returns in general. The portfolio generated unrealised losses during the period of £136,713 (2021 – unrealised gains of £388,032).

FUTURE PLANS

We look forward to the future with a little trepidation but mostly optimism. Whilst normality has mainly returned to our lives following the end of the pandemic lockdowns, we are still facing major challenges which impact all our lives. The war in Europe and the economic aftermath of the pandemic, have now resulted in major cost of living and energy price rises. These affect a considerable number of our beneficiaries in a variety of ways, and therefore must be factored into our coming year's planning.

Taking the above factors into consideration, we have looked closely at these when reviewing our Strategic objectives for 2022-2023. We have increased these from four to five, adding a Wellbeing Strand. This will allow us the opportunity to meet the increased needs of our beneficiaries more fully through the challenging times ahead.

- Increasing our Beneficiaries
- Team Building
- Wellbeing
- Financial and Risk Management
- Operational

Increasing our Beneficiaries

This key strategic strand centres on ensuring the BHS Trust Fund thrives and has longevity through increasing its number of applicants and more crucially, its beneficiaries.
For individuals who already know of us, it's key to regularly remind them that we are here to help and remove any barriers to getting in touch. And for those who are unaware of what we do, we need to identify new ways to reach them. Therefore, this work is focused on both:

- Increasing and maintaining awareness of the BHS Trust Fund
- Encouraging individuals to apply

This year, we plan to:

- Try different approaches on Facebook and other channels i.e., tie-ups with our charity partners, encouraging the sharing of posts with BHS friends in need, using BHS memories to engage our followers and sharing personal stories and quotes.
- Identify a volunteer marketing/social media professional to undertake a review of all our marketing activities on a project basis. The brief will include identifying opportunities to enable us to reach a wider BHS audience and making our messages more effective.
- Recruit a part time Marketing Administrator (c8 hours per week) to focus on initiating and delivery of all marketing activities, as we have no dedicated resource at present.
- Update all our marketing materials, including the proposing of new materials to include business cards, leaflets, and postcards.
- Working with the Operations team, continue to build relationships with relevant charities and other organisations who can partner and promote our work.

FUTURE PLANS (continued)

Team Building

- Commit to holding quarterly reviews with the Operational team, following potential resource changes which will take place through 2022/2023, ensuring we meet all personal development needs.
- Continue to conduct reviews and discussions with both Trustees and Caseworkers, as this forms a key part in meeting both the individual's and Fund's objectives.
- Encourage the team to continue to take advantage of any coaching that supports their self-development, seeking out opportunities to attend online or in house courses
- Encourage our Caseworkers to embrace all opportunities such as subgroup and project work that will allow them to address their personal and team development needs
- Through the quarterly Caseworker meetings, encourage the opportunity for a 'Sharing Session,' allowing the team to engage in colleagues' experiences when working on the front line.
- Prepare a programme of external speakers from other charities, helping us to signpost applicants to other charities with different professional skill sets, to broaden and strengthen the support available to individuals.

Financial and Risk Management

The key objective for the year ahead is to ensure the Bhs Trust Fund remains financially secure, recognising that beneficiary numbers, the value of grant awards and the associated operating overheads are anticipated to grow by as much as 30% compared with activity levels recorded in 2021/2022.

- We will continue to monitor the Fund's financial activities, comparing actual monthly performance with budget, to ensure any substantive variances are understood and addressed where necessary.
- In anticipation of continuing inflationary pressures and further geopolitical turbulence, the Trustees, together with Investec, will explore whether any significant changes to investment strategy might be required.
- We will benchmark BHS Trust Fund operational efficiency (operating costs relative to the value of beneficiary awards) against that of other grant-giving charities by comparing performance ratios across the sector.
- Trust Fund solvency will be measured on a quarterly basis, by calculating moving annual costs as a ratio of current Fund asset value, to establish a projection of how many years into the future the Fund might reasonably continue to fulfil its core purpose.

FUTURE PLANS (continued)

Financial and Risk Management (continued)

Each strategic sub-group will continue to review, and report back on a quarterly basis, by means of the Trustee assurance process, the Risk Register content which falls within their operational remit. As new or unforeseen risks evolve consideration will be given to the mitigation already in place and agreement reached on any new actions required. From this on-going analysis key risk factors will be re-evaluated and carefully monitored

Operational

Our primary Operational objectives for 2022/2023 are to ensure that the BHS Trust Fund has a detailed Succession plan in place, supporting the key changes of personnel planned within the team due to announced retirements, over the next twelve to eighteen months. The recruitment and development of the individuals selected to fill these key positions is of the upmost importance. A mentoring and work shadowing plan is to be put into place to ensure a seamless transition for the Trust Fund.

- Succession
  - An Information Day is being held for any of our existing Caseworkers who may be interested in undertaking paid employment with the Fund. This will also allow us to discuss the role of the Trustee and allow individuals to consider their interest and suitability for this type of position in the future.
  - The Job Descriptions and Personal Specifications will be rewritten to ensure that the contents reflect the current and planned future needs of the Fund
  - Interviews will be held to fill the Grant Manager's position that will become available in May of 2023.
  - New employees will have a planned Trust Fund induction and a development plan put into place.
  - Regular reviews and mentoring support will be available throughout.

- Caseworkers
  - The Caseworkers Role Description will be reviewed and rewritten to capture the increased demands being placed on this volunteer group. We will facilitate this through a small working party and obtain approval of the final draft from the Trustee Board .
  - We plan to recruit two / three additional Caseworkers over the coming twelve months, both to back-fill individuals moving into paid roles and also to strengthen support for more complex cases we now receive.

FUTURE PLANS (continued)

Operational (continued)

- Fund Policies
  - Ongoing review of all the Fund's policies on a rolling basis, ensuring they remain 'Fit for Purpose 'and relevant. In particular, the Health and Safety and GDPR Policies need to be revisited and amended to ensure they meet all current legal requirements.
  - One year on, the six principal risks for BHS Trust Fund need to be rescored and amended, to ensure that current economic and general uncertainties are accounted for.

Wellbeing

- Holiday Programme
  - Working with the newly formed Wellbeing subgroup, the Operational team will develop the provision of a holiday programme to ensure that it positively meets the needs of our potential applicants, from a health and wellbeing perspective.
  - Plan a programme of 'Day Trips', mainly to be taken during the summer school holidays, allowing children the opportunity to visit the seaside, theme park and a variety of other suitable places.
  - Start to research the feasibility of taking a group of applicants on holiday in the UK.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The BHS Trust Fund is governed by a Charitable Incorporated Organisation (CIO). This was approved by the Charity Commission on 20 February 2017 and came into force at midnight on 31 May 2017, when the Charitable Trust known as the Bhs Limited Employee Trust Fund become dormant, with all of its assets being transferred to the BHS Trust Fund, Charity Registration Number 1171705. All reference to the Charity Trust has been subsequently removed from the Register of Charities.

Trustees

Trustees continue to be encouraged to attend external courses that they feel are relevant to their personal development and responsibilities they have, keeping up to date with current legislative and governance issues.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)

The following Trustees were in office at 31 May 2022 and served throughout the period except where shown:

Trustee
H Hamer (Chairperson)
S Topping (Deputy Chairperson)
R Tocock MBE (Trustee)
D Crudge (Trustee)
C Gibson (Trustee)
R Eller (Trustee)
K Smalls (Trustee)
B Edgar (Trustee)

Thoughout the year, Trustees have attended a variety of webinars and external courses, relevant to their personal development needs and responsibilities. Ensuring that everyone is keeping up to date with current legislative and governance issues that affect the Fund.

Brief Biographical details of the Trustees

Helene Hamer - Chair



I have always considered myself very lucky, that when I was given the opportunity to join Team BHS, it was not just a job! I had joined a family, one which gave me the chance to develop my career, that took me through 35 years of working in Stores and Regional Management.

When it came to taking early retirement, the thought of moving on was quite daunting. As it happened, I was given a very fortunate opportunity that allowed me to still be involved, as the Fund Secretary, a job I loved and found to be so rewarding. I was now able to do my part in helping my BHS colleagues, when they found themselves dealing with hard times. You cannot put into words, seeing tears turn into smiles and confidence take the place of fear.

As Chair, I am so proud to be working with my Team of Trustees, Caseworkers, and our dedicated Operational Team. It is also great to know and see the BHS passion, dedication, commitment and caring, for our former colleagues, is as alive today, as it was when BHS Stores closed.

On the 5th of December 2021, the BHS Trust Fund celebrated its 70th Anniversary. What a fantastic achievement and milestone that was, and to think the Fund is still here today, supporting our former BHS colleagues!

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Sue Topping - Deputy Chair



I worked in BHS Human Resources for 29 years, with the final 6 years as HR Director. Typically for retail, we faced many challenges over the years, but the enjoyable aspect was working with such fantastic people - always professional, committed, passionate about retail and caring about each other.

Leaving the BHS family was difficult, so continuing as a Trustee for the BHS Trust Fund, was a great way to stay connected. We're looking after such a fantastic legacy set up by BHS Directors in 1951 – who would have thought it would still be helping former BHS employees, over 70 years later! It's hugely rewarding & humbling to be able to support individuals facing difficult times for a huge variety of reasons. And we always love to hear how things have improved from those we've helped. We're constantly finding new ways to spread the word so that we increase the number of individuals we help. My hope is that we can continue for many years to come.

Rosemary Tocock – MBE



I became a Trustee of the BHS Trust Fund, a role I am very proud of, as I wanted to give something back, having enjoyed my long-time service with the Company and the people that I met while at BHS.

I was the Chairman of The Retired Staff Association, again a position I extremely enjoyed and was proud of. Serving in this role had given me a good understanding and knowledge of the types of people applying to us for help.

I have a broad understanding of how other Charities work. Currently I am Chairman of The Reading and Wokingham MS Society, a role I enjoy. My husband had MS all our married life.

I also help with Girl Guiding and The National Trust, which again I find extremely satisfying. These roles have widened my outlook on the various ways there are of helping others.

I enjoy being a Trust Fund Trustee and feel we have moved forward significantly in the last few years and as a Charity, we have created something to be very proud of.

During another difficult 12 months, how we work has changed, giving us several new opportunities and a new way of working. I do not feel the Fund has been hindered in anyway and that it's made us stronger and more flexible in our approach. We have helped and guided many people, who are trying to ensure a better future for themselves and their families, which is very rewarding.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

David Crudge



My retail career commenced in 1968 when I joined BHS as a management trainee. On leaving the company after ten years I gained further retail experience with Mothercare, before then establishing my own business. This subsequently led to a consultancy role with Clarks Shoes where my career ultimately progressed to leadership of the Franchise division.

Following retirement in 2009 my ambition was to seek volunteering opportunities that might enable a value-added transfer of my business and life skills to the support of charitable causes in the neighbourhood where I live. Currently I serve as a volunteer with my local hospice and act as a trained mediator in seeking local community dispute resolution. My appointment in 2014 as a Caseworker with the BHS Trust Fund has subsequently led to my serving as a Trustee with the Fund.

This re-connect with BHS, through the workings of the Trust Fund, is a relationship with which, from a cultural perspective, I feel very comfortable. To be engaged with an organisation that strives to help, encourage, and support former BHS employees, some of whom are now experiencing significant financial, health and psychosocial problems, is a role that personally I find rewarding and worthwhile.

Charles Gibson



I joined BHS in 1978 as a management trainee in Glasgow.

After completing my management training, I was moved to various locations across the country, eventually returning to Scotland as Manager of the Edinburgh store. I left BHS in 2000, to pursue other retail opportunities, returning in 2005, until my retirement in 2016. During that time, I was working in various Scottish stores.

I have always felt the most valuable strength within BHS were the people who worked in the business. The majority of these being very committed, caring, and hardworking individuals.

The Trust Fund has helped employees experiencing financial hardship for many years. After retirement and the closure of BHS, an opportunity existed for me to join the BHS Trust Fund. I felt I would like to be involved in helping former colleagues who were experiencing all sorts of difficulties and life changing events.

It's a great privilege to be part of the Trustee team, helping individuals and their families who are currently facing financial issues. Having worked in many locations, I hope I understand the challenges being faced by former colleagues and I have a great feeling of satisfaction when the Trust can help and really do make a difference.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Robert Eller



I very much enjoyed my 13 years being part of the BHS Foodservice team, initially as an analyst and then as a buyer. During this time, I made many friends throughout the business, some now part of the Trustee and Caseworkers group and I look back with great affection and gratitude for the experiences I gained being part of that BHS team.

I am currently employed as Head of Purchasing for Apetito, a manufacturing company based in Wiltshire, providing meals to some of the most vulnerable people in society, including Hospitals, Care homes and Meals on Wheels, and includes the retail brand Wiltshire Farm Foods, delivering frozen ready meals to the elderly in their homes.

With this relevant business experience, I was keen to become further involved in charity work and was delighted to be appointed as a Trustee, in 2019, for the BHS Trust Fund, part of a company that shaped my early career. I am keen to gain more experience of how our Charity operates and supports people.

Despite the closure of the BHS business in 2016, the Fund, has continued to be able to reach those most in need and developing the strategy for the future success of the Fund, working alongside the Trustee and Caseworker Team, is a continued source of satisfaction and great enjoyment.

Keith Smalls



My name is Keith Smalls, I am one of the Trustees of the BHS Trust Fund.

I have been a member of the Trustee group for just over a year.

I joined BHS in 1973 as a management trainee and worked for the company for 33 years. I always enjoyed my time with the company, and I had a close affinity with the people. In 2020, when I was given the opportunity to join the BHS Trust Fund, I felt privileged and honoured to join the team.

I was very aware of the excellent work being carried out by the Trust Fund, during my time working in BHS. Joining the Trustee Team is allowing me to give something back to the BHS Team I once was part of and giving me a more comprehensive appreciation of the valuable work, they do in so many ways.

The Fund works with many people, who often face life changing events, usually unexpected, that significantly impacts their daily lives. Many are very sad cases, where people are simply desperate for help. Our work is very rewarding and meaningful and the reason why I do this role.

I have been very lucky in my life, not without its ups and downs, but fortunately more ups than downs. Sadly, this is not the case for many people, not usually through their own fault, but by events outside of their control. There is no better feeling than helping others who need help or are not coping. My position as a Trustee, has been very fulfilling and a worthwhile role for me.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Beverley Edgar



When I began my career in BHS in 1979, I would never have imagined that I would still be connected to the people I worked with again in 2022!

My career has always been about looking after people and especially during the last 18 years as a Manager and HR Director with the NHS. I have been privileged to learn so much during this time and I do know how challenging life can be for so many people. Working in the NHS has been truly rewarding and has led to me being appointed as a Trustee at the Midlands Hospice Partnership - a role I am passionate about and again helps me use my skills and knowledge to help people most in need.

Equally, I am now so pleased to have been appointed as a Trustee of the BHS Trust Fund, because I know we can genuinely help former colleagues when they might need us the most. Anyone can find themselves in a difficult financial situation or may feel lonely or isolated. The work we do enables our former colleagues to feel that the BHS Family is alive today, as a caring network and that we are still upholding the values we shared in looking after each other - even if for some of us, it was many years ago.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure and management reporting

The Trustees are ultimately responsible for the policies, activities and assets of the Trust. They meet at least three times a year to review the developments with regard to the Trust, its grant giving and loan activities and make any important decisions. When necessary, the Trustees seek advice and support from the Trust's professional advisers including investment managers, solicitors and accountants.

Day to day administration of the Trust is carried out by the appointed Trust Fund Manager, supported by the Fund Administrator. Both are wholly accountable to the Trustees, supported by a number of volunteer Caseworkers. The Trust Fund Manager and Fund Administrator meet with, and communicate with, the Trustees on a regular basis. This is carried out through regular meetings, email communication and use of SKYPE.

At their meetings, the Trustees review the investment performance, and the investment managers attend the meetings to update the trustees in detail on the portfolio. The Trustees review the proposals for grants to be made and approve them as appropriate.

Key management personnel

The Trustees consider that they together with the Trust Fund Manager, Grant Manager and Fund Administrator, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis.

The remuneration of the Trust Fund Manager, Grant Manager and Fund Administrator is decided upon by the Trustee group.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In line with the requirement for charity Trustees to undertake a risk assessment exercise and report on the same in their annual report, the Trustees have looked at the risks the Trust faces and have reviewed the measures in place to deal with them. The Trustees have identified five main areas where risks may occur:

- Governance and management
- Operational
- Financial
- Reputational
- Laws, regulations, external and environmental

Governance and management looks at the risk the Trust suffers from a lack of direction, the skills and training of the Trustees and the good use of its funds.

Operational looks at the risk inherent in the activities of providing grants and making loans to individuals.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational looks at possible damage to reputation, through association with unsuitable organisations or with inappropriate activity.

Laws, regulations, external and environmental looks at the effects of government policies, the consequences of non-compliance with laws and regulations and the effect of external matters on the investment portfolio.

Having assessed the major risks to which the Trust is exposed, in particular those relating to the investments and the finances, the Trustees believe that by ensuring controls exist over key financial systems, and by delegating the investment management function to investment managers, subject to regular monitoring, including periodic reviews of performance against benchmark, they have established effective systems to mitigate those risks.

The key risks for the Trust during the period, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

- The value of investments. The value of listed investments is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Trust's needs, both now and in the future.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- Reliance on key staff and Trustees and the need for succession planning. Advice is taken on investment management, accountancy, legal and business matters from professionals. The Trustees meet regularly.

Approved by the Trustees and signed on their behalf by:

H Hamer

Trustee

Date: 7 February 2023

Independent auditor's report to the Trustees of BHS Trust Fund

Opinion

We have audited the accounts of BHS Trust Fund (the 'charity') for the year ended 31 May 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 May 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and Trustees as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of Trustees; and
- enquiring of management and Trustees as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 15 February 2023

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

Statement of financial activities Year to 31 May 2022

	Notes	Unrestricted funds 2022 funds £	Unrestricted funds 2021 funds £
Income from:			
Investments	1	**73,312**	68,844
Interest receivable	1	**23**	19
Other sources		**155**	142
Total income		**73,490**	69,005
Expenditure on:			
Raising funds			
. Investment management fees		**21,889**	21,394
Charitable activities			
. Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company	2	**232,401**	204,023
Total expenditure		**254,290**	225,417
Net expenditure before investment (losses) gains		**(180,800)**	(156,412)
Net investment (losses) gains	8	**(112,333)**	475,332
Net (expenditure) income and net movement in funds	5	**(293,133)**	318,920
Reconciliation of funds:			
Fund balances at 1 June 2021		**3,469,541**	3,150,621
Fund balances at 31 May 2022		**3,176,408**	3,469,541

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 May 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investments	8		**3,078,840**		3,439,777
Current assets					
Debtors	9	**231**		2,402	
Cash at bank and in hand		**122,297**		75,211	
		122,528		77,613	
Creditors: amounts falling due within one year	10	**(24,960)**		(47,849)	
Net current assets			**97,568**		29,764
Total net assets			**3,176,408**		3,469,541
The funds of the Trust					
Unrestricted income funds			**3,176,408**		3,469,541

Approved by the Trustees and signed on their behalf by:

H Hamer

Trustee

Approved on: 7 February 2023

Statement of cash flows Year to 31 May 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	**(277,024)**	(184,798)
Cash flows from investing activities:			
Investment income and interest received		**75,506**	66,850
Proceeds from disposal of investments		**438,693**	885,716
Purchase of investments		**(238,269)**	(745,628)
Net cash provided by investing activities		**275,930**	206,938
Change in cash and cash equivalents in the period		**(1,094)**	22,140
Cash and cash equivalents at 1 June 2021		**139,233**	117,093
Cash and cash equivalents at 31 May 2022	B	**138,139**	139,233

Notes to the statement of cash flows for the period to 31 May 2022

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	**(293,133)**	318,920
Adjustments for:		
Losses (gains) on investments	**112,333**	(475,332)
Investment income and interest receivable	**(73,335)**	(68,863)
Decrease in debtors	**—**	6,000
(Decrease) increase in creditors	**(22,889)**	34,477
Net cash used in operating activities	**(277,024)**	(184,798)

B Analysis of changes in cash and cash equivalents

	2021 £	Cash flows £	2022 £
Cash at bank and in hand	75,211	47,086	**122,297**
Cash held by investment managers	64,022	(48,180)	**15,842**
Total cash and cash equivalents	139,223	(1,094)	**138,139**

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 May 2022 with comparative information given in respect to the year to 31 May 2021.

The accounts have been prepared in accordance with the principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The Trust constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The main area in the accounts where judgements and estimates have been made relates to estimating future income and expenditure flows for the purpose of assessing going concern.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees have concluded that there are no material uncertainties related to events, or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ending 31 May 2023, the most significant areas that affect the carrying value of the assets held by the Trust will be the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Income recognition

Income is recognised in the period in which the Trust has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises investment income, interest receivable, and income from other sources.

Investment income is recognised once the dividend or similar income has been declared or is payable and notification has been received of the amount due.

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

Income from other sources is recognised when the Trust is entitled to the income, the amount due can be quantified and there is probability of receipt.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

a. Expenditure on raising funds comprises the fees paid to investment managers in connection with the management of the Trust's listed investments.

b. Expenditure on charitable activities comprises expenditure on the Trust's primary charitable purposes as described in the Trustees' report and includes grants payable so as to relieve the hardship of former employees of Bhs Limited, their dependents or retired employees of the company together with costs directly related to the relief of hardship. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

   Included within expenditure on charitable activities is the cost of food vouchers which are purchased to hand to beneficiaries of the charity when the trustees believe it more appropriate to give these rather than cash grants. At any one time, the charity will have a small quantity of such vouchers which have not been allocated to beneficiaries. These are not recorded as stock as their value is not deemed material to the charity's accounts.

Allocation of support and governance costs
The provision of grants and loans to beneficiaries requires expenditure on support and administrative services in respect to liaising with grant and loan applicants and recipients. In addition, in order to carry out the primary purposes of the Trust it is necessary to incur expenditure on support in the form of accounting, office services and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Trust (including audit costs) and costs in respect to its compliance with regulation and good practice.

All such direct and indirect overheads are allocated to the Trust's principal charitable objective of relieving hardship amongst former employees of Bhs Limited, their dependents and retired former employees of that company.

All expenditure is stated inclusive of irrecoverable VAT.

Fixed asset investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the period in which they arise.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Trust anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

The unrestricted income funds represent those monies that are freely available for application towards achieving any charitable purpose that falls within the Trust's charitable objectives.

1 Income from: Investments and interest receivable

	2022 £	2021 £
Income from listed investments		
UK fixed interest securities	**4,736**	5,070
Overseas equities	**21,797**	19,634
UK equities	**32,461**	33,266
Alternatives	**14,318**	10,874
	73,312	68,844
Income from interest receivable		
Bank interest	**17**	19
Interest on cash held with investment managers	**6**	—
	23	19
Total	**73,335**	68,863

2 Expenditure on: Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company

	2022 £	2021 £
Grants payable	**140,419**	132,846
Retired Staff Association expenses	**8,076**	1,348
Administration costs including liaison with grant and loan recipients	**83,906**	69,829
	232,401	204,023

Administration costs including liaison with grant and loan recipients include staff costs of £41,548 (2021 – £33,394) (note 3).

The grants payable during the period were for the following purposes:

	2022 £	2021 £
Hardship grants	**122,027**	114,511
Christmas grants	**16,169**	18,335
Holiday	**2,223**	—
	140,419	132,846

During the year a total of 163 grants were awarded to individuals by the Trust. On occasions more than one grant has been awarded to an individual (2021 – 118 grants).

3 Staff costs and remuneration of key management personnel

Staff costs during the period were as follows:

	2022 £	2021 £
Wages and salaries	**41,548**	33,394

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2021 – none)

The average number of employees during the year was three (2021 – three).

The Trustees consider that they together with the Trust Fund Manager, Grant Manager and Fund Administrator, comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. The total remuneration (including employers' national insurance contributions) of the key management personnel for the year was 41,548 (2021 – £30,392).

4 Governance costs

	2022 £	2021 £
Auditor's remuneration (including VAT):		
. Statutory audit services	**9,150**	7,602
Legal and professional	**1,152**	4,624
	10,302	12,226

5 Net income (expenditure) and net movement in funds

This is stated after charging:

	2022 £	2021 £
Staff costs (note 3)	**41,548**	33,394
Auditor's remuneration (including VAT)	**9,150**	7,602

6 Trustees' expenses and remuneration and transactions with trustees

None of the trustees received any remuneration for their services during the year (2021 – none).

Travel expenses totalling £1,492 were reimbursed to seven trustees during the year (2021 – £320 to four trustees).

7 Taxation

The Trust is a registered charity and, therefore, is not liable to income tax or capital gains tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Investments

	2022 £	2021 £
Listed investments at market value		
. At 1 June 2021	**3,375,755**	3,040,511
. Additions at cost	**238,269**	745,628
. Disposals at opening book value (proceeds: £438,693; realised gains: £24,380)	**(414,313)**	(798,416)
. Unrealised gains (losses) on revaluation	**(136,713)**	388,032
. At 31 May 2022	**3,062,998**	3,375,755
Cash held by investment managers for reinvestment	**15,842**	64,022
	3,078,840	3,439,777
Listed investments at cost	**2,377,703**	2,498,084

All listed investments were dealt in on a recognised stock exchange.

Listed investments held on 31 May 2022 comprised of:

	2022 £	2021 £
UK fixed interest securities	**80,540**	126,469
Overseas fixed interest securities	**149,028**	135,919
UK equities	**922,095**	1,109,204
Overseas equities	**1,415,113**	1,546,898
Property funds	**224,494**	192,864
Alternatives	**271,728**	264,401
	3,062,998	3,375,755

At 31 May 2022, the following holdings constituted material holdings when compared to the value of the total listed investment portfolio at that date:

	2022 Market value £	2022 % of portfolio %	2021 Market value £	2021 % of portfolio %
Charities Property Fund	**187,766**	**6.1**	161,694	4.8
Schroder Inv Mg E ISF Asian Total Rtn C	**158,341**	**5.2**	175,303	5.1
JP Morgan Funds Ltd US Equity Inc K	**231,450**	**7.6**	200,400	6.0
Baillie Gifford American W3 Dis	**110,542**	**3.6**	200,421	6.0
Spdr S&P500 Etf Tr. Units Ser 1 S&P	**393,245**	**12.8**	394,048	11.7

9 Debtors

	2022 £	2021 £
Accrued investment income	**231**	2,402
	231	2,402

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Investment purchase	—	27,200
Grants payable	**11,898**	8,428
Accruals	**13,062**	12,221
	24,960	47,849

11 Related party transactions

Other than those disclosed in note 6, there were no related party transactions requiring disclosure in the year to 31 May 2022 (2021 – none).

12 Unrealised gains

The total unrealised gains at 31 May 2022 constituted movements on revaluation and were as follows:

	2022 £	2021 £
Total unrealised gains at 31 May 2022: On investments	**685,295**	877,671
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 June 2021	**877,671**	584,145
In respect to disposals in the period	**(80,044)**	(94,506)
Net (losses) gains arising on revaluations arising in the period	**(112,332)**	388,032
Total unrealised gains at 31 May 2022	**685,295**	877,671

BHS TRUST FUND

England & Wales - Charity number 1171705

Accounts

BHS Trust Fund

Annual Report and Accounts

31 May 2021

Charity Registration Number
1171705

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Reference and administrative details of the charity, its trustees and advisers

Trustees	D Crudge B Edgar (appointed 8 February 2021) R Eller C Gibson H Hamer (Chairperson) K Smalls (appointed 1 September 2020) R Tocock MBE S Topping
Postal address	BHS Trust Fund PO Box 7762 Kettering NN16 6NP
Telephone	07495 723550
Charity registration number	1171705
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 90 Baker Street London W1M 2AX
Investment managers	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN
Solicitors	Royds Withy King LLP 69 Carter Lane London EC4V 5EQ

Introduction - Message from the Chair

As we are about to close the reporting year for the BHS Trust Fund, June 2020 to May 2021, little did we realise that this whole year would be influenced by the Covid 19 pandemic. None of us could have predicted how the required changes ahead of us would impact on the way we all had to work and live.

I am proud to say that everyone at the BHS Trust Fund has responded fantastically, adjusting to the new realities and demands that have been placed upon us all. Together we have been able to adapt and reassess our approach, allowing us to continue helping and supporting our beneficiaries throughout these very difficult times.

To that end, I would like to offer my sincere thanks to all of my colleagues at the BHS Trust Fund who have worked so tirelessly, with steadfast commitment, to go the extra mile. We have delivered the care and support that our beneficiaries have needed. This clearly has impacted the results that have been achieved, with the value of grants awarded increasing by 34% and Christmas grant awards by 45%.

Disappointingly, the Covid restrictions in place on both foreign and UK travel, have had a significant impact on our normal holiday programmes. Currently the Trustees have agreed to keep on hold any plans to resume group holidays for the immediate future.

In moving towards the end of this year, we have been concentrating on reviewing our Strategic objectives and looking forward to a gradual return to normality, with the light at the end of the tunnel getting brighter!

As I draw to a close, some very exciting 'Hot off the Press' news - on the 5th Of December 2021, the BHS Trust Fund will celebrate its 70th birthday! What a legacy and achievement the then Board of Directors of British Home Stores put in place, back in 1951. We, the Trustee Board, Case Workers and Operational team, are both committed and humbled, to be playing a part in taking the BHS Trust Fund forward.

The Trustees present their report together with the accounts of the BHS Trust Fund, a Charitable Incorporated Organisation (CIO) (the "Trust" or the "Fund") for the year ended 31 May 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 33 to 36 of the attached accounts and comply with the constitution, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Introduction and background

BHS Trust Fund (Charity Number – 1171705) is a Charitable Incorporated Organisation (CIO), formerly known as the Bhs Limited Employees Trust Fund. It was established by Bhs Limited in 1951 to support the relief of hardship amongst its employees.

Upon the closure of Bhs Limited in August 2016, it was agreed by the Trustees to continue the Fund's work by becoming a CIO and supporting former BHS employees with one year's service or more.

The aim of BHS Trust Fund

- Our Vision: To help and support any former BHS Employees and their dependants, through difficult times
- Our Mission: To ensure that no former BHS Employee has to struggle to meet their daily basic needs.

The BHS Trust Fund achieves its principal objectives by awarding financial grants to Individuals, these being our former BHS Employees.

We also provide opportunities for our beneficiaries who are often going through stressful or difficult situations in their lives, to apply for our current holiday programme, which includes an individual holiday or a short UK break.

Individuals can make a personal application by contacting the Fund Secretary or Administrator. Alternatively, contact with the BHS Trust Fund can be made via our website or one of our social media platforms. An application form is sent out for completion and on its return, the Administrator discusses the next steps in the process, including the involvement of one of our volunteer Case Workers.

The Case Worker then arranges a meeting or telephone call, to understand how the Fund may be able to support the applicant. Following this discussion, recommendations are made and the case file, which may include the involvement of other outside agencies, is sent to the Trustees Board for approval of the most appropriate award. Throughout the Covid pandemic, the personal safety of our beneficiaries and our team members, remained of paramount importance. Protocols were put into place to suspend all face-to-face activity for this period of time, with only telephone and video conversations taking place, to gather the required information.

OBJECTIVES AND ACTIVITIES (continued)

Achievements for 2020 - 2021

Our achievements are based on 4 strands which underpin our BHS Trust Fund Strategy:

- Fund Awareness
- Team Development
- Financial and Risk Management
- Policy & Procedures

Fund Awareness - Development of our Beneficiary group

Our focus has continued to be to increase the number of beneficiaries through grants awarded and also to increase our database if possible. We have seen an increase in applicants of 20% year on year, to 153 and an increase in beneficiaries of 34% to 81. In addition, our Christmas contacts increased by 47% to 112, of these, 88 Christmas awards were made, to the value of £18,335 versus last year at £12,619.

To achieve this core strategic strand, our activities have centred on increasing awareness and the accessibility to the BHS Trust Fund through the following:

- Social media, with Facebook in particular, has become increasingly important as a way to get the message out that the BHS Trust Fund is here to help and to encourage applicants. We endeavour to refresh with a new post every 3 or 4 weeks and frequently pay for a boosted post to reach more individuals. The new Facebook post message and image, is then reflected on our website to ensure they support each other.
- We had a very successful Facebook campaign in the run up to Christmas 2020, seeing a substantial increase in awards made against last year, as confirmed above.
- Our Promotional calendar gives us a structured approach to raising our profile, for use in the preparation of key seasonal and other topical events such as the Christmas Grants. This will become even more important with our increased reliance on promoting ourselves through social media.
- Newspaper advertising has been trialled in 2 regions and has not proved a success, but was very useful to try as a potential promotional route.
- Our profile has been added to Turn2Us and CharityChoice.co.uk, both providing information on charities available to individuals seeking help. Turn2Us has already proved a source of a small number of applicants.
- Spreading the Word is an initiative undertaken by one of our Case Workers to increase awareness through social networking. This resulted in over 30 additions to our database and has since evolved into encouraging the wider Case Worker team to distribute Trust Fund leaflets within their local community.

Team Development

The development of our team is one of our key Strategic Objectives. We encourage and support our team to develop the knowledge and skills, to fully deliver their roles in helping our Bhs Trust Fund beneficiaries.

OBJECTIVES AND ACTIVITIES (continued)

Trustees

- Throughout this year we have focused on delivering our agreed succession plan to increase our team numbers and to strengthen our skills and knowledge. This will enable us to meet our future challenges and needs.
- Our Trustee review process has been successfully completed.
- Upon completion of the Trustee reviews, the Skills Matrix was updated, providing an ongoing analysis of the skills within our Board.
- Trustee development opportunities, 'fit for purpose', have been drawn up and engaged with.
- All Trustees, Employee and Caseworkers have attended a number of external webinar sessions as well as a number of in-house courses.

Caseworkers

- Throughout the year we have remained committed to delivering our Caseworker succession plan.
- Our recent advertising has allowed us to seek potential candidates for now, as well as for future needs.
- The Buddy scheme now supports all of our new volunteers through their initial training period.
- All Case Worker development discussions have been completed, with individual development opportunities identified.
- The Case Worker group have in place a quarterly programme of meetings. Covid protocols have meant these have taken place via video conferencing.
- Case Workers who wish to be more involved with the BHS Trust Fund, have been encouraged to participate in additional projects.
- We continue to review and maintain the Case Worker Tool Kit, which is an integral part of providing useful information to assist in the preparation of applicant discussions.

Investment Strategy

The BHS Trust Fund consists of a portfolio of financial assets, from which the core objective is to produce a sustained level of income and capital growth that preserves its value in real terms over a long-term time horizon.

The Trustees recognise the realisation of such an objective is dependent upon favourable market conditions and the sound discretionary investment management performance achieved by their advisors, Investec Wealth & Investment Limited.

OBJECTIVES AND ACTIVITIES (continued)

Investment Strategy (continued)

In setting the above objective, the Trustees understand that the Fund's financial assets are entrusted to active oversight and management by Investec. These are spread across a broad spectrum of investments, targeting primarily UK and Overseas equities, with relative performance measured against a benchmark that reflects the Fund is comfortable with a medium-high risk profile.

Investec formally report Fund performance statistics to Trustees on a quarterly basis, informing of the current global investment environment and their analysis of events likely to influence investment performance into the near-term future. The BHS Fund Secretary has instant on-line access via the Investec web-site to keep Trustees informed of the current portfolio value as, and when, necessary.

Fundraising policy

The Trust does not carry out any direct fundraising with the public. It does not use the services of any third party organisation to help in its fundraising activities and no complaints were received about its fundraising activities during the financial period. However, if a complaint were to be received, it would be handled by a senior member of staff or a Trustee.

Risk Management

To undertake an in-depth risk assessment exercise and, as an outcome, to produce an up-dated Risk Register was a key strategic objective for the Trust to deliver during this accounting period. The Trustees have, therefore, carefully examined the risks to which the Trust could be exposed to and have reviewed mitigation measures in place to deal with them.

As a result, the Trustees have identified five general areas where risks may occur:

- **Governance and Management**

Considers the risks the Trust might suffer from lack of strategic direction, ineffective Trustee oversight, or a sub-functioning organisational structure.

- **Operational**

Looks at the risks inherent in a failure to succession plan key roles, not providing adequate training and development opportunities to broaden the skills base, or lack of care for the well-being of employees and volunteers. Within this area, also, potential risks associated with the delivery of a less than optimal service provision for potential beneficiaries are examined.

- **Financial**

Risks include those arising as a result of the fluctuating value of investments, an inappropriate investment strategy, or sub-optimal performance standards delivered by the Fund's investment managers. Also covered are the risks associated with fraud, both internal and external, a lack of internal budgetary control or lapse in accounting processes.

OBJECTIVES AND ACTIVITIES (continued)

Risk Management (continued)

- **Reputational, Environmental or External**

Considers the possible damage to reputation and public perception through association with unsuitable collaborative organisations. Other risks covered in this area include a failure to understand and address demographic changes that might create either exponential growth, or a gradual decline in the numbers of potential Fund beneficiaries.

- **Compliance with Laws and Regulatory Requirements**

Looks at the risks the Fund might suffer in not meeting compliance with, for example, Charity Commission, HMRC, audit reporting or GDPR requirements.

Productive consultation between Trustees and the Fund Secretary has seen the evolvement of a comprehensive Risk Register that clearly identifies specific risks within each general risk category. The document considers how these risks might individually impact the organisation, and validates all the current mitigating actions.

Numeric measures of probability and impact have been assessed against each specific risk to determine relative levels of potential concern. This process has highlighted where the principal risks and uncertainties lie within the organisation and how they have been addressed during this accounting period.

Examples of these are described below, together with the actions the Trust has purposefully put in place, to mitigate impact.

- An organisation that is challenged in raising awareness and extending its reach towards its potential beneficiaries. The Trust is actively and successfully developing communication links through social media channels. Its own web-site, and directly to its database of ex-employees, to cascade topical information and messaging that engages with its target audience. Progressively positive response rates have been recorded throughout this accounting period.

- An unforeseen, challenging, investment environment creating sudden adverse movement in Fund values. Trustees and their Investment Fund Managers constantly adhere to a clearly defined and mutually agreed investment strategy, that targets the key objective of realising long term financial sustainability.

- A close, trusting and productive set of working relationships has been encouraged and successfully developed between Trustees, Fund employees and Caseworker volunteers. This mutual support and understanding enables the achievement and effective delivery of essential Fund objectives and nurtures a knowledge of job roles more widely across the team, providing a foundation for succession planning within the organisation. This ensures that a loss of any key personnel has a minimal impact on the organisational efficiencies.

OBJECTIVES AND ACTIVITIES (continued)

Policy & Procedures

As with all of the other strategic strands, the Operational one has reviewed and delivered a number of exciting and very necessary projects and actions which have supported increased efficiencies, compliance and governance needs.

To ensure that the Trust Fund had in place all of the required policies, the major focus was to research, review and write any of the policies that were not in place or were not detailed enough. Subsequently, the Trustees approved the new additions and these have now become working reference documents:

- Covid Protocols - This became an area of significant focus for all of the team, as the Covid requirements increased, resulting in the Fund completing a full review of how we could carry out our duties in a safe and responsible manner.

- Christmas Grants and Support - The Fund had to quickly adapt to the increased levels of requests for support, both in terms of full grants and Christmas grants, responding in a timely and efficient way to our increasing beneficiary needs.

- Administrative Duties - Due to increased numbers of applications and volume of work generated, the Trustees approved the employment on a temporary basis, of an additional administrative person, who joined the team in November. This supported the Christmas Grant awards process.

- Privacy and Cookies Policy - As work progressed on the Fund Awareness strand, with the increased use of the Website, the need to have both a BHS Trust Fund Privacy and Cookies Policy became apparent. Due to the complex nature of this subject and the fact that these policies would be visible to the general public, the decision was taken to involve the BHS Trust Fund's Solicitor, in supporting us with this task. Once prepared, both policies were approved by the Trustees.

- Updated Mailing List - To ensure complete compliance around the storage and use of personal data, the Trust Fund wrote to everyone on its original mailing list, requesting that they signed and returned an enclosed permissions slip to the Fund Manager. We now hold individual consents from all those on our mailing list.

- Safeguarding - Due to increased focus on this potentially very serious subject, highlighted on a daily basis in the media, alongside increasing concerns due to lockdown and individuals' wellbeing, this became a priority for the Fund. To support our team, the BHS Trust Fund engaged an external professional to deliver workshop sessions on safeguarding issues and how to identify and address potential concerns.

- New Way of Working – With Covid related constraints placed on us all, the increased use of video conferencing ensured that we continued to hold our usually face-to-face planned meetings and also enabled us to increase our general communications and subgroup project work significantly. This resulted in a number of planned actions being completed ahead of time.

OBJECTIVES AND ACTIVITIES (continued)

Review of Activities

The BHS Trust Fund Strategy covers four strands as explained on page 4.

Our focus this year, as always, has been to support as many former BHS Employees as we possibly can. In order to do this, we have had a very clear Strategy for the Trustee group to focus on strands of responsibility and agreed work to help us deliver our overall objectives.

The Covid pandemic and the subsequent levels of restrictions imposed on us all by the UK Governments, resulted us in having to carefully consider our ways of working and the increasing needs of our beneficiary group.

By establishing an overall Strategy for the BHS Trust Fund, in addition to Covid protocols, we have been able to focus on developing and utilising the skills of the entire team, our Trustees, Fund Employees and Case Workers, in a safe and secure manner.

Financial Support

During 2020-2021 the BHS Trust Fund awarded hardship grants to the value of £106,833 helping 81 applicants. Grants were awarded to support the payment of a variety of debts, rent arears, utility bills and credit cards payments. Purchasing essential items for the home including washing machines, fridge freezers, cookers and beds. Support was also awarded for funeral costs and numerous amounts of food shopping vouchers were distributed.

The Fund again supported applicants by awarding a further £18,335 in Christmas grants, with applicants benefitting from food shopping vouchers, enabling them to purchase food and a few seasonal treats to help them and their families enjoy the Christmas festivities.

11 Christmas Food Hampers for applicants who were house bound, or suffering from wellbeing issues were distributed.

The whole 12 months being covered by this Annual report was subject to the various restrictions to slow down the spread of Covid 19 and as a result, the Trustees made an early decision not to award any UK short breaks. This also impacted our foreign holiday, as travel abroad was not allowed. The demographic makeup of the beneficiaries who would normally have participated in the holiday, very much fell into one or more of the most vulnerable groups,

It is important to note that the help we give is not always financial and might be directing and signposting an individual to another more appropriate charity or service. It is also about giving the individual the confidence and support to go to a statutory body to query or discuss their benefit entitlements.

OBJECTIVES AND ACTIVITIES (continued)

Financial Support (continued)

We have made a difference:

I would like to take this opportunity to thank you and the Trust Fund for the help you are giving me. You don't know how much help this actually is and the weight that has been lifted from my shoulders. It has been a constant worry every day that I would lose my house, which has been the only home I have had all of my life. So, for this you should know it means the world to me.

I would like to send a special thanks to my Case Worker, for her kind words of support and encouragement, something I won't forget and will be forever grateful for.

Thank you so much for all of your help. It has genuinely and truly been life changing - thanks to you, Mum's funeral went ahead in a timely manner and all of her wishes were upheld.

I don't have the added debt and worry of that to now contend with.

The Council Tax bill being paid wasn't even something I dreamt could happen and again will take so much pressure off.

I've had the hardest year of my life so far, I know there are always others in worse circumstances and when I made contact with yourselves originally, I wasn't expecting help, just to offload. Then I asked for advice and found myself met with the most kindness, care and support I have experienced.

I can't tell you the difference you have made, thank you, doesn't seem enough. Everyone I have had contact with has been so kind, understanding, non-judgemental and caring.

You've changed my life and helped me carry on; you've been the rainbow on a rainy day.

Words of thank you are not enough; this has been a challenging time for me and I appreciate the BHS Trust Fund so much. It went above and beyond and I am touched and grateful to the Trustees for their generosity. Everyone made me feel so at ease in such a warm and welcoming way. Your thoughtfulness, BHS Trust Fund, is a gift I will always treasure. I am touched beyond words. Thanking you all once again.

I must thank you and the BHS Trust Fund for everything they helped me with in recent months. Little did I know that my finances would go through even more of a challenge with the situation everyone finds themselves in, during this pandemic.

I have no idea how we would have managed if we hadn't received the food vouchers at this time. Also, the help with the debts, was a massive help as I was furloughed and like everyone else in that situation, I had no wages for a few weeks.

Everyone I spoke to, was understanding, compassionate and reassuring - a fantastic organisation, who make a real difference to individuals and their families.

OBJECTIVES AND ACTIVITIES (continued)

Christmas Applications and Grants

At the start of November 2020, the Fund sent out our Christmas support message in the form of a Christmas card, along with a letter from our Chair, Helene Hamer, to almost 6,000 of our retired staff and beneficiaries. This communication gave the BHS Trust Fund the opportunity to update our mailing list details, as well as sending Christmas greetings. Most importantly, we were able to explain the type of support that was available over the festive season.

Over the years we have become more aware of how many of our beneficiaries find Christmas both a very difficult and emotional time, not only for those struggling financially, but for those on their own and others with very little to look forward to. Many are just pleased to have received the Christmas card and know that someone from their former BHS family, cares about them.

Making a difference at Christmas:

I would like to 'Thank you' so very much for the food vouchers that you have sent me. You'll never know how much of a difference these, and you, have made to my Christmas. I'm so grateful.

Thank you both so very much, for the wonderful hamper that I received for Christmas. What a lovely surprise. There was a great choice of unusual goodies for us to enjoy. I hope you all stay well and Covid free.

Oh, such a lovely surprise!!!
Thank you for my lovely Hamper, it was full of goodies and in a lovely basket.
I spent Christmas on my own, like so many others….
When I look at my basket, it gives me a warm glow to think that somebody still cares about me!
Thank you so much. Best wishes and stay safe.

I just wanted to say thank you again, for all your help and support.

I was going through a really bad time during what are already precarious times with a global pandemic and Christmas looming. You have managed to get me back on track and put a big smile on my face. Cannot thank the Trust enough, what an amazing thing you're doing for many people, giving them hope. Thanks again from the bottom of my heart.

I would just like to take this opportunity to thank you and your Team for my vouchers, they went to good use. The kids love their toys and new clothes and I have completed my Christmas food shopping. You have personally made a very tough situation a little easier and I really can't thank you enough.

Christmas greetings from The BHS Trust Fund





OBJECTIVES AND ACTIVITIES (continued)

Retired Staff Association (RSA)

The various lockdown restrictions were in place for the whole of this year, which meant that the RSA groups have been unable to meet in person for their monthly coffee, cake and a chat, meeting. Our existing RSA members are an ageing population and all of them fall into one or more of the vulnerable groups that had been told or encouraged to stay at home by the Government.

It was agreed by the Trustee group that the RSA Group Representatives would keep in contact with their members by telephone on a regular basis. Many of these members live alone and don't always have family close by, so these regular catch-up chats were very welcomed.

Extract from a letter - received from one of the RSA Group Representatives:

I'm really pleased to say that all of my members are ok. Most are keeping busy gardening, reading and doing jigsaws. All of them have organised their shopping needs and some can go for short walks, which they love.

They are all so pleased to have a chat, a few for five minutes but many for much longer. It's giving me plenty of laughs, talking about the similarities of now and Wartime

It will of course be wonderful to see each other again, but in the meantime, we are all keeping cheerful. Thank goodness for telephones!

Case Worker Update

The role the Case Worker plays has always been an extremely important one, within the Fund. During the last twelve months, they have played an even more critical part in the daily operations of the Fund. This has included conducting initial meetings by telephone with possible beneficiaries and obtaining any information that the Trustees require, rather than by a face-to-face meeting. This change in their way of working has enabled them to deal with more cases in a very timely and efficient manner.

The Trustees had originally organised training workshops for the Case Worker group to be held in November 2020. This would also have allowed us to share the Trust Fund Strategy and the importance of increasing our beneficiary numbers. Unfortunately, this had to be postponed and was replaced with a video conference instead, and whilst this was not quite the same, it still delivered excellent results.

During the year, we are delighted to have recruited a number of new Case Workers and plan to further increase these numbers during 2021-2022. Our aim is to ensure that all geographical areas of the UK are covered and that we are prepared for our expected increase in case numbers and workload.

FINANCIAL REVIEW

Results for the year

A summary of the results for the period is given on page 30 of the attached accounts.

Total income during the period amounted to £69,005 (2020 - £90,382).

Expenditure totalled £225,417 (2020 - £211,581), with relief of hardship amounting to £204,023 (2020 - £190,739).

Net gains on the revaluation and on the disposal of investments amounted to £475,332 (2020 – net losses of £42,525). This resulted in a net increase of funds of £318,920 for the year (2020 - net decrease of £163,724).

Reserves policy and financial position

The Trustees aim to maintain the Trust's reserves at a level sufficient to ensure the ongoing and future development of the Trust's activities having regard to the profile and demographics of the Trust's beneficiary group.

Unrestricted funds amounted to £3,469,541 at 31 May 2021 (2020 - £3,150,621). The Trustees are of the opinion that this level of free reserves matches the policy set out above.

Investment performance

During the period, the Trust's investment managers invested in accordance with the Trustees' investment policy set out earlier in this report. At the end of the period, the Trust's listed investments were valued at £3,375,755 (2020 - £3,040,511) and comprised 8% (2020 - 9%) UK and overseas fixed interest stocks, 79% (2020 - 75%) UK and overseas equities, and 13% (2020 - 16%) property and alternative funds. At 31 May 2021, the investment managers were also holding £64,022 as cash awaiting investment (2020 - £46,035).

The portfolio generated income of £68,844 (2020 - £89,230) during the period, which represents a yield of 2.0% (2020 – 2.9%). The yield is consistent with market returns in general. The portfolio generated unrealised gains during the period of £388,032 (2020 – unrealised losses of £3,578).

FUTURE PLANS

This year we have revisited our BHS Trust Fund Strategy, realigning it to ensure that we focus on achieving the Fund's objectives. It has four strands, with a Sub-group leader responsible for each:

- Increasing our Beneficiaries
- Team Development
- Financial and Risk Management
- Operational

Increasing our Beneficiaries

This key strategic strand centres on ensuring the BHS Trust Fund thrives and has longevity through increasing its number of applicants and more crucially, its beneficiaries. We have set ourselves a target for the first time of increasing our beneficiaries by 20% year on year.

This work is focussed on:

Maintaining and increasing awareness of the BHS Trust Fund

For individuals who already know of us, it's key to regularly remind them, that we are here to help. We will achieve this through:

- Using a structured, promotional calendar of ideas for messages/images, as a reference throughout the year, for use in social media and on the website
- Regularly updating our Facebook posts, continuing to post every 3 weeks and reviewing whether the frequency could be increased, resources allowing. In addition, updating the website as well as other social media platforms, i.e., Instagram and Twitter, to reflect the latest Facebook post
- Undertaking a review of social media to identify further opportunities to make this communication more effective
- Sending a welcome postcard to our new mailing list of 2,200 individuals and following up with at least 2 communications per annum

Encouraging individuals to apply

We aim to remove or reduce any possible barriers to individuals applying for help from the Trust Fund. To achieve this, we plan to:

- Undertake a review of our website to make sure it provides all the right information, is friendly and accessible and reassuring regarding the confidentiality of the application process.
- In addition, we would like to increase the relatability of our website through the use of more natural photography and real-life stories of how we have helped.
- Ensure our use of social media encourages individuals to get in touch by reflecting all of the above.

FUTURE PLANS (continued)

Team Development

- Integral to the success of the BHS Trust Fund, is to have an effective succession plan in place to meet future challenges. This must reflect the roles of the Chair, Trustees, Case Workers and the Operational Team.

- Following on from the review of the Operational Team, it is key to build and develop individual skills to reflect their new roles and responsibilities.

- We commit to holding quarterly meetings with Case Workers to support both personal and Team development. Case Workers, will be encouraged to embrace project work opportunities and idea generation.

- We will continue to carry out reviews and development discussions on an annual basis with Trustees, Case Workers and the Operational Team.

- Trustees will continue to be encouraged to take advantage of any coaching that supports their self-development, seeking out opportunities to participate in online sessions and in-house courses.

Financial and Risk Management

- In the year ahead we will continue to ensure the BHS Trust Fund remains financially secure, recognising that beneficiary numbers, and the value of grant awards, are anticipated to grow by at least a further 20% compared with activity levels achieved in 2020/21.

- We will continue to monitor the Fund's financial activities, comparing actual monthly performance with budget, to ensure any substantive variances are identified and addressed.

- Together with our investment manager, we will undertake a review of the Trust Fund investment strategy, understanding that our current "balanced return" investing approach, with Fund value enhanced, by significant capital appreciation, has served the Trust well during a period of sustained global market growth.

- We will benchmark Bhs Trust Fund operational efficiency against that of other grant-giving charities by comparing performance ratios across the sector.

- Trust Fund solvency will be measured on a quarterly basis, by calculating moving annual costs as a ratio of current Fund asset value, to establish a projection of how many years into the future the Fund might reasonably expect to operate.

- Each strategic sub-group will take responsibility for reviewing and reporting back on a quarterly basis the Risk Register content which falls within their operational remit. As potential new risks are identified consideration will be given to the mitigation already in place and agreement reached on any new actions required. From this on-going analysis key risk factors will be re-evaluated and carefully monitored.

FUTURE PLANS (continued)

Operational

Our primary objectives for 2021-2022 are to ensure that the Operational Structure, in terms of personnel and processes, is reviewed, challenged and improvements agreed. This will ensure that the Team has the resources, knowledge and skills required, to meet the demands that they may need to address in the months/years to come.

Operational Structure

- The numbers of BHS Trust Fund employees and hours worked will be reviewed
- The Job Descriptions and Personal Specifications are to be rewritten
- The remuneration packages are to be reviewed, in line with increased responsibilities and demands of the various jobs
- Coaching and training needs will be identified and addressed

Working Smarter

- A review of requirements necessary to deliver 'working from home' both effectively and securely
- Equipment needs will be reviewed i.e., linked to Cyber security, protection and backup systems
- Commence pulling together a 'Best Practice' manual for the daily operational methods and processes

Fund Policies

- Ongoing review of all the Fund's policies on a rolling basis, ensuring they remain 'Fit for Purpose 'and relevant
- Policies associated with compliance and governance and risk to be linked to the Risk Register

Holiday Programme

- A review of the holiday programme to be undertaken to ensure that it meets the needs of our future beneficiaries
- Increased focus and consideration to be given to Days out/ Weekend & Short breaks/UK Theme & Holiday Park breaks to support wellbeing and making memories

FUTURE PLANS (continued)

Documentation Review

- All documents that are used by the Operational Team are to be re-evaluated, as part of the Working Smarter section i.e., format, content and necessity
- Clear understanding of which documents are required in hard copy versus electronic storage, considering the needs of our Auditors
- Review our application form and associated documents, considering complexity, ease of completion by the applicant, the needs of Trustees when making an informed decision on the level of awards

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The BHS Trust Fund is governed by a Charitable Incorporated Organisation (CIO). This was approved by the Charity Commission on 20 February 2017 and came into force at midnight on 31 May 2017, when the Charitable Trust known as the Bhs Limited Employee Trust Fund become dormant, with all of its assets being transferred to the BHS Trust Fund, Charity Registration Number 1171705. All reference to the Charity Trust has been subsequently removed from the Register of Charities.

Trustees

Trustees continue to be encouraged to attend external courses that they feel are relevant to their personal development and responsibilities they have, keeping up to date with current legislative and governance issues.

The following Trustees were in office at 31 May 2021 and served throughout the period except where shown:

Trustee	
H Hamer (Chairperson)	
D Crudge (Trustee)	
B Edgar (Trustee)	(appointed 8 February 2021)
R Eller (Trustee)	
C Gibson (Trustee)	
K Smalls (Trustee)	(appointed 1 September 2020)
R Tocock MBE (Trustee)	
S Topping (Deputy Chairperson)	

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees

Helene Hamer - Chair



I have always considered myself very lucky, that I was given the opportunity to join Team BHS, it was not just a job! I had joined a family, one, which gave me the chance to develop my career, that took me through 35 years of working in Stores and Regional Management.

When it came to taking early retirement, the thought of moving on was quite daunting. As it happened, I was given a very fortunate opportunity that allowed me to still be involved, as the Fund Secretary, a job I loved and found to be so rewarding. I was now able to do my part in helping my BHS colleagues, when they found themselves dealing with hard times. You cannot put into words, seeing tears turn into smiles and confidence take the place of fear.

As Chair, I am so proud to be working with my Team of Trustees, Case Workers and our dedicated Operational Team. It is also great to know and see the BHS passion, dedication, commitment and caring, for our former colleagues, is as alive today, as it was when BHS Stores closed.

This year on the 5th December 2021, the BHS Trust Fund will celebrate its 70th Anniversary. What a fantastic achievement that the Fund is still here today! Despite all the ups and downs of retailing, it continues to be here to support and help our former colleagues.

Sue Topping - Deputy Chair



I worked in BHS Human Resources for 29 years, with the final 6 years as HR Director. Typically for retail, we faced many challenges over the years, but the really enjoyable aspect was working with such fantastic people - always professional, committed, passionate about retail and caring about each other.

Leaving the BHS family was difficult, so continuing as a Trustee for the BHS Trust Fund, was a great way to stay connected. We're looking after such a fantastic legacy set up by BHS Directors in 1951 – who would have thought it would still be helping former BHS employees, 70 years later! It's hugely rewarding & humbling to be able to support individuals facing difficult times for a huge variety of reasons. And we always love to hear how things have improved from those we've helped. We're constantly finding new ways to spread the word so that we increase the number of individuals we help. My hope is that we can continue for many years to come!

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Rosemary Tocock – MBE



I became a Trustee of the BHS Trust Fund, a role I am very proud off, as I wanted to give something back, having enjoyed my long-time service with the Company and the people that I came into contact with while at BHS. I was the Chairman of The Retired Staff Association, again a position I extremely enjoyed and was proud of. Serving in this role, had given me a good understanding and knowledge of the types of people applying to us, for help.

I have a broad understanding of how other Charities work. Currently I am Chairman of The Reading and Wokingham MS Society, a role I enjoy. My husband had MS all our married life.

I also help with Girl Guiding and The National Trust, which again, I find extremely satisfying. These roles have widened my outlook on the various ways there are of helping others.

I enjoy being a Trust Fund Trustee and feel we have moved forward significantly in the last few years and as a Charity, we have created something to be very proud of.

During a difficult 12 months, how we work has changed, giving us a number of new opportunities and a new way of working. I do not feel the Fund has been hindered in anyway and that it's made us stronger and more flexible in our approach. We have helped and guided many people, who are trying to ensure a better future for themselves and their families, which is very rewarding.

David Crudge

I commenced my career with British Home Stores in 1968.



Over the next ten years I completed a management training programme that ultimately led to my appointment as the Store Manager at Kingston upon Thames. On leaving the company in 1978 I gained further retail experience with Mothercare, before establishing my own business. This initially led to a consultancy role with Clarks Shoes where my career subsequently progressed to leadership of the Franchise division.

Following my retirement in 2009 my ambition was to seek volunteering opportunities that enabled a value-adding transfer of my business and life skills, towards the support of charitable causes in my neighbourhood. I currently serve as a volunteer with my local hospice and act as a trained mediator in facilitating local community disputes. Following my appointment in 2014 as a Case Worker with the BHS Trust Fund, I have subsequently taken on a role as Trustee with the Fund.

This re-connect with BHS, through the workings of the Trust Fund, is a relationship with which, from a cultural perspective, I feel very comfortable with. To be engaged with an organisation that strives to help and support former BHS employees, many of whom face significant financial, health and psychosocial problems, is a role that I find personally, purposeful and worthwhile.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Charles Gibson



I joined BHS in 1978 as a management trainee in Glasgow.

After completing my management training, I was moved to various locations across the country, eventually returning to Scotland as Manager of the Edinburgh store. I left BHS in 2000, to pursue other retail opportunities, returning in 2005, until my retirement in 2016. During that time, I was working in various Scottish stores.

I have always felt the most valuable strength within BHS were the people, who worked in the business. The majority of these being very committed, caring and hardworking individuals.

The Trust Fund has helped employees experiencing financial hardship for many years. After retirement and the closure of BHS, an opportunity existed for me to join the BHS Trust Fund. I felt I would like to be involved in helping former colleagues who were experiencing all sorts of difficulties and life changing events.

It's a great privilege to be part of the Trustee team, helping individuals and their families, that are currently facing financial issues. Having worked in many locations, I hope I have an understanding of the challenges being faced by former colleagues and I have a great feeling of satisfaction when the Trust can help and really do make a difference.

Robert Eller



I very much enjoyed my 13 years being part of the BHS Foodservice team, initially as an analyst and then as a buyer. During this time, I made many friends throughout the business, some now part of the Trustee and Case Workers group and I look back with great affection and gratitude for the experiences I gained being part of that BHS team.

I am currently employed as Head of Purchasing for Apetito, a manufacturing company based in Wiltshire, providing meals to some of the most vulnerable people in society, including Hospitals, Care homes and Meals on Wheels, and includes the retail brand Wiltshire Farm Foods, delivering frozen ready meals to the elderly in their homes.

With this relevant business experience, I was keen to become further involved in charity work and was delighted to be appointed as a Trustee, in 2019, for the BHS Trust Fund, part of a company that shaped my early career. I am keen to gain more experience of how our Charity operates and supports people.

Despite the closure of the BHS business in 2016, the Fund, has continued to be able to reach those most in need and developing the strategy for the future success of the Fund, working alongside the Trustee and Case Worker Team, is a continued source of satisfaction and great enjoyment.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Brief Biographical details of the Trustees (continued)

Keith Smalls



My name is Keith Smalls, I am one of the Trustees of the BHS Trust Fund.

I have been a member of the Trustee group for just over a year.

I joined BHS in 1973 as a management trainee and worked for the company for 33 years. I always enjoyed my time with the company and I had a close affinity with the people. In 2020, when I was given the opportunity to join the BHS Trust Fund, I felt privileged and honoured to join the team.

I was very aware of the excellent work being carried out by the Trust Fund, during my time working in BHS. Joining the Trustee Team, is allowing me to give something back to the BHS Team I once was part of, and giving me a more comprehensive appreciation of the valuable work, they do in so many different ways.

The Fund works with many people, who often face life changing events, usually unexpected, that significantly impacts their daily lives. Many are very sad cases, where people are simply desperate for help. Our work is very rewarding and meaningful and the reason why I do this role.

I have been very lucky in my life, not without its ups and downs, but fortunately more ups than downs. Sadly, this is not the case for many people, not usually through their own fault, but by events outside of their control. There is no better feeling than helping others who need help, or are not coping. My position as a Trustee, has been very fulfilling and a worthwhile role for me.

Beverley Edgar



When I began my career in BHS in 1979, I would never have imagined that I would still be connected to the people I worked with again in 2021!

My career has always been about looking after people and especially during the last 18 years as a Manager and HR Director with the NHS. I have been privileged to learn so much during this time and I do know how challenging life can be for so many people. Working in the NHS has been truly rewarding and has led to me being appointed as a Trustee at the Midlands Hospice Partnership - a role I am passionate about and again helps me use my skills and knowledge to help people most in need.

Equally, I am now so pleased to have been appointed as a Trustee of the BHS Trust Fund, because I know we can genuinely help former colleagues when they might need us the most. Anyone can find themselves in a difficult financial situation or may feel lonely or isolated. The work we do enables our former colleagues to feel that the BHS Family is alive today, as a caring network and that we are still upholding the values we shared in looking after each other - even if for some of us, it was many years ago.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure and management reporting

The Trustees are ultimately responsible for the policies, activities and assets of the Trust. They meet at least three times a year to review the developments with regard to the Trust, its grant giving and loan activities and make any important decisions. When necessary, the Trustees seek advice and support from the Trust's professional advisers including investment managers, solicitors and accountants.

Day to day administration of the Trust is carried out by the appointed Fund Secretary, supported by the Fund Administrator. Both are wholly accountable to the Trustees, supported by a number of volunteer Case Workers. The Fund Secretary and Fund Administrator meet with, and communicate with, the Trustees on a regular basis. This is carried out through regular meetings, email communication and use of SKYPE.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management reporting (continued)
At their meetings, the Trustees review the investment performance, and the investment managers attend the meetings to update the trustees in detail on the portfolio. The Trustees review the proposals for grants to be made and approve them as appropriate.

Key management personnel
The Trustees consider that they together with the Fund Secretary and Fund Administrator comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day-to-day basis.

The remuneration of the Fund Secretary and Fund Administrator is decided upon by the Trustee group.

Risk management
In line with the requirement for charity Trustees to undertake a risk assessment exercise and report on the same in their annual report, the Trustees have looked at the risks the Trust faces and have reviewed the measures in place to deal with them. The Trustees have identified five main areas where risks may occur:

- Governance and management
- Operational
- Financial
- Reputational
- Laws, regulations, external and environmental

Governance and management looks at the risk the Trust suffers from a lack of direction, the skills and training of the Trustees and the good use of its funds.

Operational looks at the risk inherent in the activities of providing grants and making loans to individuals.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational looks at possible damage to reputation, through association with unsuitable organisations or with inappropriate activity.

Laws, regulations, external and environmental looks at the effects of government policies, the consequences of non-compliance with laws and regulations and the effect of external matters on the investment portfolio.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Having assessed the major risks to which the Trust is exposed, in particular those relating to the investments and the finances, the Trustees believe that by ensuring controls exist over key financial systems, and by delegating the investment management function to investment managers, subject to regular monitoring, including periodic reviews of performance against benchmark, they have established effective systems to mitigate those risks.

The key risks for the Trust during the period, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

- The value of investments. The value of listed investments is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Trust's needs, both now and in the future.

- Reliance on key staff and Trustees and the need for succession planning**.** Advice is taken on investment management, accountancy, legal and business matters from professionals. The Trustees meet regularly.

Signed on behalf of the Trustees

H Hamer

Approved by the Trustees on: 8 February 2022

Independent auditor's report to the Trustees of BHS Trust Fund

Opinion

We have audited the accounts of BHS Trust Fund (the 'charity') for the year ended 31 May 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 May 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and Trustees as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of Trustees; and
- enquiring of management and Trustees as to actual and potential litigation and claims.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 February 2022

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

Statement of financial activities Year to 31 May 2021

	Notes	Unrestricted funds 2021 funds £	Unrestricted funds 2020 funds £
Income from:			
Investments	1	**68,844**	89,230
Interest receivable	1	**19**	352
Other sources		**142**	800
Total income		**69,005**	90,382
Expenditure on:			
Raising funds			
. Investment management fees		**21,394**	20,842
Charitable activities			
. Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company	2	**204,023**	190,739
Total expenditure		**225,417**	211,581
Net expenditure before investment gains (losses)		**(156,412)**	(121,199)
Net investment gains (losses)	8	**475,332**	(42,525)
Net Income (expenditure) and net movement in funds	5	**318,920**	(163,724)
Reconciliation of funds:			
Fund balances at 1 June 2020		**3,150,621**	3,314,345
Fund balances at 31 May 2021		**3,469,541**	3,150,621

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 May 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	8		**3,439,777**		3,086,546
Current assets					
Debtors	9	**2,402**		6,389	
Cash at bank and in hand		**75,211**		71,058	
		77,613		77,447	
Creditors: amounts falling due within one year	10	**(47,849)**		(13,372)	
Net current assets			**29,764**		64,075
Total net assets			**3,469,541**		3,150,621
The funds of the Trust					
Unrestricted income funds			**3,469,541**		3,150,621

Approved by the Trustees and signed on their behalf by:

H Hamer

Trustee

Approved on: 8 February 2022

Statement of cash flows Year to 31 May 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	**(184,798)**	(212,515)
Cash flows from investing activities:			
Investment income and interest received		**66,850**	89,980
Proceeds from disposal of investments		**885,716**	608,059
Purchase of investments		**(745,628)**	(614,224)
Net cash provided by investing activities		**206,938**	83,815
Change in cash and cash equivalents in the period		**22,140**	(128,700)
Cash and cash equivalents at 1 June 2020		**117,093**	245,793
Cash and cash equivalents at 31 May 2021	B	**139,233**	117,093

Notes to the statement of cash flows for the period to 31 May 2021

A Reconciliation of net movement in funds to net cash used in operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	**318,920**	(163,724)
Adjustments for:		
(Gains) losses on investments	**(475,332)**	42,525
Investment income and interest receivable	**(68,863)**	(89,582)
Decrease in debtors	**6,000**	6,299
Increase (decrease) in creditors	**34,477**	(8,033)
Net cash used in operating activities	**(184,798)**	(212,515)

B Analysis of changes in cash and cash equivalents

	2020 £	Cash flows £	2021 £
Cash at bank and in hand	71,058	4,153	**75,211**
Cash held by investment managers	46,035	17,987	**64,022**
Total cash and cash equivalents	117,093	22,140	**139,233**

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 May 2021 with comparative information given in respect to the year to 31 May 2020.

The accounts have been prepared in accordance with the principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The Trust constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The main area in the accounts where judgements and estimates have been made relates to estimating future income and expenditure flows for the purpose of assessing going concern.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees have concluded that there are no material uncertainties related to events, the Covid-19 pandemic or other conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ending 31 May 2022, the most significant areas that affect the carrying value of the assets held by the Trust will be the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Income recognition

Income is recognised in the period in which the Trust has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises investment income, interest receivable, and income from other sources.

Investment income is recognised once the dividend or similar income has been declared or is payable and notification has been received of the amount due.

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

Income from other sources is recognised when the Trust is entitled to the income, the amount due can be quantified and there is probability of receipt.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

a. Expenditure on raising funds comprises the fees paid to investment managers in connection with the management of the Trust's listed investments.

b. Expenditure on charitable activities comprises expenditure on the Trust's primary charitable purposes as described in the Trustees' report and includes grants payable so as to relieve the hardship of former employees of Bhs Limited, their dependents or retired employees of the company together with costs directly related to the relief of hardship. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

Expenditure recognition (continued)

Included within expenditure on charitable activities is the cost of food vouchers which are purchased to hand to beneficiaries of the charity when the trustees believe it more appropriate to give these rather than cash grants. At any one time, the charity will have a small quantity of such vouchers which have not been allocated to beneficiaries. These are not recorded as stock as their value is not deemed material to the charity's accounts.

Allocation of support and governance costs

The provision of grants and loans to beneficiaries requires expenditure on support and administrative services in respect to liaising with grant and loan applicants and recipients. In addition, in order to carry out the primary purposes of the Trust it is necessary to incur expenditure on support in the form of accounting, office services and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Trust (including audit costs) and costs in respect to its compliance with regulation and good practice.

All such direct and indirect overheads are allocated to the Trust's principal charitable objective of relieving hardship amongst former employees of Bhs Limited, their dependents and retired former employees of that company.

All expenditure is stated inclusive of irrecoverable VAT.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the period in which they arise.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions
Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Trust anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting
The unrestricted income funds represent those monies that are freely available for application towards achieving any charitable purpose that falls within the Trust's charitable objectives.

1 Income from: Investments and interest receivable

	2021 £	2020 £
Income from listed investments		
UK fixed interest securities	**5,070**	5,792
Overseas equities	**19,634**	17,190
UK equities	**33,266**	40,825
Alternatives	**10,874**	25,423
	68,844	89,230
Income from interest receivable		
Bank interest	**19**	258
Interest on cash held with investment managers	**—**	94
	19	352
Total	**68,863**	89,582

2 Expenditure on: Relief of hardship amongst former employees of Bhs Limited, their dependents and retired employees of that company

	2021 £	2020 £
Grants payable	**132,846**	108,934
Retired Staff Association expenses	**1,348**	7,360
Administration costs including liaison with grant and loan recipients	**69,829**	74,445
	204,023	190,739

Administration costs including liaison with grant and loan recipients include staff costs of £33,394 (2020 – £29,858) (note 3).

The grants payable during the period were for the following purposes:

	2021 £	2020 £
Hardship grants	**132,846**	85,796
Annual holiday	**—**	23,138
	132,846	108,934

During the year a total of 118 grants were awarded to individuals by the Trust. On occasions more than one grant has been awarded to an individual (2020 – 102 grants).

No annual holiday took place during 2021 due to the restrictions imposed by the Covid-19 pandemic.

3 Staff costs and remuneration of key management personnel

Staff costs during the period were as follows:

	2021 £	2020 £
Wages and salaries	**33,394**	29,858

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2020 – none)

The average number of employees during the year was three (2020 – two).

The trustees consider that they together with the Fund Secretary and Fund Administrator comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. The total remuneration (including employers' national insurance contributions) of the key management personnel for the year was £30,392 (2020 – £29,858).

4 Governance costs

	2021 £	2020 £
Auditor's remuneration (including VAT):		
. Statutory audit services	**7,602**	7,416
Legal and professional	**4,624**	1,649
	12,226	9,065

5 Net income (expenditure) and net movement in funds

This is stated after charging:

	2021 £	2020 £
Staff costs (note 3)	**33,394**	29,858
Auditor's remuneration (including VAT)	**7,602**	7,416

6 Trustees' expenses and remuneration and transactions with trustees

None of the trustees received any remuneration for their services during the year (2020 – none).

Travel expenses totalling £320 were reimbursed to four trustees during the year (2020 – £4,389 to eight trustees).

7 Taxation

The Trust is a registered charity and, therefore, is not liable to income tax or capital gains tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Investments

	2021 £	2020 £
Listed investments at market value		
. At 1 June 2020	**3,040,511**	3,076,871
. Additions at cost	**745,628**	614,224
. Disposals at opening book value (proceeds: £885,716; realised gains: £87,300)	**(798,416)**	(647,006)
. Unrealised gains (losses) on revaluation	**388,032**	(3,578)
. At 31 May 2021	**3,375,755**	3,040,511
Cash held by investment managers for reinvestment	**64,022**	46,035
	3,439,777	3,086,546
Listed investments at cost	**2,498,084**	2,456,366

All listed investments were dealt in on a recognised stock exchange.

Listed investments held on 31 May 2021 comprised of:

	2021 £	2020 £
UK fixed interest securities	**126,469**	133,017
Overseas fixed interest securities	**135,919**	143,744
UK equities	**1,109,204**	1,113,679
Overseas equities	**1,546,898**	1,159,016
Property funds	**192,864**	273,024
Alternatives	**264,401**	218,031
	3,375,755	3,040,511

At 31 May 2021, the following holdings constituted material holdings when compared to the value of the total listed investment portfolio at that date:

	2021 Market value £	2021 % of portfolio %	2020 Market value £	2020 % of portfolio %
Charities Property Fund	**161,694**	**4.8**	164,418	5.4
Schroder Inv Mg E ISF Asian Total Rtn C	**175,303**	**5.1**	93,744	3.1
JP Morgan Funds Ltd US Equity Inc K	**200,400**	**6.0**	—	—
Baillie Gifford American W3 Dis	**200,421**	**6.0**	172,050	5.7
Spdr S&P500 Etf Tr. Units Ser 1 S&P	**394,048**	**11.7**	404,753	13.3

9 Debtors

	2021 £	2020 £
Accrued investment income	**2,402**	389
Prepayments	**—**	6,000
	2,402	6,389

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Investment purchase	**27,200**	—
Grants payable	**8,428**	750
Accruals	**12,221**	12,622
	47,849	13,372

11 Related party transactions

There were no related party transactions requiring disclosure in the year to 31 May 2021 (2020 – none).

12 Unrealised gains

The total unrealised gains at 31 May 2021 constituted movements on revaluation and were as follows:

	2021 £	2020 £
Total unrealised gains at 31 May 2021: On investments	**877,671**	584,145
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 June 2020	**584,145**	639,061
In respect to disposals in the period	**(94,506)**	(51,338)
Net gains (losses) arising on revaluations arising in the period	**388,032**	(3,578)
Total unrealised gains at 31 May 2021	**877,671**	584,145