



REGISTERED CHARITY NO. 1174706

COMPANY LIMITED BY GUARANTEE NO. 10961227

ANNUAL REPORT

**AND
FINANCIAL STATEMENTS**

YEAR ENDED 31 DECEMBER 2020

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ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

REFERENCE DETAILS FOR THE TRUST IN THE YEAR ENDED 31 DECEMBER 2020

Trustees

P Heal	(Chairperson and non-executive Director Andrews)
H Battrick	
A Davis	(Vice Chairperson)
E Hughes	
A Kelly	
R Knagg	
A McDonald	
A Page	
N Wright	
Carl Tomlin	(appointed April 2020)
D Westgate	(executive Director of Andrews)
P Bumford	(executive Director of Andrews)
B Ford	(executive of Andrews, appointed as Treasurer, October 2020)
Nathan Moore	(executive of Andrews, appointed April 2020)

Company registered number

10961227

Charity registered number

1174706

Registered office

The Clockhouse, Bath Hill, Keynsham, Bristol, BS31 1HL

Company Secretary

Siân Edwards

Executive Director (Key Management Personnel)

Siân Edwards

Independent Auditors

Crowe UK LLP, Fourth Floor, St James House, St James Square, Cheltenham, GL50 3PR

Bankers

CAF Bank, Kings Hill, West Malling, ME19 4TA

Solicitors

Bates, Wells & Braithwaite, 10 Queen Street Place, London, EC4R 1BE

Harris and Harris, 14 Market Place, Wells, Somerset, BA5 2RE

Investment Managers

M & G Investments, PO Box 9038, Chelmsford, CM99 2XF

ANDREWS CHARITABLE TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the Andrews Charitable Trust (the "Trust") and of the wider group incorporating Andrews and Partners Limited and its subsidiaries (together the "Group") for the year 1 January 2020 to 31 December 2020.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). Accordingly, results presented for the Trust and Group are for the year ended 31 December 2020 with comparative information for the year ended 31 December 2019.

The Trust was incorporated on 13 September 2017 for the purpose of incorporating the activities of the predecessor unincorporated charitable trust, also named Andrews Charitable Trust. Under the SORP, the incorporation meets the requirements to be treated as a charitable merger and therefore the results presented in these financial statements show the Trust and the Group as it had always been operating under the Charitable Company.

The Trust also operates under the name ACT.

OBJECTIVES AND ACTIVITIES OF THE CHARITY

Our Purpose

ACT has two charitable objectives:

- i. The advancement of the Christian religion, including the declaration of eternal life; and
- ii. The relief of sickness, poverty and distress in any part of the world, as an expression of Christian love.

Traditionally a grant-making trust, ACT has always sought out innovative solutions to address our charitable objectives and has supported inspirational, passionate and capable social entrepreneurs through an engaged partnership model. In the main, that has led us to provide core funding to young charities, focused on creating strong organisations as the vehicles for change.

Over the past decade, the Trust has been through a series of strategic and governance upgrades, in order to ensure that we are making the most of our limited but unique set of resources and our flexible, tailored approach. This has led to a new strategy (described below) with a tighter focus and new combinations of assistance, intended to maximise the effectiveness of our overall portfolio.

Our Programmes

Our work currently falls into three funding programmes, as follows:

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- a. **Housing and Poverty:** since April 2018 the bulk of the trust's efforts and resources have been focused on addressing poverty through tackling issues related to housing and homelessness. The current strategy, which will be reviewed in October 2021, concentrates our search for interventions to support in five key areas, though these remain fairly broad and allow us to support organisations that work both in the UK and internationally. We look for inspirational entrepreneurs, organisations that have innovative approaches and organisational models that could include a mix of revenue streams, including: use of voluntary capacity, trading in the market, state contracts, grants and charitable donations.
- b. **Establish:** Now in its fourth year of operation, this programme aims to purchase residential property close to Andrews businesses that can be leased to local charities as affordable accommodation for young people in housing need, including those leaving the care system. Our target is the provision of 50 houses or at least 150 bed spaces. We select charity partners that are able to support young people towards independence and a working life. In support of this, the programme will also encourage Andrews' (and other local businesses) to assist our charitable partners and young people through access to work experience, mentoring and additional *pro bono* skills.
- c. **Christians & Communities:** This programme has run since 2016, by virtue of earmarked funding gifted by our sister trust, the Christian Initiative Trust, which has now closed. In 2018 a multi-year partnership with The Cinnamon Network was agreed for the provision of 20 micro-grants a year plus professional support to churches wanting to begin new projects that support their community. We also support the Christian Funders Forum Awards, to shine a light on the best Christian community projects across the UK.

How We Work

In developing these three funding streams, the Trust has sought to better define our ways of working for each programme. Traditionally, we provided only grants albeit through a "funding plus" model which commonly included support with governance, business planning and systems development especially in partnerships with new ventures.

ACT remains committed to providing flexible funding, wherever possible core funding. Social purpose organisations are struggling to deal with both complexity and distress and we believe that core funding can make an invaluable contribution, providing "validation of their impact; the opportunity and resources to plan, innovate and improve; a bit of security; or some breathing space and time to think"¹. That said, we have recognised that organisations at different stages of the life cycle require different types of support. We now have a stepped approach to funding ventures to allow us to begin a partnership at different stages of development:

- 1) **Proof of concept:** provide modest funding for new ideas, to test whether they are effective and scalable. This will, in almost all circumstances, be grant funded.

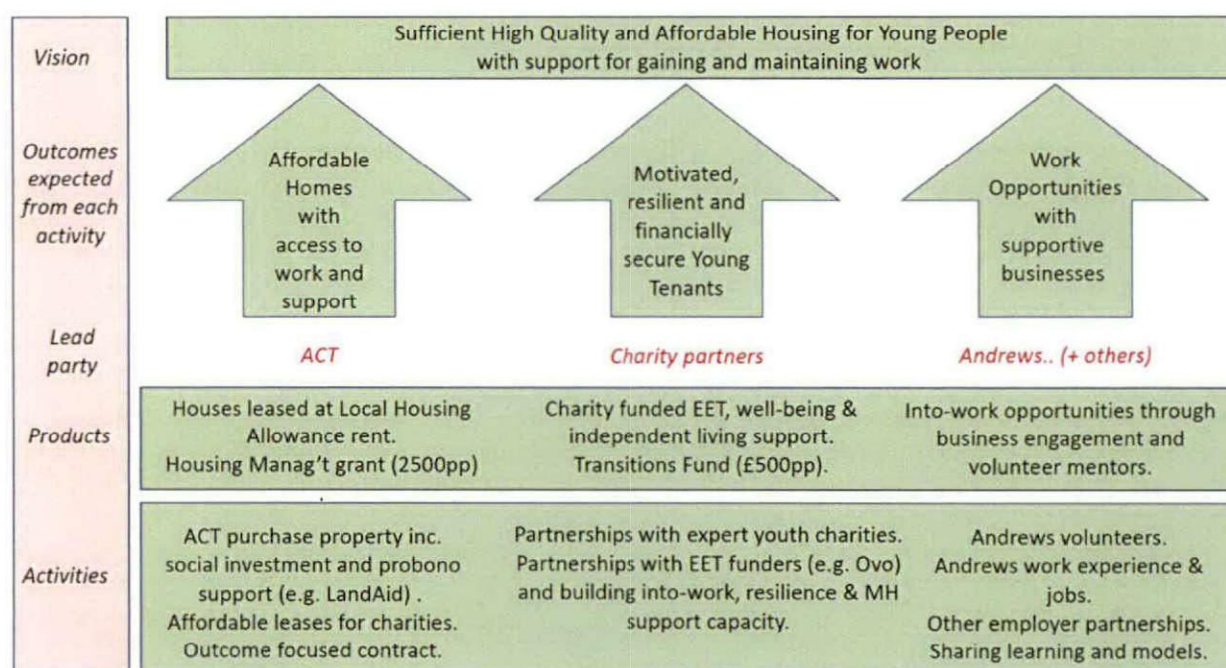
¹ IVAR, *Thinking about Core Funding*, 2013

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- 2) **Organisational design and establishment:** For organisations who can demonstrate proof of concept. Staged multi-year funding to allow for learning and adjustment. Support is given which is appropriate to their business plan. We would consider here blended finance (a mix of grant and/or social investment) to include returnable finance, especially where the organisation is not a registered charity.
- 3) **Development funding and investment:** for enterprises which are ready to replicate or grow sustainably. Usually supported through returnable investment although grants could be considered. We would prioritise approaches where we felt we could add pro bono support and this is often done in partnership with other funding organisations, especially where the scale is larger than we could support alone.

For our Establish programme, we have developed our own model of implementation, based on the theory of change shown below:



All of ACT's funding criteria are advertised on our website: www.andrewscharitabletrust.org.uk

OUR ACHIEVEMENTS IN 2020

In what has been a very strange and worrying time for everyone, we remain very proud of the achievements of our partner organisations in supporting vulnerable people and to the impact that they have had supporting their beneficiaries throughout 2020. To provide a flavour of these achievements, we have included below, highlights for each of our three programmes, which include

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work undertaken and reported successes of our funded partners, with a particular focus on areas that ACT support has enabled. Where relevant, reference has been made to the impact of Covid19 on the work that they have been able to do, though more detail about this can be found on the websites and in the annual reports of each individual charity, of course.

Summary of grants given during the year

Social Purpose Organisation supported	Funding Began	2020 Grant	Funding Ends	ACT Programme
Christian Funders Forum	2016	£2,000	2021	Christian Community
Carers Worldwide	2017	£45,332	2021	Multi-year grant (early stage venture, predates housing focus)
Cinnamon Network	2018	£70,000	2021	Christian Community
1625 Independent People	2018	£17,000	2029	Establish
CAYSH	2018	£20,000	2028	Establish
The Archbishop of Canterbury's Council	2019	£20,500	2020	Housing and Poverty
Lighthouse	2019	£92,000	2021	Housing and Poverty
Child Rescue Nepal	2020	£30,059	2022	Housing and Poverty
TOTAL		£296,891		

The Establish Programme

In 2020, we continued to work with our two existing youth charities: 1625 Independent People and CAYSH.

Each charity runs two properties for us, leased to them at an affordable rent (in 2020 much less than the Local Housing Allowance rate allowable post-Covid). The two properties in Bristol consist of 5 one-bed flats and in London, they are two shared houses.

Including refurbishment costs, which in one case was substantial, we have spent an average of £148,674 on the capital costs of each bed space, providing high specification and low maintenance accommodation for 11 young people, to date.

Following a workshop in November 2019 with both of our Establish partner organisations, a review of the funding model was undertaken for each organisation in 2020. Our charity partners explained that they are not able to claim housing management costs through the Exempt Accommodation rules allowed in supported accommodation with higher levels of support. Consequently, ACT made the decision to alter our grant funding agreement to a variable Housing Management Grant of £2,500 per bed space. We also decided to set up a Transitions Fund of £500pa per young person, so that the charities could flexibly support young people with additional costs incurred in starting

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work. These changes have meant that ACT has increased its contributions to partner charities this year.

£148.6k

Average cost of capital invested per person to purchase and refurbish an affordable home

19

Average no. of months staying in an Establish home

11

No. of young people living in Establish properties at any one time

22 hours

Weekly average of *pro bono* support given to the Establish programme by Andrews' staff

On announcement of the first lockdown, we offered each charity help to meet the Covid-related costs required to support vulnerable young people. Small grants of £2k each were provided. 1625ip used this to purchase SIM cards for their young people – primarily so that they could continue to access online learning – and CAYSH used the grant for PPE equipment for their staff.

The other major piece of work completed in the year has been a further review of our own funding model in order to allow for capital expenditure on new properties with minimum impact on our other two grant-making programmes. A range of financing options were considered and several lenders approached. In October, Trustees agreed in principle to a £1.5 million loan for this purpose and by the end of the year formal due diligence was underway for a deal with Charity Bank. This will enable us to purchase three new houses in 2021, whilst restricting the overall annual outlay for the programme to within £200k per year. This will allow us to continue to use our annual income on other grant and social investment opportunities which address our charitable objectives and our strategic plan in other ways.

Another explicit aim of the project, is to enable us to build up stronger connections with Andrews Property Group and to enable staff from the business to volunteer both their professional skills on a pro bono basis plus their time to support the charities and the young people in other ways. However, in 2020, the restrictions presented by Covid19 have limited opportunities – as both charity and business staff focused on the core of their day jobs. That said, by the end of the year, a small number of Andrews staff had provided considerable professional support, free of charge to the charity, in the purchase of a new property in Bristol and on the management of the other leases. Furthermore, it has been Andrews staff that have led the ACT Finance & Investments Committee through the refinancing negotiations. This has amounted to a substantial number of hours work. We fully intend to celebrate this generous level of support in 2021. Finally, a decision was made in 2021 to set up the Andrews Social Purpose Team (ASPT), led by the business, to guide and harness motivation by business staff to donate their time on a voluntary basis to further support Establish and other charities that we support.

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Bristol Establish Charity Partner: 1625 Independent People

1625ip is a charity based in Bristol which serves Bristol and the surrounding areas. It provides support to young people in order to prevent homelessness, keep young people safe, and support them to be the best they can be. Since the partnership began in May 2017, 12 people have been supported in the 5 Establish flats over 2 properties in Bristol. The average stay for those young people was 15 months for those who have moved on. In 2020 3 young people left, two of whom were in employment. The average number of void days across all of the flats was 24 days. Rental costs in the properties were on average 84.5% of market rates.

London Establish Charity Partner: CAYSH

CAYSH, based in Croydon, work with young people facing homelessness in London, providing safe homes and support enabling them to achieve their potential. Their clients have helped design their services which they proudly state makes them truly effective for funders.

Establish Case Study

A care-experienced young person moved into one of the Bristol Establish flats in 2019 having dropped out of university. He was unemployed, had nowhere to live, finding it hard to make decisions and plans about his future. 1625ip supported him to find an administration job where he stayed for much of 2019 until made redundant. Another job ended after a short term contract when the pandemic hit. 1625ip helped him recognise that moving in and out of work influences benefit entitlement and impacts household budgeting. Initially, he needed support to pay his bills. He learnt to manage frustrating life lessons about resilience in the face of job insecurity. And he persisted, finding a permanent role in September 2020. Establish has enabled him to make great progress, providing time and 1625ip support to build his resilience, to navigate recruitment and to manage benefits in the face of job insecurity. He also learned to manage his bills. In January 2021 he secured a long term affordable council property. He currently earns over £1,200pcm, lives independently, not claiming benefits.

CAYSH manage two shared three-bed properties for ACT. These properties were let out at an estimated average of 71.5% of market rates offering significant support to (how many) young people. It is notable that CAYSH tenants have stayed in the properties since the project began in 2018, leading to an average length of stay of 24 months since January 2018.

In 2020, one young person who was in employment moved on to independent living. There have been no void days in the CAYSH-managed homes since 2018, which must be recognised as exceptionally efficient use of this resource. The box room in one of the 3-bed shared properties was used as emergency accommodation on a short-term basis while the young person in question was found a more suitable home.

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Other Funding – Housing and Poverty

This funding programme enables us to support a range of organisations that are developing or implementing innovative solutions to problems that reinforce the links between housing and poverty.

Lighthouse

Emmanuel Akpan-Inwang is the Founder of Lighthouse, an organisation committed to improving outcomes for children in residential care. Lighthouse believe that using a model of practice known as social pedagogy will lead to more stable placements, happier children and ultimately, better life outcomes. They have four key pillars. First, homes will only recruit exceptional people and provide them with world-class training, enabling them to support some of our most vulnerable children. Second, they work with an architect to design a place that looks and feels like a home. Third, they will ensure that children receive an excellent education and are exposed to the opportunities they deserve. Finally, to embed the social pedagogy model of practice which is the model in place in most of Western Europe.

Emmanuel has been able to “incubate” Lighthouse within Catch22 which has enabled him to benefit from support, back office functions and governance support. ACT has been funding the salaries of the team during the development phase, before the first home is opened, and has been working with an informal advisory board, more akin to a trustee body for Lighthouse itself, to formalise the relationship with Catch22.

By the end of 2020, Lighthouse had purchased its first building in south London and begun refurbishment. However, progress was significantly slowed by the Covid situation, with the purchase process taking much longer than expected and contractors and permissions being delayed. However, the team has taken this time to develop the necessary policies and practices for running the home and prepared for the recruitment of operational staff which can take place in 2021. It is expected that the home will now open at the end of 2021. They have also established a consultancy arm, called Greenhouse, to enable them to provide advice and training to other organisations wanting to improve the running of their homes. This will also bring in additional income and allow the organisation to influence the wider sector.

Child Rescue Nepal

CRN is led by Chief Executive Jo Bega, who has worked in the voluntary sector for over 20 years and has extensive experience in charity management, fundraising and marketing. ACT has contributed towards Jo's salary since 2016 significantly increasing the capacity of the organisation. Consequently, it has, to date, raised over £5 million for Nepalese children and rescued over 800 children, providing ongoing support in many cases, pursued the prosecution of 24 traffickers and helped to jail 14 in Nepal and India.

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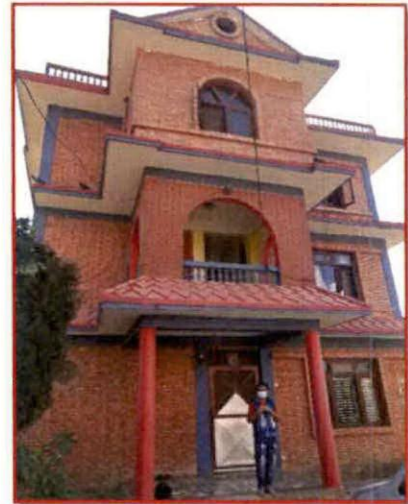
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In 2020 ACT agreed a further three year funding programme to support their Youth Transition Programme, which supports the transition into adulthood for young people who have been displaced from their families at a young age. The funding is being used to support the Programme and to fund a 'halfway house' for young people aged 16 to 20. The property is for vulnerable young people, with priority given to rescued children leaving care for the first time.

In 2020, 17 young people were supported through this Youth Transition Programme. During the latter part of 2020, all the young people were attending online classes and preparing for their examinations. After lockdown lifted, colleges and training centres started reopening which helped young people to return physically to their college and training centres.

Three young people have been placed in full-time jobs and have started living independently. Three other young people are undertaking job placements, gaining employability skills. Five young people have been enrolled in chef training and two have been enrolled in school in Grade 11. One person was in one-month on-the-job training. Achievements show that, despite difficult circumstances during a lengthy national lockdown, CRN is making excellent progress in meeting their objectives.

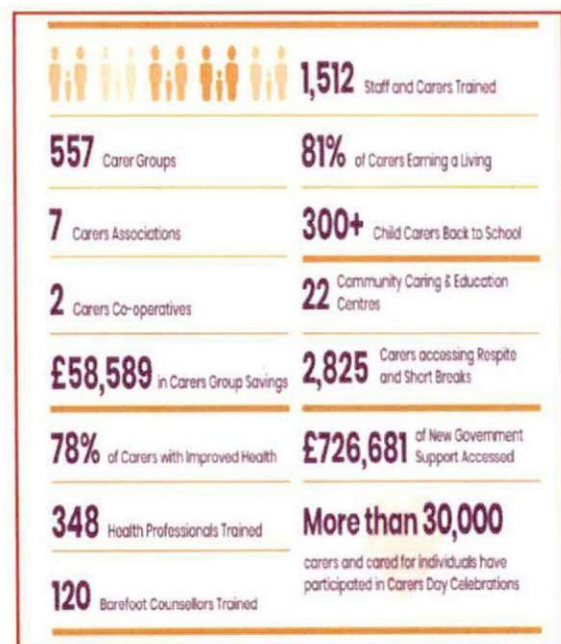
A halfway house has been setup to provide accommodation in Godawari province, south of Kathmandu for at least 6 young people attending the programme. By the end of the year, two young people moved in.



Carers Worldwide

ACT provided the very first funding for Carers Worldwide back in 2012. Since then, we have provided a series of four further grants, primarily focused on building core capacity at various pivot points for the organisation as they have grown their international reach, with community-based partners supporting carers directly in South Asia and a globally recognised advocacy programme.

Today, they have 13 community-based organisation partners in India, Nepal and Bangladesh who support people who are disabled, have mental health issues and are aging. Carers Worldwide has trained 1,512 staff in these organisations and supported them to establish district or state level advocacy groups. By 2020 there are 7 Carers Associations and 2 Carers Cooperatives, build up from 557 local carers groups made up of 12,264 carers.



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The organisation is now raising more than £300k per year, has set up local fundraising in India raising £26k in 2020 and is expanding its training and consultancy work in 2021. ACT has provided two trustees and support for setting up this work, supporting recruitment of more commercially minded trustees to support this work in the future.

Mustard Seed Property (MSP)

In 2018, ACT supported MSP in its first community investment fundraising using the ethical retail investment platform, Ethex.

In order to attract new retail social investors, ACT provided a pot of £50,000 to provide matched funding for new investors.

The photo on the right is of the new property in Redruth, purchased by MSP following the fundraising for the charity Karrick Community, to provide forever homes for at least 5 adults with learning difficulties. Planning permission for the extensive refurbishment of the property had been agreed by the end of 2020, for work to begin in 2021.



A further fundraising through the retail social investment platform, Ethex, amassed a total of £601,246 for the refurbishment, to complete repairs on an existing property and to allow a further purchase in 2021. There are now a total of 238 shareholders in this community enterprise, the majority of whom are based in Cornwall. In 2020, ACT waived our dividend payment.

Abode Impact (AI)

ACT invested in the early research by Abode Impact, to explore how best to integrate accessible housing in the UK private rental portfolios. Initial attempts at bringing an investment opportunity to market were not successful. In 2020 however, a new executive Director is in the process of developing a pilot project to create a small portfolio of 30-40 properties in one or two cities for rent by families with the need for an accessible home. ACT has introduced AI to potential social investors to raise the expected £15m capital funding for this project and other existing creditors are also actively supporting negotiations with house builders to enable this to take place in 2021 and a route map to the social impact that we envisaged be successful.

Inspira Farms (IF)

This innovative social business pre-dates our focus on housing and poverty. ACT was one of the first investors in Inspira Farms, set up to provide small and growing agribusiness in the developing world with the tools, technology and expertise to significantly reduce food losses and energy costs, and access higher-value markets. Since 2012, this truly multi-national business has developed a system of modular cooling, storage and processing units and a system of affordable asset financing. They have also become a B-Corp business, promoting sector-leading responsible business practices.

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Christian Community Grants

Cinnamon Network

Cinnamon is receiving a grant from ACT of £70,000 per annum for four years and 2020 was the third year of funding. Cinnamon facilitate a menu of proven social impact projects that churches can select to run and receive mentoring and training for. ACT funds small £2k start-up grants for

individual churches taking up one of these projects in the regions where Andrews operate. Through this fund, 43 projects are now established, supported by more than 700 volunteers. Cinnamon has developed the capacity of these church projects through 12 leadership training courses delivered to 248 participants.

In 2020 the appetite for starting new projects was curtailed by the Covid19 pandemic, as many churches leapt to respond to the immediate needs of lockdown and other restrictions affecting their communities.



To enable Cinnamon to react wherever the need was greatest, ACT released our geographical restrictions for the year. Seven churches who had previously benefitted from a start-up grant asked for additional funding. Mainly churches switched to an online delivery where possible or to delivering food parcels to the community. Often, having established relationships with vulnerable people in the projects, churches subsequently kept a particular eye on these people during the pandemic.

A church running a CAP Debt Centre reached out to a middle-aged man who had no phone, cooking facilities, gas or electricity due to his debts. With negotiation the utilities company agreed to provide energy whilst he reduced his debt gradually. The centre paid for a basic mobile phone, enabling him to access information on his universal credit and his doctor can now contact him for vital medical help. He receives ongoing support from the church.

"I've never run a project before, and wouldn't have started without the MicroGrant funding as I wouldn't even know where to begin finding funding. It would have taken so much time."

Lindsay, Methodist Church Portishead, Bristol.

All face-to-face training delivered by Cinnamon switched to topical support and advice, virtually, through webinars and online courses. Between March and September, 17 webinars were delivered to church leaders/activists and leaders of Christian charities addressing topical issues. In autumn, a pilot course was launched online, specifically aimed at volunteers. By the end of the year, however, and despite the prevailing difficulties five new projects eventually started up in 2020 with the help of an ACT grant.



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The Archbishop of Canterbury's Commission on Housing, Church and Community

The Commission launched its final report on February 24th in an online event, headed up by Archbishop Justin Welby. This will be followed by a final report containing a series of actions and recommendations for the Church of England and for Government and other key actors in the housing market.

ACT funding specifically helped support a search for innovative approaches to tackling housing need that would work at the level of a single church and its community. Through a competition five winners were selected for inclusion in a Cinnamon Project Lab – an incubation programme to support their growth. The five winners, whom we will follow as they go through the two year Project Lab are:

- Radiant Cleaners (Grant winner)
- Hope4All (Grant winner)
- Cambridge PACE
- Malachi Project (our reserve project, selected when a previous winner dropped out)
- Street Connect

Separately, the Commission has developed a set of practical and theological resources with advice and guidance for churches who are exploring how to respond to local housing need, which will be hosted on the Housing Justice website. This will include a practical guide on church-led housing schemes, a series of How-To Guides on engaging with new housing developments, and a range of other advice and examples of church-linked housing initiatives (including, for example, campaigning and advocacy work). Furthermore, a book on the theology of housing, 'Come Home', was published, setting out the Commission's theological framework, including five core values for housing (sustainable, safe, stable, sociable and satisfying) that we think should guide housing policy and practice.

"brilliant to see the Church of England leadership engaging with one of the biggest challenges facing our society – one that is at the heart of the inequalities, poverty and hardship facing so many of our fellow citizens – with clear proposals for the Church, as well as the usual suspects, to achieve the affordable homes this country so desperately needs."

Lord Richard Best, Chair of the Affordable Housing Commission

PLANS FOR 2021

Establish

By the time of writing, we have located a new house in Bristol to purchase for 1625ip, are actively looking for a further property in south London for CAYSH and are in negotiation with a new partnership in Oxfordshire for a third house near Oxford. These developments are being made possible by the procurement of a £1.5m loan from Charity Bank.

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This will bring the total number of young people able to live in Establish houses at any one time to at least 20. This will be achieved by working with at least 3 charity partners that are able to provide expert and youth-focused support for the young tenants, as they set out on their careers.

In addition to the provision of a further three houses in 2021, ACT will continue to encourage the involvement of staff from Andrews Property Group in the project. This will include the following:

- *Pro bono* time provided for the house search and purchase process, lease management and property expertise more generally. We are also building up the confidence of the business to offer work experience, apprenticeships and other opportunities to support young people wishing to work in the property sector.
- Volunteer support for the charities including equipping the houses, fundraising for small projects and then to support the young people with access to work, such as training as mentors, providing interview practice and other into-work help.

Housing and Poverty

Funding for two new social purpose organisations (SPOs) were also agreed during 2020 but with the partnerships starting in 2021. These are Hope into Action and Go Forward Youth.

The partnership with Hope into Action is to support the development of their successful franchise system which enables churches secure investment and to work with a range of community organisations to run homes for vulnerable people in their communities. ACT is funding an expansion of their team and a programme of work towards the achievement of the following five year outcomes.

- 180-200 church relationships in 15 full franchise towns and 20 franchise-lite towns
- 200 houses housing about 500 tenants

The partnership with Go Forward Youth is to support a young entrepreneur to establish stronger organisational capacity to support their Own It entrepreneurship programme and their Hub weekend support facilities for young care leavers in London. This is a relatively young organisation that we hope to strengthen for further growth and development over the course of the next 3 years.

Christian Community Grants

A major development in 2020 has been increasing discussions between ACT and our sister charity the Christian Book Promotion Trust (CBPT) and both boards have increasingly recognised the benefits of closer collaboration. CBPT remains reliant on Andrews & Partners for its income, as the sole minority shareholder in the company, aside from ACT.

We are now actively pursuing the legal framework which would allow CBPT to become part of ACT whilst retaining its charitable purpose to promote the distribution of Christian literature to the wider community. The priority here will be to ensure the continuation of their Speaking Volumes grant programme, <https://www.speakingvolumes.org.uk/> whilst supporting combined governance, administration and funding contexts. We are hopeful that this will also increase prospects for cross-fertilisation of ideas in the future and practical opportunities for innovation leading to a greater impact towards the charitable objectives of both trusts.

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In addition to the above, our relationship with Cinnamon Network will continue in 2021 with funding for a further set of 20 matching grants to support individual churches to start up a new community project from the list of those recommended by Cinnamon Network. Further funding is also provided to support their leadership training and advice by Regional Advisors.

New Strategy

In October 2020, the Trustees considered, for the first time, how we might incorporate better standards and practice around diversity and inclusion. We acknowledge that we are only at the start of this journey, but in 2021, we have committed to assessing ourselves against the Charity Governance Code <https://www.charitygovernancecode.org/en> and to developing steps to address areas where improvements could be made. In October 2021, the Trustees and ACT staff will gather for an extended away-day to formalise the next strategic plan to cover the three year period from 2022-2024. A key theme throughout the review workshop will be improving what we do.

In the lead up to this, we will reflect on the progress made with our existing strategy and we have also commissioned external resources to help us. The external review will consult with our existing charity partners, explore our processes and help us to prepare for the strategy event itself, to ensure that it is as efficacious as possible. It is expected that the three main funding programmes will broadly remain but further developed through the learning and experience of the past four years.

Furthermore, it is hoped that external support will ensure that we are clearer in our understanding and agreement of what success looks like, in order to develop our internal monitoring and to improve our assessment and reporting expectation of charities that we support.

Finally, we will continue to work on our relationship with Andrews Property Group, supporting the embedding of their values which includes their commitment to "giving back". Much work has been done through the course of the past 10 years to establish and formalise our shareholder relationship, but from 2021 we will support the desire of the leadership team to embed social purpose throughout the business. This will include helping to ensure that all staff are aware of the work of the charities that we support, can communicate this as part of their conversations with customers and can have opportunities to volunteer their support if they wish to do so.

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FINANCE STRATEGIC REPORT

Stakeholder Engagement and Section 172 (1) Statement

Section 172(1) of the Companies Act (Duty to promote the success of the company) states that Trustees, as Directors, must act in accordance with a set of general duties, which to promote the success of the company for the benefit of its Members.

In the context of the Group (as described on Page 28 below), we have taken into consideration the stakeholders that relate to the separate relationships in the Group that result from its structure. In making an assessment of our duties during 2020, the Trustees have considered the actions and activities of the Board and of the Board of Directors of Andrews & Partners Limited as described throughout the report.

Taking the areas required for disclosure in turn:

a. The likely consequences of any decision in the long term.

The long term sustainability of the Group is considered regularly by the Trustees and is bound by the Investment Strategy described on page 22 above and is regularly reviewed by the Finance & Investments Committee. Specifically for this year, the findings of this review are set out in the section on Going Concern and under the further section on Risk Management. Long term mitigation of risks is also done through our Reserves Policy.

The long term effects of decisions within Andrews & Partners Limited are monitored closely by the Trustees through reports by senior management at the quarterly Trustees meetings and at an annual shareholder meeting, held in July each year. During 2020, this was especially pertinent, due to the uncertainties presented by Covid19. The Trust considered worst case income projections in both the business and the charity along with contingency plans that would maintain the long term future of the Trust. Essential to these considerations were the operations and support for beneficiaries of the charities already supported by ACT.

b. The interests of the company's employees.

The vast majority of Group employees work for Andrews & Partners Limited. Trustees recognise that the qualities and skills of its employees and the commitment of its staff plays a major role in its success. Staff wellbeing and emotional health has been a particular area of concern during the pandemic, with some staff having been furloughed and others working from home for an extended period. The company has improved services on offer to staff to help maintain good mental health and this will be maintained for the long term.

In addition, the Trust has supported staff who are interested and motivated to engage with the charitable work of the Trust. Trustees and Directors of the company believe that building opportunities for staff engagement will bring benefits to our charitable partners and their beneficiaries and to the staff themselves. At the end of 2020, the Andrew Social Purpose Team (ASPT) has been set up to explore and develop this engagement.

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c. Fostering the company's relationships with suppliers, customers and others.

In relation to key stakeholder engagement, the Trustees continually strive to strengthen and develop ACT's relationship with Andrews & Partners Limited, primarily (as described above) through engagement with its staff. Through this, however, we are mindful of the responsibilities that the business has to its wider stakeholders, including suppliers and customers. Through its shareholder relationship and close working relationship, ACT strives to support improvements in the ethics and integrity of the ways in which the business works with its other stakeholders.

In the Trust, our strategic approach to achieving our charitable objectives is to work closely with other charities that receive financial support from us, in a "funding plus" model of grant-making and social investment. As such, both the staff and trustees of the Trust have regular interactions with our key stakeholders throughout all partnerships. We hold annual reviews with all grantees with the express intention of reviewing the partnership and exploring how ACT can better support their ability to achieve positive outcomes for the communities they work with. In 2021, ACT plans to engage external specialists to review our approach to achieving positive impact and as part of this grantees will be consulted about how we have achieved this. The results of this analysis will be reported on in next year's annual report.

d. The impact of the company's operations on the community and the environment.

In 2016, the Trustees embarked on the Establish programme (reported on pages 8 above). In 2020, the Trust agreed a partnership with two other funding organisations interested in improving property options for vulnerable young people, LandAid and the Ovo Foundation. Through this partnership we have been able to pilot how Establish can contribute to increasing the energy efficiency of our property portfolio. The Ovo Foundation paid for a consultant from the Centre for Sustainable Energy (CSE) in Bristol to advise on the most recent property purchase. Their report contributed to an extensive refurbishment plan for this property enabling significant improvement to its Energy Performance Certificate. LandAid have agreed a major grant for these works to take place and this will be reported on in next year's annual report. As a result of this pilot, we are optimistic that we will be able to build in environmental considerations into future property purchases. Furthermore, it is building the Trust's confidence to advise and support other funded charities in their property projects.

e. The desirability of the company maintaining a reputation for high standards of business conduct.

The Trust and the Company take a zero-tolerance towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations that relate to these matters. No significant matters in this regard arose during 2020.

f. The need to act fairly as between Members of the company.

The Trustees understand the Charity Commission requirements and understand the need to avoid and manage conflicts of interest.

The Trust is limited by guarantee itself but the Group includes the Andrews Property Group trading company. We recognise the rights of the minority shareholder for the business, Christian Book

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Promotion Trust (CBPT) and endeavour to ensure that their rights and role is fairly recognised. During 2020, we have taken significant steps to strengthen the relationship between the Trust, the business and CBPT.

Energy and emissions report

Andrew's Estate Agents disclose their energy use and greenhouse gas emissions for which they are responsible in line with SECR requirements. This is the first year of SECR reporting and is aligned with the financial year **01/01/2020 to 31/12/2020**.

	Current Year 2020	Comparison Year 2019
Energy Consumption Used to Calculate Emissions Heating Fuels (kWh)	128,401	N/A
Energy Consumption Used to Calculate Emissions Electricity (kWh)	976,924	N/A
Energy Consumption Used to Calculate Emissions Transport Fuels (kWh)	287,516	N/A
Scope 1 - Emissions Combustion from Heating Fuels (tCO ₂ e)	23.6	N/A
Scope 1 - Emissions Combustion from Transport Fuel (tCO ₂ e)	47.4	N/A
Scope 2 - Emissions from Purchased Electricity (tCO ₂ e)	227.8	N/A
Scope 3 - Emissions Consumption from Business Travel (tCO ₂ e)	19.9	N/A
Total Emissions (tCO₂e)	319	N/A
Intensity Ratio (Number of Employees)	462	N/A
Total tCO₂e / Employee	0.69	N/A

Energy Efficiency Actions

- Following ESOS Phase 2, there was work towards the implementation of an Environmental and Sustainability Policy and Plan
- As and when a branch or office is due a refurbishment all lighting is replaced with LED. This policy was applied to two sites in 2020
- Installation of timer control on one shop fascia and most branches have a timer control on their window displays
- Implementation of several initiatives across the Company to move to electronic handling and storage of documents thus significantly reducing printing and waste
- Assistance and movement of the Property Management teams to home working, reducing the commuting emissions to and from a workplace

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To reduce energy consumption, cost and carbon emissions, Andrew's Estate Agents are encouraged to continue their existing good work and implement further energy conservation measures in the next 12-month period, and as the changing Covid-19 situation allows.

Andrew's Estate Agents has chosen operational control as the consolidation approach and the boundary includes all entities and facilities either owned or under our operational control that are within the UK.

The methodology used to calculate the CO2e emissions is the Operational Control approach on reporting boundaries as well as utilising the carbon emissions methodology as defined by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard, Revised Edition. Emissions factor data source: BEIS 2020 conversion factors <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020>. Reporting covers electricity, gas and transport fuel consumption within the UK as required by Environmental Reporting Guidelines for non-quoted companies as defined in The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

This has included a specific review of the risks around the Covid19 crisis but which, at the time of writing and with the knowledge available at this time, suggest no change in policy is required. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Financial Risk Management Policies and Objectives

The financial objective of the Trust is to provide stability of income for the fulfilment of the charity's objectives, as set out and bound by the Memorandum & Articles, which allows for consideration of our investments on a total returns basis. We currently do this through maintaining a portfolio of investment assets that generate regular income for the Trust's operations, including:

- The majority shareholding of Andrews and Partners Limited.
- Investment property – currently one commercially let property in Islington.
- Invested funds – invested in M&G Charifund currently.

In addition, we are building up a portfolio of properties for use by charities supporting accommodation for care leavers, in the Establish programme. These properties add to the Trust's balance sheet but are being developed under a mixed motive policy, with financial return expectations limited to allow for a social return to be realised and to cover costs.

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The Finance & Investments Committee (FIC) is responsible for the Finance & Investments Strategy which forms the framework for all finance and investment decisions.

Investment Strategy

The Finance & Investments Strategy agreed by the full board on 4th April 2019 is reviewed annually by the FIC and any recommendations for changes made to the July board meeting. Any Finance and Investment Committee recommendations regarding the finance and investments of ACT are passed to the full Board of Trustees for approval.

The investment strategy is intended to support the Trust to achieve greater impact. It articulates the following investment objectives. Under each type of investment, the current investments are also noted:

- a. Income Generation Investments (IGI): Investments whose primary focus is the generation of income with commercial return expectations. We currently do this through maintaining a portfolio of investment that generate regular income for the Trust's operations, including:
 - The majority shareholding of the Andrews property services business.
 - Investment property – currently one commercially let property in Islington.
 - Invested funds – aiming to retain approximately £1m invested in readily available equity investments, currently held in M&G's Charifund.
- b. Mixed Motive Investments (MMI): Investments being made with both financial and social return expectations, enabling us to invest in enterprises which meet a social need that we recognise as being under-served or innovative in nature, such as:
 - Abode Impact (formerly Community Sponsors Homes) – loan for the development of a Fund to enable adapted housing for wheelchair users.
 - Mustard Seed Properties – local equity investment to encourage growth of community shares in a fund that enable the purchase of housing for adults with learning difficulties.
- c. Programme Related Investments (PRI): Investments with the primary objective is to generate significant social returns which address our charitable objective, with financial return expectations being secondary to the social value they are expected to generate.
 - Inspira Farms – "returnable grant" provided as start-up capital repayable when revenue from sales reach the target annual figure.
 - Establish properties – housing for care leavers, where rents are set as low as possible to cover the costs of growing the number of properties on offer to partner charities.

Trustees have agreed that, in the medium to long term, they will wish to develop the strategy further, developing a process that enables increasingly holistic investment decisions, where social, environmental and governance (ESG) standards are accounted for when assessing risk and return.

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Principal Risks and Uncertainties

The Trust maintains a Risk Register which is reviewed annually by the Finance & Investments Committee and approved by the full board at its board meeting in July. In 2020, the Covid19 risk was the principal risk identified in our review but we have also included here, commentary on our association with APG and on our Establish property project, as these are also being closely monitored.

Covid19

At the time of writing, we are aware that uncertainties following the current Covid19 crisis appear to be easing. To date, the financial, operational and reputational risks for the Trust have been limited and we have been monitoring the context to ensure that this continues to be the case.

To reduce the potential risks to our operations and to protect our current charity partners, mitigating actions were put in place during 2020. We delayed making any further commitments and tightly managed costs to handle the potential impact of the crisis on our main sources of income and to maintain our sustainability for the long term, whilst uncertainties continue. We offered our existing charity partners modest additional support, within our means, in view of the pressures on their beneficiaries but through this, only £4k was taken up as small grants for our Establish partners.

The risks continue to be monitored and are under regular review, as the situation evolves but we have been impressed by the way in which our partners have adapted to the changing circumstances and have been pleased with the outcome of our own precautionary management.

Andrews Property Group

During the Covid 19 pandemic the company have taken steps to minimise the impact on the business while also maintaining the safety of staff and customers. The impact on revenue for Estate Agency has been particularly significant but with Government support and decisive steps taken by management, this has not affected the going concern basis of the company. The company balance sheet has therefore remained strong with no discernible debts, a cash balance in excess of £8.9m. Whilst the board consider it a highly unlikely event, the business could withstand 3 to 4 months of no income at current cash running costs with no government support.

In 2019, the Charity Commission issued new guidance on the relationship between charities and non-charities. We have upgraded our conflicts of interest policy and are working with the business to ensure communications on both company and Trust websites and other public sites remains clear about our independent statuses. Our shareholder relationship is clearly bound through an agreed shareholder directive, underpinned by an experienced and specialist sub-committee for finance and investments that is chaired by an independent trustee, and which includes trustees with skills in accounting, financial management, the property business, property finance and investment management. We also hold an annual shareholder meeting for the Board of Directors to report directly to our trustees, and to ensure that we are informed of the future strategy of the business. In

2020, this provided an important opportunity for the Trust to explore the impact of Covid19 and understand the future strategy for recovery and growth.

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Establish

We are aware that the Establish programme is developing a new set of risks around debt-financing for the properties, property ownership and lease management. In relation to mitigation, both the Director and the Chair have attended training days about our legal responsibilities as charitable owners of property. Furthermore, the Trust has entered into a formal management contractual relationship with Andrews, for them to undertake lease management work on our behalf and to ensure that we remain legally compliant. We have also taken on two new trustees with expertise in property and investment management to support our desire to leverage our existing property portfolio to raise finance for further purchases.

Reserves Policy

ACT requires sufficient regular income to meet the operating costs of the charity and our grant commitments. ACT commonly provides multi-year grant contracts and these are held in our cash reserves, although all contracts provide ACT with the ability to withdraw forward commitments, should the terms of the grant agreement fail to be met. The sum of the net current assets reserves at any given point, plus forecast income of the next three years is targeted to be at least equal to future grant commitments over the next three years. At 31st December 2020, total unrestricted reserves were £15,900,527. Total restricted reserves were £83,231. £803,292 represents the total level of free reserves after taking into consideration the net book value of fixed assets.

It is these net current assets that comprise the Trust's reserves. Trustees review the appropriate level of reserves at each meeting, together with the forecast income and future grant commitments. In addition to this, and to facilitate further liquidity should further social investments or grant opportunities emerge that address our social objectives, ACT aims to retain approximately £1m in mainstream equity investments but at 31st December 2020, the market value of this investment stood at £893,298. The strategy for these quoted investments is to produce a reliable, relatively high-yielding income whilst at the same time protecting the capital from the erosive effect of inflation.

The investments in property and in Andrews are intended to retain their capital value but also to generate income for the Trust that will enable it to maintain the scale of operations. The Andrews board of Directors are also bound by a Shareholder Directive, to be next reviewed in July 2021, which specifies that Andrews should plan its business to provide, subject to circumstances, for an annual target distribution to its two shareholding Trusts (ACT 84.3% majority shareholder and Christian Book Promotion Trust which holds the remaining 13.7%) the greater of:

- (a) 35% of annual group profit before tax
- (b) 25% of "Like for Like" annual group profit before tax
- (c) a minimum of £400,000

Investment Powers

Trustees have an obligation always to act in the best interests of the Trust, and this requirement obviously includes the optimisation of the Trust's investments. ACT's M&As specify that trustees

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have a broad range of general powers to invest in such assets as they see fit with no restrictions, but subject to considerations of risk and portfolio diversification.

That said, the Settlor's wishes, though not legally binding, state that the ownership of the shares in Andrews are fundamental to the operations of the charity. So, although in law Trustees would be allowed to dispose of the investment in Andrews, new trustees and trustees standing for re-appointment are asked to indicate their support for the continued ownership.

INVESTMENT PERFORMANCE

Andrews & Partners Limited

The key performance indicators of the business are revenue, profit before tax and cash flow. Total revenue fell by 22% from £26,178,836 in 2019 to £20,216,255 in 2020. The group made a loss before tax and charitable donations of £945,608 in 2020 compared to a loss before tax of £1,170,881 in 2019. The fall in result was due to the restrictions on trade for the property market during the national lockdowns through the Covid 19 pandemic. A donation of £860,546 was declared in the year compared to nil paid in 2019.

2020 was a difficult year for Andrews & Partners due to the trading restrictions and customer confidence throughout the Covid 19 pandemic, the strategy implemented through from 2019 to invest in technology and mobilise the workforce stood Andrews Property Group in good stead through the pandemic, enabling the staff to work from home throughout the lockdown periods. When Lockdown was announced the Board and Management reacted quickly to the changing market and legislation by reducing costs and obtaining support where appropriate, whilst ensuring health & safety of staff and customers following the public protection rules and guidelines. This resulted in a decrease in administration costs from £27,580,600 in 2019 to £23,688,961 in 2020. The cash flow remains positive with net cash generated in the period of £2,893,028 with the cash balance increasing up to £8,900,892. Loans increased by £2,407,297 from £119,456 at 31 December 2019, as a result of Andrews & Partners Ltd obtaining a £2,500,000 CBILS loan. There has been reduction capital expenditure in recent years and this is reflected in the group's depreciation and amortisation charge for the year reducing from £1,672,810 in 2018, £1,195,341 in 2019 down to £1,040,683. The fall in these non-cash charges means a decreasing gap between cash generated and the profit and loss result.

a. Estate Agency:

The Estate Agency division includes income derived from referrals for conveyancing services. Total revenue fell by 29% from £11,145,571 in 2019 to £7,928,460 in 2020. Conveyancing income fell in 2020 by 24% from £685,520 to £523,486 in 2020. The fall in income was due to the national lockdowns and restrictions on trade throughout the traditionally busier months of the year.

b. Financial Services:

The Financial Services division offer mortgage and protection products. They have been directly regulated by the FCA since May 2016 having previously been an appointed representative of Legal & General. This division works closely with the estate agency division and operates mainly through the branch network. They also operate through three appointed representative firms which are

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under the supervision of Andrews. Some of these firms work outside the Andrews' branch network. Financial services income fell by 5% from £2,846,425 2019 to £2,710,395 in 2020.

The Financial services division will be moving back to an appointed representative status in 2021 to Openwork partnership, reducing the overhead regulatory cost of being directly authorised with Legal and General.

The decline in performance of Andrews Estate Agency had a direct impact on the appointments generated for the Financial Services division and as a result its profit before tax fell from £363,922 in 2019 to £141,834 in 2020.

A complete review of operating practices and procedures across the group is perennially ongoing. The restructuring concluded in 2020 however operational efficiency through digital transformation with increased profitability is continually being reviewed.

c. Lettings and Management:

The Lettings and Management division was the largest income generator in the group (45%) with £9,567,451 in 2020 down from £11,501,320 in 2019. Operating profit margin on revenue increased from 6.2% in 2019 to 13.3% in 2020. This increase was achieved due to a decrease in administrative expenses to £8,675,186 in 2020 from £10,787,115 in 2019. Other operating income consists of income includes £371,920 from Furlough income and £10,000 government rates grant. The 2020 result was despite the impact of Covid 19 and national lockdowns that ensued. 2020 also saw another strong performance from the business to business parts of the company, both Leasehold Management and Corporate Client Services in terms of both revenue and profit, the strategy is to actively grow both businesses organically.

Looking ahead to the coming year the prospects for the lettings market look reasonably strong. Conditions are still largely favourable on the demand side given increasing house price and purchase affordability.

d. Results and dividends

The trading results for the year and the financial position of the company and group are shown in the annexed financial statements. An interim dividend donation of £440,546 was paid in the year and a provision made for a final dividend, totalling £420,000.

Every year, the performance of Andrews is benchmarked against the FTSE All-Share Index using a rolling five year comparison. In 2020, the overall performance of Andrews was 8% (11.81% in 2019) compared to 5.95% for the FTSE over the same period (2019 9.87%).

Other investments

The cash investments are benchmarked to provide a higher income yield and total annual return than the FTSE All-Share Index. At 31st December 2020, the quoted investments in the M & G Equities Investment Fund for Charities had a market value of £893,298 (2019: £1,080,612). The downturn in the markets due to Covid resulted in a negative yield for 2020 of -12.9% (23% in 2019) compared to the FTSE All-Share index performance of -9.8% (19.2% in 2019). Dividends from this investment in 2020 were £43,558 (2019 £53,960). The total return on the investment in 2020 was 4.88% (FTSE 5.95%).

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The Trust also has a small quoted investment in Banco Santander. The market value of this investment decreased during the year from £956 (2019) to £600 (2020).

The Trust's investment property is specifically targeted to produce a return of 6.75% pa income yield and at the 31st December 2020, the market value reduced to £3,000,000 (2019: £3,500,000). The rental income during 2020 was £75,375 (2019: £179,250) which made the yield on the investment property in the year 2.5%, below the investment objective set. This is primarily due to the impact that the national lockdown has had on our tenant, Lucky Voice Ltd. With the inability to trade, ACT agreed to a rent free period for Quarter two 2020 (March to June). This was in response to the Covid- 19 Pandemic only and was a gesture of goodwill. For the remaining lease period (25th June 2020 to 10th January 2024) a revised payment schedule was agreed to ensure that the full monies are recouped.

At the end of the year, the financial position of the charity remained sound. Income for the year totalled £952,079, of which £725,440 originated from our investment in Andrews & Partners Ltd. Income also continued to exceed expenditure, which totalled £450,024 in the year, due to some cost control measures, including reducing the staff salary bill and limiting new grant commitments. Total grant expenditure in the year was £282,494.

This is a far better position than imagined at the beginning of the pandemic. The board of Trustees have closely monitored the situation throughout the year, developing worst case scenarios based on no income from Andrews & Partners Limited and continuing difficulties by our Islington tenant. We have also developed our financial strategy for the Establish project to enable continued expansion through external financing, to limit the impact that property purchases have on the ongoing revenue costs of the charity. The future investment policy is described below.

Future Investment Policy

The investment strategy agreed on 12th July 2019 will next be reviewed by the FIC in May 2021 with any changes to be enacted and recommended to the main board in July 2021. This review will consider all the increased risks that the charity and the group have been exposed to during 2020, relating to the impact of the Covid19 pandemic. To this end, we believe that the existing policy framework has been invaluable in enabling the trust to monitor its investments and to ensure that investment decisions support our ability to achieve greater charitable impact.

The investment policy framework articulates the investment objectives that guide all decisions regarding our investments, enabling us to make investments with a primary financial motive, but then also to consider investments under both mixed motive and programme-related objectives. In addition to this, however, trustees have agreed that, in the medium to long term, they will develop a process for investment decisions that is increasingly holistic, and that social, environmental and governance (ESG) standards are accounted for when assessing risk and return.

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STRUCTURE, GOVERNANCE AND CORPORATE INFORMATION

Constitution

Though originally established on 23rd February 1965, the charity incorporated and re-registered under a Memorandum of Association with the Charity Commission on 13th September 2017.

Organisational structure

Andrews Charitable Trust holds a number of investments in order to fund our charitable aims and objectives. By far the most significant investment is in Andrews & Partners Limited, in whom the Charity hold an 84.3% share. For this reason, and as required by accounting standards, the accounts are prepared on the basis of the whole Group, including the activities of Andrews & Partners Limited.

Andrews & Partners Limited owns a 100% stake in the share capital of Andrews Estate Agent Limited, Andrews Letting and Management Limited and Andrews Pension Trust Limited. Andrews Pension Trust Limited is a dormant entity and therefore is not consolidated into the financial statements of Andrews Charitable Trust on the grounds that it is immaterial.

Andrews Letting and Management Limited owns a 100% stake in the share capital of Andrews West Street Management Limited. This entity is not consolidated into the financial statements of Andrews Charitable Trust on the grounds that it is immaterial.

It should be noted, however, that the day to day management of the property services company is the responsibility of the Directors in Andrews & Partners Limited. The commercial activities of Andrews & Partners Limited are all within the field of residential property services. The group is made up of a number of specialised divisions:

- Estate Agency (AEA)
- Lettings & Management (ALM)
- Mortgage Services
- Leasehold Management
- Andrews Property Services

The Company, has 462 staff (410 FTE) and operates from 48 branches in Bristol, Bath, Gloucestershire, Oxfordshire, south London, Surrey, Sussex & Kent. The key performance indicators of the business are revenue, profit before tax and cash flow.

The Trustees of the Trust, who served throughout the year and up to the date of the signing of the financial statements, except where indicated, were as set out on page 1. To facilitate good governance, the Trustees have established the following sub-committees:

- Appointments and Remuneration Sub-Committee

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- Finance and Investments Committee (FIC)
- Projects Sub-Committee (from 2019)

The relationship between the Trust and the commercial business is framed through a Shareholder Directive, which is reviewed and agreed every three years. The current Shareholder Directive was agreed on 12th July 2018 and will next be reviewed by the Finance & Investments Committee in May 2021, for approval by the Board of Trustees in their July meeting. The matters covered in the Directive are as follows:

- Shared Cultural Heritage
- Level of Reserves
- Financial Arrangements, including dividend expectations
- Non-Financial Support
- Decisions of Material Significance
- Ethics and Integrity
- Planning and Reporting

Appointment and/or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. These allow for a minimum of 3 trustees, with a majority of trustees being independent of Andrews & Partners Limited. Up to 4 trustees can be executives from the company, as long as independent trustees remain in the majority. At 31st December 2020, the Trust had 14 trustees, including 4 executives of the company. All trustees serve for a three year term before re-election. Any trustee standing for re-election beyond three consecutive terms can only be do so at the discretion of the Chairperson.

Policies for the induction and training of Trustees

All new Trustees are provided with a full Trustee Information Pack (TIP) which includes all the essential reference information about the work of the charity, its governance, policies, strategies and finances. This is fully introduced to trustees in a face-to-face meeting with the Executive Director when possible. During Covid, new Trustees have continued to benefit from these inductions under socially distanced provisions, or over zoom, according to the changing rules through the year. In addition, the Trust requires all trustees to attend a formal Trustee Training course, run by one of the UK's top legal firms. The costs of this training are met by the charity.

Trustees indemnities

One of the main reasons for incorporating was to remove the trustees' personal liability for the Trust's properties. Since incorporating, we have insured the charity with Chubb's European Group's Management Liability Package for Charities and Non Profit Organisations. We also have property owner's insurance with Sutton Winson, who also insure Andrews & Partners Limited.

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Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. These are monitored regularly by the Finance & Investments Committee, through review of the risk register annually. For 2020, the major risks that arose through this review and which continue to be monitored as we move into 2021 are covered on pages 23 above.

Pay Policy for Staff

Andrews & Partners pay policy is to reward fairly and manage staffing numbers to deliver services within the constraint of budgets. The framework for the policy is to ensure a fair and consistent approach to remuneration of employees in both basic pay and variable pay, all elements are benchmarked against market rate.

During 2020 the Directors and Company Secretary took a voluntary 20% pay deduction for 3 months while all other staff not employed under the Furlough Scheme had a pay deduction of 10% for 3 months. At the height of the pandemic 292 members of staff were put on Furlough, as within the Furlough rules staff we allowed to engage within training, Managers and HR engaged with Furlough staff to ensure they were supported from a personal wellbeing perspective and remained engaged with the company.

The pay of the Trust's Executive Director is considered by the Remuneration Sub-Committee which occasionally takes external advice on how our pay benchmarks against other similar charities. In 2020, a temporary salary reduction was made in view of the risks presented by Covid19 and the trust made use of the government furlough scheme for one part-time member of staff.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Pages 7 – 17 above discuss the activities of the trust, in relation to public benefit and the ways in which we are addressing our charitable objectives.

Information on fundraising practices

ACT is not a fundraising charity and as such undertook no fundraising practices during the 2020 financial year. Rather it earns its income through a range of investments, bound by the finance and investments strategy, articulated on page 22 above. That said, we are beginning to grow the engagement of staff from Andrews & Partners with the work of the charity. In so doing, fundraising may be done by the company in the future and we are aware that we need to monitor efforts in line with the Code of Fundraising Practice which consider also the rules and regulations set out in Charity and Data Protection Law.

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Employee Involvement

The company has continued this year the practice of consulting and keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company. This is achieved by the company intranet, yammer, e-mail communication to all staff, regular training courses, meetings and conferences.

The involvement of employees in the company's performance is encouraged through monthly commission and profit share schemes. The involvement of employees of Andrews & Partners in the work of ACT is an area being explored through strengthening the relationship between the Trust and the business and through implementation of the Establish project, in particular. It is hoped that this will be further strengthened as we go forward, through the incorporation of "social purpose" as a core value of the business.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues.

Training, career development and promotion of disabled persons is, as far as possible, identical to that of other employees who are not disabled.

In a board meeting held in October 2020, an external specialist on equality, diversity and inclusion provided training to the staff and Trustees. As a result, the Trust has committed to improving our understanding of these matters and including tangible strategies for addressing issues during our strategic review in 2021.

Trustees Responsibilities

The Trustees (who are also directors of Andrews Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material
- departures disclosed and explained in the financial statements;

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that
- the charitable Group will continue in operation.

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable Group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Group's auditors are aware of that information.

INDEPENDENT AUDITORS

This year the Finance & Investments Committee and ACT's Executive Director participated in the re-tendering process for new auditors. We are delighted to announce the selection of Crowe U.K. LLP as the auditors for the whole group, commencing with the 2020 annual report and accounts.

Going forward, the Finance & Investments Committee will propose a motion re-appointing the auditors at a meeting of the Trustees in July annually.

This report was approved by the Trustees, on and signed on their behalf by:



P B Heal, Chair

26 July 2021

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL STATEMENTS

FOR THE PERIOD

1ST JANUARY – 31ST DECEMBER 2020

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS CHARITABLE TRUST

Opinion

We have audited the financial statements of Andrews Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Trust balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS CHARITABLE TRUST
(CONTINUED)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS CHARITABLE TRUST
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Financial Reporting Standard 102 and Charities Statement of Recommended Practice (SORP).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases, reading minutes of those charged with governance and designing audit procedures to test the timing of income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.


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

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS CHARITABLE TRUST
(CONTINUED)

Use of our report

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



Guy Biggin (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 27 July 2021

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and grants	4	-	24,982	24,982	385
Other trading activities	5	-	20,216,255	20,216,255	26,178,836
Investments	6	-	591,966	591,966	285,243
Other income	7	-	2,142,211	2,142,211	-
Total income		-	22,975,414	22,975,414	26,464,464
Expenditure on:					
Raising funds		-	23,315,513	23,315,513	27,143,651
Charitable activities	9	-	450,024	450,024	362,817
Total expenditure		-	23,765,537	23,765,537	27,506,468
Net expenditure before net (losses)/gains on investments		-	(790,123)	(790,123)	(1,042,004)
Net (losses)/gains on investments		-	(687,314)	(687,314)	153,956
Net expenditure		-	(1,477,437)	(1,477,437)	(888,048)
Transfers to Non-Controlling Interests	25	-	(135,106)	(135,106)	-
Total transfers		-	(135,106)	(135,106)	-
Net movement in funds before other recognised losses		-	(1,612,543)	(1,612,543)	(888,048)
Other recognised losses:					
Losses on revaluation of fixed assets		-	(435,000)	(435,000)	(4,670)
Net movement in funds		-	(2,047,543)	(2,047,543)	(892,718)

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2020

Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Reconciliation of funds:				
Total funds brought forward	83,231	19,486,767	19,569,998	20,462,616
Net expenditure attributable to the parent Trust	-	(712,834)	(712,834)	(894,465)
Net losses attributable to the parent Trust	-	(1,054,019)	(1,054,019)	153,956
	<u>83,231</u>	<u>17,719,914</u>	<u>17,803,145</u>	<u>19,722,107</u>
Net expenditure attributable to non-controlling interests	-	(88,978)	(88,978)	(152,209)
Transfers attributable to non-controlling interests	-	(135,106)	(135,106)	-
Net losses attributable to non-controlling interests	-	(68,295)	(68,295)	-
	<u>83,231</u>	<u>17,427,535</u>	<u>17,510,766</u>	<u>19,569,898</u>
Total funds carried forward	<u>83,231</u>	<u>17,427,535</u>	<u>17,510,766</u>	<u>19,569,898</u>

The notes on pages 44 to 76 form part of these financial statements.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

TRUST STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

TRUST STATEMENT OF FINANCIAL ACTIVITIES

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and grants	-	24,982	24,982	385
Charitable activities	-	158,099	158,099	55,481
Distribution from Andrews & Partners Limited	-	725,440	725,440	-
Other	-	43,558	43,558	229,762
	-	952,079	952,079	285,628
Total income				
Expenditure on:				
Charitable activities	-	(450,024)	(450,024)	(362,817)
	-	(450,024)	(450,024)	(362,817)
Total expenditure				
Net (loss)/income before Investment (loss)/gain	-	502,055	502,055	(77,189)
Net (losses)/ gains on investments	-	(187,314)	(187,314)	153,956
Net (losses)/ gains on investment properties	-	(500,000)	(500,000)	-
	-	(185,259)	(185,259)	76,767
Net (loss)/gains before other recognised gains and losses				
Losses on revaluation of investments in subsidiaries	-	(844,466)	(844,466)	(1,352,968)
	-	(1,029,725)	(1,029,725)	(1,276,201)
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward	83,231	16,930,252	17,013,483	18,289,684
Movement in funds	-	(1,029,725)	(1,029,725)	(1,276,201)
	83,231	15,900,527	15,983,758	17,013,483
Total funds carried forward				

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10961227

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	14	262,268	308,545
Tangible assets	15	5,301,355	6,494,682
Investments	17	918,298	1,080,612
Social investments	18	1,561,502	1,582,442
Investment property	16	3,000,000	3,500,000
		11,043,423	12,966,281
Current assets			
Debtors	19	2,800,447	3,170,776
Cash at bank and in hand		9,612,407	6,564,267
		12,412,854	9,735,043
Creditors: amounts falling due within one year	20	(2,539,752)	(2,491,923)
Net current assets		9,873,102	7,243,120
Total assets less current liabilities		20,916,525	20,209,401
Creditors: amounts falling due after more than one year	21	(2,500,000)	(27,419)
Provisions for liabilities		(894,071)	(611,984)
Total net assets		17,522,454	19,569,998
Charity funds			
Restricted funds	25	83,231	83,231
Unrestricted funds			
General funds	25	13,745,089	15,133,549
Revaluation reserve		1,965,691	2,332,396
Total unrestricted funds	25	15,710,780	17,465,945
Total funds		15,794,011	17,549,176
Non-controlling interests		1,728,443	2,020,822
		17,522,454	19,569,998


ANDREWS CHARITABLE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10961227

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

P B Heal
Chair of Trustees

 26 July 2021

The notes on pages 44 to 76 form part of these financial statements.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10961227

TRUST BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	159,351	180,618
Investments	17	10,376,382	11,408,162
Social investments	18	1,561,502	1,582,442
Investment property	16	3,000,000	3,500,000
		<u>15,097,235</u>	<u>16,671,222</u>
Current assets			
Debtors	19	354,060	-
Cash at bank and in hand		711,515	556,403
		<u>1,065,575</u>	<u>556,403</u>
Creditors: amounts falling due within one year	20	(179,052)	(214,142)
Net current assets		<u>886,523</u>	<u>342,261</u>
Total net assets		<u><u>15,983,758</u></u>	<u><u>17,013,483</u></u>
Charity funds			
Restricted funds	25	83,231	83,231
Unrestricted funds			
General funds	25	15,900,527	16,930,252
Total unrestricted funds	25	<u>15,900,527</u>	<u>16,930,252</u>
Total funds		<u><u>15,983,758</u></u>	<u><u>17,013,483</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

P B Heal
Chair of Trustees
Date:

P B Heal
26 July 2021

The notes on pages 44 to 76 form part of these financial statements.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	27	(1,739,602)	(1,172,897)
Cash flows from investing activities			
Dividends, interests and rents from investments		269,810	301,968
Proceeds from the sale of tangible fixed assets		68,671	202,596
Purchase of tangible fixed assets and social investments		(144,174)	(927,299)
Purchase of investments		(25,000)	-
Profit on disposal of branch		322,156	-
Government grants received		2,029,510	-
Net cash provided by/(used in) investing activities		2,520,973	(422,735)
Cash flows from financing activities			
Repayments of borrowing		(92,703)	(193,745)
Interest paid		(5,422)	-
New bank loans		2,500,000	-
Dividends paid to minority interest		(135,106)	-
Net cash provided by/(used in) financing activities		2,266,769	(193,745)
Change in cash and cash equivalents in the year		3,048,140	(1,789,377)
Cash and cash equivalents at the beginning of the year		6,564,267	8,353,644
Cash and cash equivalents at the end of the year	28	9,612,407	6,564,267

The notes on pages 44 to 76 form part of these financial statements

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Andrews Charitable Trust ("the Trust") is a company limited by guarantee and a registered charity (Charity no. 1174706) (Company no. 10961227) incorporated and registered in England and Wales. The address of its registered office is The Clockhouse, Bath Hill, Keynsham, Bristol, BS31 1HL. The Trust has been established for the advancement of Christian religion and the relief of sickness, poverty and distress worldwide, as an expression of Christian love.

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 Companies Act 2006.

Andrews Charitable Trust 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 Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Trust and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

2.2 Going concern

The Trustees have considered the groups financial forecasts to consider its ability to meet its liabilities as they fall due. They have considered the expectations of future trading, forecast operating costs and current assets and do not believe there are any material uncertainties over its ability to continue as a going concern. Accordingly the financial statements have been prepared on a going concern basis.

In the light of the current climate in relation to the COVID-19 pandemic the Trustees have undertaken planning and forecasting and continue to closely monitor the developing situation. Despite current circumstances the Trustees believe that the groups financial resources are sufficient to ensure the ability of the group to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

2.4 Expenditure

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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group'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.

"Expenditure on trading activities" In the Statement of Financial Activities represents the net expenditure of the trading subsidiary, Andrews & Partners Limited.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.5 Basis of consolidation

The financial statements consolidate the accounts of Andrews Charitable Trust and all of its subsidiary undertakings ('subsidiaries') (in total the "Group"). As the Trust was established on 13 September 2017 to facilitate the incorporation of the previous Trust without any changes to the objects of the Trust or its Trustees, the charity merger provisions of the SORP have been adopted in these financial statements and therefore present the results of the Trust and Group as if it had always been in existence under this current legal structure. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Any subsidiary undertakings sold or acquired during the year are fully included up to or from, the dates of change of control. Where the Group does not own or control 100% of the equity of a subsidiary, non-controlling interests are recognised within equity and profits/gains/losses are apportioned according to the amount of equity held by the non-controlling interest. All Intra-Group transactions, balances, income and expenses are eliminated on consolidation.

2.6 Turnover

Turnover comprises revenue recognised by the Group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover in respect of trading subsidiaries is included in "other trading income" within income on the Statement of Financial Activities.

2.7 Termination payments

Termination payments are accounted for as soon as the Group is aware of the obligation to make the payment.

2.8 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Goodwill	-	5 to 10 years
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ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Short-term leasehold property	- Unexpired period of the lease
Motor vehicles	- 4 years
Fixtures and fittings	- 2 to 5 years

2.10 Revaluation of tangible fixed assets

The Group has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

2.11 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 Consolidated statement of financial activities.

Investments in subsidiaries are valued at fair value which the Directors estimate to be approximate to the net asset value of the underlying group.

Social investments are initially measured at cost and are subsequently measured at cost price adjusted for impairments where necessary.

ANDREWS CHARITABLE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.12 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.

2.13 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.

2.14 Liabilities

Liabilities 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.

Liabilities are recognised at the amount that the Trust 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 Consolidated statement of financial activities as a finance cost.

2.15 Financial instruments

The Group 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.

2.16 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.17 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.17 Deferred taxation (continued)

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2.18 Pensions

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

2.19 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 Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.20 Contingent liabilities

In accordance with the SORP, a contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Surveying Claims (note 24)

Provision is made for compensation payable in respect of claims arising from residential surveys carried out by a former subsidiary, Landmark Surveyors Limited. The provision was made up of two categories. Firstly, appropriate reserves were made for known claims already received and recorded in the insurance bordereaux. Secondly, the group made provision for liabilities in respect of unknown future claims yet to be received in respect of surveys already done. The second Category of provision was judgemental by its very nature depended on claim rate, claim liability rate and average loss all of which are very sensitive to any changes in trend. The provision made in this category for 2020 is for potential claims under the sale

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Critical accounting estimates and areas of judgment (continued)

and purchase agreement for the disposal of the subsidiary.

Onerous lease provision (note 24)

A provision has been made for potential liabilities arising from onerous property leases the Group has in respect of property no longer being used for trading activities by the Group. The critical estimates in determining these liabilities are the estimate of how long it is likely to be before new tenants are secured for the property and the level of rents those tenants will pay.

Impairment of Goodwill (note 14)

Determining whether goodwill is impaired requires a management estimate of future cash flows. The goodwill in the group's financial statements relates to the future value of managed lettings contracts acquired when the business was purchased. The key judgement here is the attrition rate of the lets over time and this is monitored by management on an ongoing basis.

Property, plant and equipment (note 15)

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated economic useful lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended to reflect current estimates based on market conditions.

Investment Property (note 16)

The Directors have assessed the properties and believe the investment properties valuation to be accurate. These valuations are based on comparable evidence of market yields and market rentals in the location of the properties. The valuation is therefore sensitive to the assumed yield which in turn varies with market conditions.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and grants	24,982	24,982	385
	<hr/>	<hr/>	<hr/>
<i>Total 2019</i>	385	385	
	<hr/>	<hr/>	

ANDREWS CHARITABLE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Consolidated turnover of Andrews & Partners Limited	20,216,255	20,216,255	26,178,836
<i>Total 2019</i>	<u>26,178,836</u>	<u>26,178,836</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Arising from listed investments	43,558	43,558	50,338
Arising from investment properties	88,875	88,875	179,424
Arising from social investments	69,224	69,224	55,481
Interest receivable	68,153	68,153	-
Profit on disposal of branch	322,156	322,156	-
	<u>591,966</u>	<u>591,966</u>	<u>285,243</u>
<i>Total 2019</i>	<u>285,243</u>	<u>285,243</u>	

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FOR THE YEAR ENDED 31 DECEMBER 2020

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Government grant income: Rates relief grant	665,000	665,000	-
Government grants: Coronavirus Job Retention Scheme	1,364,510	1,364,510	-
Rental income	83,299	83,299	-
Insurance income	29,402	29,402	-
	<u>2,142,211</u>	<u>2,142,211</u>	<u>-</u>

8. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £	Total funds 2019 £
Grants, Establish young people	37,000	37,000	69,998
Grants, Carers	45,332	45,332	50,000
Grants, Relief of poverty	142,559	142,559	9,000
Grants, Christian	72,000	72,000	90,000
	<u>296,891</u>	<u>296,891</u>	<u>218,998</u>
<i>Total 2019</i>	<u>218,998</u>	<u>218,998</u>	

Information relating to grants made to institutions by the Group are disclosed in the Trustees Report.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Establish-young people	-	93,032	93,032	140,031
Carers	-	62,270	62,270	74,760
Relief of poverty	-	195,821	195,821	13,457
Christian	-	98,901	98,901	134,569
Total 2020	-	450,024	450,024	362,817
Total 2019	4,423	358,394	362,817	

10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Establish-young people	37,179	37,000	18,853	93,032	140,031
Carers	3,477	45,332	13,461	62,270	74,760
Relief of poverty	10,934	142,559	42,328	195,821	13,457
Christian	5,523	72,000	21,378	98,901	134,569
Total 2020	57,113	296,891	96,020	450,024	362,817
Total 2019	33,442	218,998	110,377	362,817	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Establish young people 2020 £	Carers 2020 £	Relief of poverty 2020 £	Christian 2020 £	Total funds 2020 £	Total funds 2019 £
Depreciation	21,268	-	-	-	21,268	19,934
Promotion expenses	939	205	645	326	2,115	419
Property expenses	14,972	3,272	10,289	5,197	33,730	13,089
Total 2020	37,179	3,477	10,934	5,523	57,113	33,442
Total 2019	33,442	-	-	-	33,442	

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Establish young people 2020 £	Carers 2020 £	Relief of poverty 2020 £	Christian 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	9,279	11,368	35,749	18,055	74,451	81,359
Depreciation	-	-	-	-	-	14,707
Office costs	2,835	620	1,948	984	6,387	13,982
Auditor's remuneration	1,456	318	1,001	505	3,280	14,524
Trustees' expenses	150	33	103	52	338	439
Meeting expenses	-	-	-	-	-	925
Investment property expenses	-	-	-	-	-	4,042
Amortised grant	-	-	-	-	-	(19,601)
Professional and legal fees	5,133	1,122	3,527	1,782	11,564	-
Total 2020	18,853	13,461	42,328	21,378	96,020	110,377
Total 2019	35,663	25,071	4,513	45,130	110,377	

Where support costs are allocated to charitable activities, they are done so in proportion to the value of grant made for the activity in the year. The total governance costs incurred in the period totalled £3,618 (2019: £14,963)

Amortised grant is deferred income, received in relation to establish property expenditure, this grant was spent in full during 2018 as a purchase of an Establish property, the income is released over a 10 year period.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	6,000	6,800
Fees payable to the Trust's auditor in respect of:		
Auditing of financial statements of subsidiaries of the Trust	30,000	34,550
Taxation compliance services	11,500	20,000
All non-audit services not included above	6,000	2,400

12. Staff costs

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Wages and salaries	12,768,514	14,957,507	63,095	68,448
Social security costs	1,305,792	1,480,813	6,697	7,076
Contribution to defined contribution pension schemes	478,577	558,054	4,659	5,835
	<u>14,552,883</u>	<u>16,996,374</u>	<u>74,451</u>	<u>81,359</u>

During the financial year the Group made termination payments of £82,373 (2019: £Nil).

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

	Group 2020 No.	Group 2019 No.	Trust 2020 No.	Trust 2019 No.
Estate Agency	218	198	-	-
Other activities	246	246	-	-
Charitable activities	2	2	2	2
	<u>466</u>	<u>446</u>	<u>2</u>	<u>2</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	6	16
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	3	2
In the band £100,001 - £110,000	-	2
In the band £110,001 - £120,000	1	-
In the band £140,001 - £150,000	-	1
In the band £170,001 - £180,000	-	2
In the band £180,001 - £190,000	1	-
In the band £250,001 - £260,000	-	1
In the band £260,001 - £270,000	1	-

Key management personnel for the Charity is considered to be the Executive Director who received emoluments of £66,669 (2019: £68,292). The Trust has two employees (2019: 2).

13. Trustees' remuneration and expenses

During the year, 4 Trustees received aggregate emoluments of £475,186 for their role as directors in Andrews & Partners Limited, the subsidiary of the trust (2019 - £760,291).

During the year ended 31 December 2020, expenses totalling £338 were reimbursed or paid directly to 2 Trustees (2019 - £439 to 5 Trustees) in relation to travel costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Intangible assets

Group

	Goodwill £
Cost	
At 1 January 2020	867,033
At 31 December 2020	<u>867,033</u>
Amortisation	
At 1 January 2020	558,488
Charge for the year	46,277
At 31 December 2020	<u>604,765</u>
Net book value	
At 31 December 2020	<u>262,268</u>
At 31 December 2019	<u>308,545</u>

The goodwill relates to the acquisition of managed letting contracts in 2016. The Trustees believe that the carrying value of this goodwill at 31 December 2020 is accurate.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2020	4,390,000	248,597	1,321,269	11,261,308	17,221,174
Additions	-	-	-	144,174	144,174
Disposals	-	-	(234,464)	-	(234,464)
Revaluations	(425,000)	(10,000)	-	-	(435,000)
At 31 December 2020	3,965,000	238,597	1,086,805	11,405,482	16,695,884
Depreciation					
At 1 January 2020	58,533	176,161	978,244	9,513,554	10,726,492
Charge for the year	6,066	1,441	106,605	823,296	937,408
On disposals	-	-	(210,464)	-	(210,464)
On revalued assets	(52,466)	(6,441)	-	-	(58,907)
At 31 December 2020	12,133	171,161	874,385	10,336,850	11,394,529
Net book value					
At 31 December 2020	3,952,867	67,436	212,420	1,068,632	5,301,355
At 31 December 2019	4,331,467	72,436	343,025	1,747,754	6,494,682

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Tangible fixed assets (continued)

Trust

	Fixtures and fittings £
Cost or valuation	
At 1 January 2020	212,672
At 31 December 2020	<u>212,672</u>
Depreciation	
At 1 January 2020	32,054
Charge for the year	21,267
At 31 December 2020	<u>53,321</u>
Net book value	
At 31 December 2020	<u><u>159,351</u></u>
At 31 December 2019	<u><u>180,618</u></u>

The Group's freehold properties are formally revalued every five years and are subject to an impairment review in the intervening years. They were formally revalued at 31 December 2020 on the basis of open market value by Colliers International who are independent qualified valuers. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. These valuations have been incorporated into the financial statements and the resulting revaluation adjustments have been credited to the revaluation reserve and included in the Statement of Financial Activities.

At 31 December 2020 the historical cost of the revalued freehold premises was £2,259,543 (2019: £2,259,543) and short leasehold premises £50,000 (2019: £50,000). As at 31 December 2020 the historical net book value of the revalued premises was £1,159,342 (2019: £1,159,342) and short leasehold premises £27,499 (2019: £27,499).

The Net Book Value of assets held under hire purchase and finance leases (the Groups motor vehicle fleet) totalled £91,600 (2019: £160,175).

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Investment property

Group

**Freehold
investment
property
£**

Valuation

At 1 January 2020

3,500,000

Deficit on revaluation

(500,000)

At 31 December 2020

3,000,000

Trust

**Freehold
investment
property
£**

Valuation

At 1 January 2020

3,500,000

Deficit on revaluation

(500,000)

At 31 December 2020

3,000,000

The 2020 valuations were made by Aston Rose (Chartered Surveyors), on an open market value for existing use basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2020	1,080,612	-	1,080,612
Additions	-	25,000	25,000
Revaluations	(187,314)	-	(187,314)
At 31 December 2020	893,298	25,000	918,298

Trust	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 January 2020	10,327,550	1,080,612	11,408,162
Revaluations	(844,466)	(187,314)	(1,031,780)
At 31 December 2020	9,483,084	893,298	10,376,382

Principal subsidiaries

The following were subsidiary undertakings of the Trust:

Names	Company number	Principal activity	Holding
Andrews & Partners Limited	235326	Holding company	84%
Andrews Estate Agents Limited	700540	Estate agency and financial services	84%
Andrews Pension Trust Limited	537669	Pension Trustee	84%
Andrews Letting & Management Limited	1538384	Letting agents	84%
Andrews West Street Management Limited	5617915	Block management services	84%

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NOTES TO THE FINANCIAL STATEMENTS
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17. Fixed asset investments (continued)

The financial results of the subsidiaries for the period were:

Names	Income £	Expenditure £	Profit/(Loss) £	Net assets/(liabi- lities) £
Andrews & Partners Limited	3,433,996	(3,390,351)	43,645	3,586,690
Andrews Estate Agents Limited	12,647,216	(14,579,908)	(1,932,692)	(638,631)
Andrews Pension Trust Limited	-	-	-	100
Andrews Letting & Management Limited	10,001,559	(8,677,909)	1,323,650	8,276,503
Andrews West Street Management Limited	15,182	(653)	14,529	19,769

Andrews & Partners Limited is majority owned by Andrews Charitable Trust and all other companies are wholly owned subsidiaries of Andrews & Partners Limited.

Andrews West Street Management Limited is exempt from the requirements of the Act relating to the audit of the financial statements under section 479A of the Companies Act 2006 and is not consolidated into the group on the grounds that it is immaterial.

Andrews Pension Trust Limited is a dormant company and is exempt from the requirements of the Act relating to the audit of the financial statements under section 480 of the Companies Act 2006 and is not consolidated into the group on the grounds that it is immaterial.

The registered office of all subsidiaries is The Clockhouse, Bath Hill, Keynsham, BS31 1HL.

Share in group undertakings are valued at the Group's share of the underlying net assets of the subsidiary companies, being the Trustees best estimate of the fair value of this investment. Listed investments are revalued by reference to market prices prevailing on the Balance Sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
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18. Social investments

Group and Trust

	Establish £	Mustard Seed Properties £	Total £
Cost or valuation			
At 1 January 2020	1,570,468	50,000	1,620,468
	<u>1,570,468</u>	<u>50,000</u>	<u>1,620,468</u>
Impairment provision			
At 1 January 2020	38,026	-	38,026
Provision for the year	20,940	-	20,940
	<u>58,966</u>	<u>-</u>	<u>58,966</u>
Net book value			
At 31 December 2020	1,511,502	50,000	1,561,502
At 31 December 2019	<u>1,532,442</u>	<u>50,000</u>	<u>1,582,442</u>

Social investments comprise:

	Property 2020 £	Total 2020 £
Establish	<u>1,511,502</u>	<u>1,511,502</u>

	Other 2020 £	Total 2020 £
Mustard Seed Properties	<u>50,000</u>	<u>50,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Debtors

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Trade debtors	1,531,297	1,416,968	-	-
Amounts owed by group undertakings	-	-	354,060	-
Other debtors	222,640	775,485	-	-
Prepayments and accrued income	377,428	640,487	-	-
Tax recoverable	-	31,744	-	-
Deferred taxation	669,082	306,092	-	-
	<u>2,800,447</u>	<u>3,170,776</u>	<u>354,060</u>	<u>-</u>

20. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Obligations under finance lease and hire purchase contracts	26,753	92,037	-	-
Trade creditors	27,216	52,893	-	-
Corporation tax	38,269	-	-	-
Other taxation and social security	1,204,103	805,404	-	-
Pension fund loan payable	-	95,430	-	-
Other creditors	153,304	33,353	33,350	33,350
Accruals and deferred income	1,090,107	1,412,806	145,702	180,792
	<u>2,539,752</u>	<u>2,491,923</u>	<u>179,052</u>	<u>214,142</u>

21. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £
Bank loans	2,500,000	-
Other loans	-	27,419
	<u>2,500,000</u>	<u>27,419</u>

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FOR THE YEAR ENDED 31 DECEMBER 2020

21. Creditors: Amounts falling due after more than one year (continued)

Group
2020
£

Group
2019
£

The bank loan is a CBILS loan of £2.5m and is secured by a cross guarantee in favour of Barclays Bank PLC from/granted by Andrews & Partners Limited, Andrews Letting and Management Limited and Andrews Estate Agents Limited. Interest is charged at 2.4% per annum and the loan is due for repayment in 8 equal installments commencing January 2022.

Included within the above are amounts falling due as follows:

	Group 2020 £	Group 2019 £
Between one and two years		
Bank loans	1,250,000	-
Other loans	-	27,419
	<u>1,250,000</u>	<u>27,419</u>
Between two and five years		
Bank loans	1,250,000	-
	<u>1,250,000</u>	<u>-</u>

22. Financial instruments

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Financial assets				
Financial assets measured at fair value through income and expenditure	968,298	1,130,612	968,298	1,130,612
	<u>968,298</u>	<u>1,130,612</u>	<u>968,298</u>	<u>1,130,612</u>

Financial assets measured at fair value through income and expenditure comprise listed and unlisted investments.

23. Deferred taxation

	2020 £	2019 £
Charge for the period	2,157	-
	<u>2,157</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

23. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	Group 2020 £	Group 2019 £
Accelerated capital allowances	220,376	148,339
Losses	424,946	141,528
Other short term timing differences	21,603	16,225
	<u>666,925</u>	<u>306,092</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24. Provisions

Group and Trust

	Onerous lease £	Clawbacks £	Surveying claims £	Total £
At 1 January 2020	203,370	308,614	100,000	611,984
Additions	433,186	104,681	-	537,867
Amounts used	-	(157,937)	(100,000)	(257,937)
	<u>636,556</u>	<u>255,358</u>	<u>-</u>	<u>891,914</u>

Clawbacks

Provision is made for future clawbacks of initial financial services commission anticipated to arise in the 38 month indemnity period. The group has analysed historical data to calculate the rate of projected future clawbacks based on past experience.

Surveying claims

Provision was made for compensation payable in respect of claims arising from residential surveys carried out by a former subsidiary company, Landmark Surveyors Limited. The provision was made up of two categories. Firstly, appropriate reserves were made for known claims already received and recorded in the Insurance bordereaux. Secondly, the group made provision for liabilities, in respect of unknown future claims yet to be received in respect of surveys already done. The second category of provision is judgmental by its very nature. It will depend on claim rate, claim liability rate and average loss, all of which are very sensitive to any changes in trend. The provision made in this category was based on previous experience of losses based on historical data and experience and now represents the estimated liability that may arise under the sale and purchase agreement for the disposal of the subsidiary company.

Onerous lease

Following the closure of 8 sites since 2018, an onerous lease provision was recognised which represents the directors' estimate of the net unrecovered costs for the anticipated element of the contractual lease.

The Trust has no provisions.

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Charitable General Fund	2,955,134	226,639	(450,024)	725,440	-	3,457,189
Investment Property Revaluation Reserve	3,500,000	-	-	-	(500,000)	3,000,000
Investment Revaluation Reserve	1,970,480	-	-	-	(187,314)	1,783,166
Trading Group General Reserve	6,707,935	22,748,775	(23,315,513)	(636,462)	-	5,504,735
Non-controlling interest	2,020,822	-	-	(224,084)	(68,295)	1,728,443
Trading Group Revaluation Reserve	2,332,396	-	-	-	(366,705)	1,965,691
	<u>19,486,767</u>	<u>22,975,414</u>	<u>(23,765,537)</u>	<u>(135,106)</u>	<u>(1,122,314)</u>	<u>17,439,224</u>
Restricted funds						
Establish	<u>83,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,231</u>
Total of funds	<u><u>19,569,998</u></u>	<u><u>22,975,414</u></u>	<u><u>(23,765,537)</u></u>	<u><u>(135,106)</u></u>	<u><u>(1,122,314)</u></u>	<u><u>17,522,455</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds						
Charitable General Fund	3,027,900	55,866	(358,394)	-	229,762	2,955,134
Investment Property Revaluation Reserve	3,500,000	-	-	-	-	3,500,000
Investment Revaluation Reserve	1,970,480	-	-	-	-	1,970,480
Trading Group General Reserve	7,366,585	26,178,836	(27,143,651)	152,209	153,956	6,707,935
Non-controlling interest	2,173,031	-	-	(152,209)	-	2,020,822
Trading Group Revaluation Reserve	2,337,066	-	-	-	(4,670)	2,332,396
	<u>20,375,062</u>	<u>26,234,702</u>	<u>(27,502,045)</u>	<u>-</u>	<u>379,048</u>	<u>19,486,767</u>
Restricted funds						
Establish	87,654	-	(4,423)	-	-	83,231
Total of funds	<u><u>20,462,716</u></u>	<u><u>26,234,702</u></u>	<u><u>(27,506,468)</u></u>	<u><u>-</u></u>	<u><u>379,048</u></u>	<u><u>19,569,998</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds (continued)

Unrestricted reserves:

Charitable general fund is the Trust's unrestricted fund. This includes tangible fixed assets which are not freely available for spending totalling £2,614,151 leaving free reserves of £843,038.

Investment property revaluation reserve is the fund used to monitor movement on the revaluations of the investment property held by the Trust.

Investment revaluation reserve is the fund used to monitor all other movements in investments.

Trading group general reserve is the fund relating to the Trusts subsidiary undertakings Andrews & Partners Limited.

Non-controlling interest is the fund which identifies the minority interest applicable to Andrews & Partners Limited.

Trading group revaluation reserve is the fund used to monitor the movement on the revaluations of freehold property within the Trusts subsidiary undertakings.

Restricted reserves:

Establish - to provide 'move in' packs for young tennants in Establish Houses.

26. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	5,301,355	5,301,355
Intangible fixed assets	-	262,268	262,268
Fixed asset investments	-	918,298	918,298
Investment property	-	3,000,000	3,000,000
Social investments	-	1,561,502	1,561,502
Current assets	83,231	12,329,624	12,412,855
Creditors due within one year	-	(2,539,752)	(2,539,752)
Creditors due in more than one year	-	(2,500,000)	(2,500,000)
Provisions for liabilities and charges	-	(894,071)	(894,071)
Total	83,231	17,439,224	17,522,455

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26. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	6,494,682	6,494,682
Intangible fixed assets	-	308,545	308,545
Fixed asset investments	-	1,080,612	1,080,612
Investment property	-	3,500,000	3,500,000
Social investments	-	1,582,442	1,582,442
Current assets	83,231	9,651,812	9,735,043
Creditors due within one year	-	(2,491,923)	(2,491,923)
Creditors due in more than one year	-	(27,419)	(27,419)
Provisions for liabilities and charges	-	(611,984)	(611,984)
Total	83,231	19,486,767	19,569,998

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

27. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(1,477,437)	(888,048)
Adjustments for:		
Depreciation charges	878,501	1,163,767
Amortisation charges	46,277	46,281
Profit on sale of fixed assets	(44,671)	(123,557)
Dividends, interests and rents from investments	(269,810)	(301,968)
Loss/(gains) on the sale of investments	187,314	(153,956)
Government grants received	(2,029,510)	-
Decrease in debtors	338,585	579,334
Increase/(decrease) in creditors	113,112	(1,284,014)
Taxation credits	31,509	(206,066)
Loss on revaluation of freehold premises	-	(4,670)
Loss on investment property	500,000	-
Interest paid	5,422	-
Impairment of social investments	20,940	-
Increase in provisions	282,322	-
Profit on disposal of branch	(322,156)	-
Net cash used in operating activities	(1,739,602)	(1,172,897)

28. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	9,612,407	6,564,267

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NOTES TO THE FINANCIAL STATEMENTS
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29. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	6,564,267	3,048,140	9,612,407
Debt due within 1 year	(187,467)	160,714	(26,753)
Debt due after 1 year	(27,419)	(2,472,581)	(2,500,000)
	<u>6,349,381</u>	<u>736,273</u>	<u>7,085,654</u>

30. Contingent liabilities

At 31 December 2020 grants sanctioned by the Trustees but not yet spent, where conditions attached to the grants have not yet been fulfilled, amounted to £209,832 (2019: £197,332). The Group had no other contingent liabilities (2019: £Nil).

	2020 £	2019 £
Movements on grant commitments		
At 1 January	197,332	245,332
Grants approved in the year	309,391	170,998
Grants paid in the year	(296,891)	(218,998)
At 31 December	<u>209,832</u>	<u>197,332</u>

Further details on grant commitments are given in the Trustees Report.

31. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £479,436 (2019: £568,427). Contributions totalling £64,718 (2019: £95,430) were payable to the fund at the Balance Sheet date and are included in creditors.

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32. Operating lease commitments

At 31 December 2020 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Not later than 1 year	970,202	842,853
Later than 1 year and not later than 5 years	2,758,438	2,248,528
Later than 5 years	1,277,805	1,203,911
	<u>5,006,445</u>	<u>4,295,292</u>

Lease payments recognised as an expense in the year totalled £1,307,887 (2019: £1,067,745).

33. Operating lease commitments: Lessor

At 31 December 2020 the Group and the Trust had commitments to receive future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	231,535	216,535
Later than 1 year and not later than 5 years	426,000	621,000
	<u>657,535</u>	<u>837,535</u>

The operating leases relate to the rental income due from social investments.

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NOTES TO THE FINANCIAL STATEMENTS
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34. Related party transactions

A number of Trustees of Andrews Charitable Trust had interests in other charities and companies with which transactions have taken place (see below for details). The Trustees of Andrews Charitable Trust have considered the disclosure requirements of section 33 of FRS 102, related party disclosures and consider that the transactions requiring disclosure have been fully disclosed in the above notes to the financial statements.

Trustee Organisation

P Heal - Andrews & Partners Limited

N Moore - Andrews & Partners Limited

D Westgate - Andrews & Partners Limited and Child Rescue Nepal

B Ford - Andrews & Partners Limited

P Bumford - Andrews & Partners Limited

A Page - Carers Worldwide

During the year Andrews & Partners Limited made an interim distribution relating to the 31 December 2020 financial year totalling £371,880. They have also accrued a final distribution totalling £354,060 which is still outstanding at the year end.

A grant of £50,000 (2019: £70,000) was paid in the year to Carers Worldwide for whom A Page is a Trustee. No amounts were outstanding at the year end.

A grant of £30,059 (2019: £Nil) was paid in the year to Child Rescue Nepal for whom D Westgate is a Trustee. No amounts were outstanding at the year end.

35. Post balance sheet events

On 30th June 2021, Christian Book Promotion Trust merged with Andrews Charitable Trust to form a single Charity. Andrews Charitable Trust now own 100% of the share capital of Andrews & Partners Limited.