

# **The Bridge Trust**

A Charitable Incorporated Organisation

***“close to Barnstaple’s heart for over 700 years”***



**Registered Charity Number 1184834**

## **Trustees’ Annual Report & Financial Statements**

**Period Ended 31<sup>st</sup> December 2021**

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The trustees present their report and the financial statements of the charity for the period ended 31 December 2021.

## REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	The Bridge Trust	
Charity registration number	1184834	
Charity Status	Charitable Incorporated Organisation	
Principal office	7 Bridge Chambers The Strand Barnstaple EX31 1HB Devon	
The Trustees	Mrs S Haywood (Chair)	
	Mrs J Hunt	
	Mrs A Isaac	
	Mr P Leaver	
	Mr G Lofthouse (Vice Chair)	
	Mr R Knight	(Appointed 12 <sup>th</sup> January 2021)
	Mr M. Prowse	(Appointed 12 <sup>th</sup> January 2021)
	Mr G Townsend	
	Mrs K Trigger	(Resigned 29 <sup>th</sup> December 2021)
	Mr D Trueman	
	Mrs G Williams	
	Mr A Rennles	(Appointed 9 <sup>th</sup> December 2021)
	Mr F Biederman	(Appointed 9 <sup>th</sup> December 2021)
Auditor	Westcotts (SW) LLP	
	Chartered Accountants & Statutory Auditors	
	47 Boutport Street	
	Barnstaple	
	Devon	
	EX31 1SQ	
Bankers		
	CAF Bank Limited 25 Kings Hill Avenue Kings Hill, West Malling, Kent ME19 4JQ  CAF Bank Limited is a subsidiary of the Charities Aid Foundation (registered charity number 268369).	
	National Westminster 41 High Street Barnstaple Devon EX31 1BZ	



## STATEMENT BY THE CHAIR OF TRUSTEES

2021 has been another challenging year, our property portfolio is comprised, in the main, of Grade II listed heritage properties, some several hundred years old. Such properties are expensive to maintain and additionally many improvements and repairs completed in decades past are now getting to their end of life and will need significant investment in the coming years.

Also, over recent years, a number of long-term commercial tenants have merged with others and, as a consequence moved to new premises, often 'out of town'. Although the Trust's financial position remains strong, pressure on rental income continues due to various factors:

- The aftermath of the Covid pandemic
- Vacant premises
- Depression in the local commercial letting market
- High Street decline
- The large new retail park under development on Anchorwood Bank across the River Taw
- Uncertainty over increasing inflation and what effects it may have.

During 2021 the Trust continued its policy of only 'giving money or articles for the benefit of poor inhabitants' otherwise known as the Samaritan Fund. No other grants were made to maximise the funds available to assist the Trust to undertake the repairs and improvements to our properties that will enable them to be attractive to potential tenants, both residential and commercial.

In September 2021 the Trust received a donation of £27,574.93 from the Newport Charity prior to their closure. These monies were ringfenced for grant allocations under the Samaritan Grants fund for 2022 and beyond.

Towards the end of 2021 (and in to 2022) efforts to find partners and collaborators to assist the Trust in pursuing funding avenues began to bear fruit with interest coming from various groups following a small number of 'events' held in the Bridge Trust Hall. In addition to discussions with the District and Town Councils potential areas of cooperation with various arts and community groups are showing promise.

Initial discussions with these groups have been encouraging but will take time to develop.

While there are many challenges ahead, I remain confident that the Bridge Trust has a healthy future, we have a strong, active and involved Trustee body who are working hard in the Trust's interest and have taken the right steps to secure a successful future.

## EVENTS AFTER THE END OF THE REPORTING PERIOD

Particulars of events after the reporting date are detailed in note 24 to the financial statements.



## TRUSTEES' RESPONSIBILITIES STATEMENT

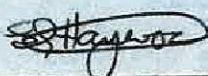
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

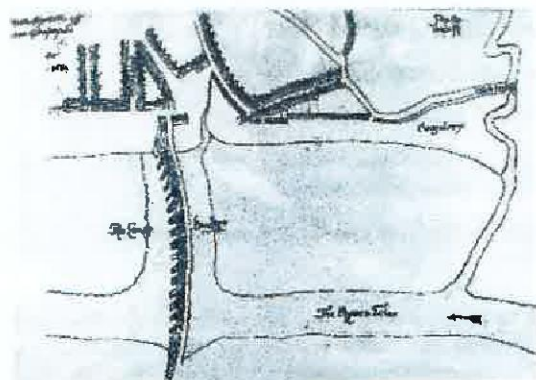
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities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

The trustees' annual report was approved on	11/08/22
and signed on behalf of the board of trustees by Mrs Susan Haywood (Chair and Trustee)	

## OBJECTIVES, STRUCTURE, GOVERNANCE AND MANAGEMENT

### History

The origins of the Bridge Trust in Barnstaple are as obscure as those of the Long Bridge over the River Taw it was formed to maintain. The importance of the bridge was recognised from the earliest times and many local landowners gifted property and money to assist in its upkeep. Gifts of property, called feoffments, were vested in prominent local individuals to repair, maintain and improve the Long Bridge. The feoffees (receivers of these gifts) therefore became responsible for the Bridge and it is with them that the origins of the trust lie.



Until the early 19th century, records are scarce however, in 1817, a minute book started to be kept by the Trustees (as by then the feoffees were also known). The first recorded Chamberlain, Mr John Baker, was appointed and in the intervening years (almost 200) there have only been nine appointed, pointing to the very long service of several. In 1905 the Bridge Trust formerly became 'The Long Bridge Charity'.

Throughout its history the Bridge Trust has been close to the heart of Barnstaple; local councillors, dignitaries and other prominent citizens have served as Trustees. In 1961 responsibility for the Long Bridge passed to the Department of Transport and 'The Long Bridge Charity' was re-constituted with a new Trust Deed and reverted to its historic name of 'The Bridge Trust'.

In 2019, the 'The Bridge Trust' converted from an unincorporated charity to a charitable incorporated organisation (CIO). This change was partly because many funding organisations now require charities to be 'incorporated' as a condition of any award and also to provide better liability protection to Trustees.

The property portfolio, also known as the permanent endowment, consists of four historic Grade II listed properties making the Bridge Trust one of the largest owners of heritage property in Barnstaple.



Some parts of the property portfolio have been owned by the Trust for a considerable time. One small area, adjoining Maiden Street has belonged to the Trust since 1310.

Although the land on which they are built may have been in the Trust for centuries most of the buildings themselves date from the 19<sup>th</sup> century.





**Bridge Chambers** – designed as a 'hall and chambers' by eminent local architect R.D. Gould, and completed by the Trust in 1873, the building is a prominent local landmark and once housed the Magistrates and County Courts (the hall still exists though is in need of repair and only occasionally used) together with commercial offices,

stores and, on the part nearest the bridge, a substantial private house. Today the building contains various offices including that of the Trust as well as the Bridge Trust Board Room (used as such since shortly after the building was completed).

**Bridge Buildings** – contained within an area bordered by the Square, the Strand and Maiden Street. Completed sometime before 1866, today this large building houses various commercial retail outlets and, on the upper floors, eight residential flats.

**9 – 11 High Street** – acquired in the mid C19th, when the Trust built houses on the site, the building as seen today was completed in the late 19th century and, in addition to residential units, a charity shop and an outfitters, contains the premises of the HSBC Bank who (as the Midland Bank and formerly the London City & Midland Bank) are the Trust's oldest tenants having occupied the premises for well over 100 years. The residential units (9 flats) on part of the upper floors are let on a long-term lease to a housing association and managed by Young Devon (formerly Devon County Council's Devon Youth department). The flats are let to young people moving from institutional care to independent living.

**109-113 Boutport Street** – this block of property was acquired by the Trust in the early C19th when it was mostly houses (built between 1822 & 1851).

From the C19th, until 1961, the Trust was an active property developer in the town, buying, selling and developing properties. In addition to the remaining core properties, several other prominent Barnstaple buildings were once owned by the Trust including the Fulham Chinese Restaurant in Tully Street (formerly the Golden Fleece Inn built by the Trust and sold in 1922), North Devon Dispensary (now a hairdressers) in Boutport Street (built by the Trust and sold in 1930), the Theatre Royal also in Boutport Street (also sold in 1930 and demolished to make way for a cinema) and 93 High Street (now Animal Fashion).



### **Organisation and Structure**

As with the previous 1961 Trust Deed, the constitution of the new CIO requires that the full board of Trustees (called Ordinary Meetings) meets at least twice annually, the Annual General Meeting normally precedes the Ordinary Meeting in March.



The Trust is permitted to appoint 16 Trustees, 10 are appointed by the existing board. In a change from previous practice, North Devon Council can nominate 3 Trustees while Barnstaple Town Council can nominate 2. In addition and the Mayor of Barnstaple can become a Trustee ex-officio. All Trustees must be able to complete and sign a declaration as to their eligibility under Charity Commission rules before they become Trustees.

At the Annual General Meeting of the Trust the Chair and Vice-chair are elected and the Trustees Annual Report and Accounts approved. Before a Trustee can become Chair, they must have served a minimum of 3 years as a Trustee.

At their Ordinary Meetings, Trustees receive reports from the Chamberlain and the various committees and, where necessary, approve decisions by them. Policy, strategy and major decisions are reserved to the full board of Trustees.

There are currently three permanent committees of the Trust (in addition to the Ordinary Meeting of all Trustees)

1. Strategy, Finance and Staffing (SFS)
2. Property
3. Public Benefit and Awareness (previously 'Grants').

The SFS Committee considers all matters affecting the Trust and prepares recommendations for the full board of Trustees especially finance and governance issues. This committee (in its Part 2 proceedings), also acts as a first committee to consider personnel issues and staff salaries. The Strategy, Finance and Staffing committee also considers a draft budget for each year, their recommendations are referred to the Ordinary Meeting of the Trust in March for approval.

Ad Hoc committees are convened as necessary to consider grievances and complaints and, on occasion, to pursue specific activities e.g. staff and trustee recruitment, improving financial planning etc.

Membership of the various committees is decided at the Annual General Meeting in March, all committees appoint their own Chair and Vice-chair (except the Strategy, Finance and Staffing Committee, which is Chaired by the Chair of the Trust, or in their absence the Vice-Chair). The Chamberlain attends all meetings of the Trust (including committees) except when matters directly relating to their own salary or conditions (or in which they may have another prejudicial or financial interest) when they withdraw. Although the Chamberlain attends and participates in meetings, they do not vote on resolutions.

The Trust employs a number of staff:

- The Chamberlain - (also known as the Clerk to the Trust) who is responsible for the day-to-day running of the Trust under the overall direction of the Trustees, working closely with the various Chairs and committees.
- Administrator – the Administrator supports the Chamberlain in the running of the Trust.

A number of others are employed in part-time support roles.

### **Objectives**

The constitution of the charity clearly defines its objects as:

- Making grants for public purposes for the general benefit of inhabitants
- Providing amenities for the benefit of inhabitants
- Giving money or articles for the benefit of poor inhabitants
- Making grants to Charities having as their object the relief of poverty
- Making grants to Charities having as their object the furtherance of public purposes for the general benefit of inhabitants.



These objects are broadly in line with those of the old charity wound up in 2020

### **Organisation and Structure**

In normal times, Ordinary meetings of the Trust are held regularly, the Annual General Meeting precedes the Ordinary Meeting in March. At the Annual General Meeting of the Trust the Chair and Vice-chair are elected and the Trustees Annual Report and Accounts approved. At their Ordinary Meetings, Trustees receive reports from the Chamberlain and the various committees and, where necessary, approve decisions by them. Policy, strategy and major decisions are reserved to the full board of Trustees.

However, during the Covid-19 pandemic this programme of meetings has been severely disrupted, where practical, essential decisions have been agreed using email.

Towards the end of 2021 the Trust started to resume face-to-face meetings, where this was possible, and these were in accordance with government guidelines.

Additionally, the constitution of the charity now permits participation at meetings by online means e.g. Zoom and Microsoft Teams. Further, where necessary, decisions can be approved electronically by email where the issue is important and/or urgent. In the coming year, regular Zoom meetings will be scheduled and when restrictions allow, and Trustees feel safe, face-to-face meetings will be resumed.

### **Governance and Internal Control**

The Trust has in place appropriate policies as required by law and in accordance with Charity Commission guidance and regulations; these policies are reviewed regularly (including by email in 2019 and 2020).

### **Recruitment of Trustees**

The constitution of the charity permits the appointment of 5 nominated Trustees:

- Three Trustees are nominated by Barnstaple Town Council (and the Mayor may also be a Trustee ex-officio)
- Two Trustees are nominated by North Devon Council.

Remaining Trustees are appointed following a skills audit of existing Trustees and through an open and transparent recruitment including public advertising.

New Trustees are made familiar with the work of the charity through meetings with other Trustees, being provided with copies of the various key policies and documents the Trust has developed (and continues to develop) and by being given a copy of the charity's constitution.

### **Risk Management**

The Trust maintains a risk register which is regularly reviewed. The Trust is confident that it is aware of the risks faced by the charity and has policies and processes in place to protect against them.

### **Valuation of the Permanent Endowment**

The Trustees recognise the importance of an accurate valuation for its Permanent Endowment (property portfolio). The last formal valuation was carried out in May 2017. Through its professional advisors, its connections with local councillors and other local people and organisations; information on local property market trends is continuously collected and reported to the Trustees.

### **Financial Controls**

The Trust reviews its financial controls annually and at other times when there are changes in staff or procedures.

### Related parties

These are detailed in a note to the financial statements. The Charity has a generally good relationship with its tenants, and local organisations and businesses in the area.

### Achievements and Performance

#### *Review of Activities and Achievements*

While continuing its programme of renovating residential units (where necessary) as they become vacant, 2021 has been a year when the Trust has focussed on what will need to be done to secure the future of its property portfolio.


#### *Public Benefit*

The Trustees consider that the objects of the charity, as stated above, comply with the Charity Commission guidance on Public Benefit (PB1, PB2, PB3: 2013). The Trustees unanimously agree that the requirement for due regard to the Public Benefit guidance has been satisfied.

### **FINANCIAL REVIEW**

The results of the Charity for the year are shown in the Statement of Financial Activities and the relevant notes.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to support general costs.

The trustees' annual report was approved on	11/08/22.
and signed on behalf of the board of trustees by Mrs Susan Haywood (Chair and Trustee)	



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRIDGE TRUST

### Opinion

We have audited the financial statements of The Bridge Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, statement of financial position 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 FRS 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 charity's affairs as at 31 December 2021 and of its 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.



### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the 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 identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management and from inspection of the charity's regulatory correspondence. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other charity legislation. The charity is also subject to many other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of charity legislation.
- 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. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are



not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the credit union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the credit union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Westcotts (SW) LLP

Westcotts (SW) LLP  
Chartered Accountants & Statutory Auditors  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

29<sup>th</sup> September 2022

## STATEMENT OF FINANCIAL ACTIVITIES

		2021			2020
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	2,331	27,585	—	29,916
Other trading activities	5	247,730	—	—	247,730
Investment income	6	6,038	—	—	6,038
Other income	7	—	—	—	—
<b>Total income</b>		<u>256,099</u>	<u>27,585</u>	<u>—</u>	<u>283,684</u>
<b>Expenditure</b>					
Expenditure on charitable activities	8,9	289,777	—	—	289,777
<b>Total expenditure</b>		<u>289,777</u>	<u>—</u>	<u>—</u>	<u>289,777</u>
Net gains on investments	12	1,318	—	29,040	30,358
<b>Net income and net movement in funds</b>		<u>(32,360)</u>	<u>27,585</u>	<u>29,040</u>	<u>24,265</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		325,962	—	4,204,715	4,530,677
<b>Total funds carried forward</b>		<u>293,602</u>	<u>27,585</u>	<u>4,233,755</u>	<u>4,554,942</u>


The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities

The notes on pages 16 to 24 form part of these financial statements



## STATEMENT OF FINANCIAL POSITION

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	15	4,000,000	4,000,000
Investments	16	242,654	212,296
		<u>4,242,654</u>	<u>4,212,296</u>
<b>Current assets</b>			
Debtors	17	30,822	39,754
Cash at bank and in hand		326,731	339,214
		<u>357,553</u>	<u>378,968</u>
<b>Creditors: amounts falling due within one year</b>	18	45,265	60,587
		<u>312,288</u>	<u>318,381</u>
<b>Net current assets</b>		<u>4,554,942</u>	<u>4,530,677</u>
<b>Total assets less current liabilities</b>		<u>4,554,942</u>	<u>4,530,677</u>
<b>Net assets</b>		<u>4,554,942</u>	<u>4,530,677</u>
<b>Funds of the charity</b>			
Endowment funds		4,233,755	4,204,715
Restricted funds		27,585	—
Unrestricted funds		293,602	325,962
<b>Total charity funds</b>	22	<u>4,554,942</u>	<u>4,530,677</u>

These financial statements were approved by the board of trustees and authorised for issue on	11/08/22
and signed on behalf of the board of trustees by Mrs Susan Haywood (Chair and Trustee)	

The notes on pages 16 to 24 form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is incorporated. The address of the principal office is 7 Bridge Chambers, The Strand, Barnstaple, Devon, EX31 1HB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Fund accounting

The charity has a permanent endowment. The trustees invest the capital in perpetuity, the income from which is wholly unrestricted. The purposes of which are for the general purpose of the charity, namely to act for the general benefit of the inhabitants of Barnstaple and its immediate neighbourhood.

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specific purposes and which the charity may use for its purpose at its discretion.

#### Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following

specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and included in full in the statement of financial activities when receivable
- Rents receivable and service charges recovered are accounted for in the period to which they relate.



- Investment income is included on a receivable basis.

### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates. All grants awarded are charged in the year when the offer is conveyed to the recipient and are in accordance with the Scheme of the trust as approved by the Charity Commissioner and detailed in the trustees' report.

Support costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements and includes costs of office premises and administration staff costs. It is included on an accrual basis.

### **Tangible assets**

Tangible fixed assets are stated at a valuation.

### **Investments**

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

### **Impairment of fixed assets**

### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

### **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Samaritan Grants	–	27,585	27,585
<b>Grants</b>			
Government grant income	2,331	–	2,331
	<u>2,331</u>	<u>27,585</u>	<u>29,916</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Samaritan Grants	–	–	–
<b>Grants</b>			
Government grant income	1,435	–	1,435
	<u>1,435</u>	<u>–</u>	<u>1,435</u>

#### 5. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rents Receivable	243,864	243,864	122,396	122,396
Charges recoverable	3,866	3,866	752	752
	<u>247,730</u>	<u>247,730</u>	<u>123,148</u>	<u>123,148</u>

#### 6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
COIF Income and Dividends	6,038	6,038	2,976	2,976
	<u>6,038</u>	<u>6,038</u>	<u>2,976</u>	<u>2,976</u>



**7. Other income**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Other income - transfer from unincorporated charity	-	-	-	-
Other income	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Other income - transfer from unincorporated charity	440,085	-	4,190,711	4,630,796
Other income	46	-	-	46
	<u>440,131</u>	<u>-</u>	<u>4,190,711</u>	<u>4,630,842</u>

**8. Expenditure on charitable activities by fund type**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	231,837	-	231,837
Support costs	57,940	-	57,940
	<u>289,777</u>	<u>-</u>	<u>289,777</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable activities	213,201	-	213,201
Support costs	29,149	-	29,149
	<u>242,350</u>	<u>-</u>	<u>242,350</u>

**9. Expenditure on charitable activities by activity type**

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable activities	<u>226,446</u>	<u>5,391</u>	<u>57,940</u>	<u>289,777</u>	<u>242,350</u>

**10. Analysis of support costs**

	Analysis of support costs £	Total 2021 £	Total 2020 £
Staff costs	40,717	40,717	20,000
Communications and IT	1,098	1,098	1,001
Finance costs	113	113	20
Payroll	936	936	486
Audit	2,820	2,820	2,760
Postage, telephone and stationery	1,832	1,832	1,698
General Costs	3,941	3,941	2,022

Insurance (Office)	310	310	129
Insurance (Trustees)	2,129	2,129	1,033
Legal Fees (non property)	4,044	4,044	—
	<u>57,940</u>	<u>57,940</u>	<u>29,149</u>

#### 11. Analysis of grants

	2021 £	2020 £
<b>Grants to individuals</b>		
Grants to individuals	<u>5,391</u>	<u>2,433</u>
Total grants	<u>5,391</u>	<u>2,433</u>

#### 12. Net gains on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Gains/(losses) on listed investments	<u>1,318</u>	<u>29,040</u>	<u>30,358</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Gains/(losses) on listed investments	<u>622</u>	<u>14,004</u>	<u>14,626</u>

#### 13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	49,469	24,419
Employer contributions to pension plans	<u>75</u>	<u>22</u>
	<u>49,544</u>	<u>24,441</u>

The average head count of employees during the year was 6 (2020: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Administration, accountant and payment of grants	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

#### 14. Trustee remuneration and expenses

No remuneration, benefits or pension contributions were paid to, or for, any trustee. Expenses are reimbursed to Trustees upon production of receipts or mileage claims. The Trustees have Public Liability Insurance which indemnifies them whilst at the Charity premises and anywhere within the UK whilst carrying out Charity work of a clerical nature. The Trustees also have general indemnity insurance which is not limited to decisions made on the premises. The premium for the period ended 31 December 2021 was £2,129.



**15. Tangible fixed assets**

	<b>Freehold Property £</b>
<b>Cost</b>	
At 1 <sup>ST</sup> January 2021 and 31 <sup>ST</sup> December 2021	4,000,000
<b>Depreciation</b>	
At 1 <sup>ST</sup> January 2021 and 31 December 2021	—
<b>Carrying amount</b>	
At 31 <sup>ST</sup> December 2021	4,000,000
At 31 <sup>ST</sup> December 2020	4,000,000

**16. Investments**

	<b>Listed Investments £</b>
<b>Cost or valuation</b>	
At 1 January 2021	212,296
Additions	—
Fair value movements	30,358
<b>At 31 December 2021</b>	242,654
<b>Carrying amount</b>	
At 31 December 2021	242,654
At 31 December 2020	212,296

All investments shown above are held at valuation.

**Revenue Reserve Fund**

The holding at 31 December 2021 was 11,365.88 units in the COIF Investment Fund Income Units and are stated at market value of £233,756. The historic cost of the holding is £190,711.

**Capital Endowment Fund**

The holding at 31 December 2021 was 36.69 units in the COIF Charities Accumulated Fund and are stated at the market value of £8,898 as at that date. The historical value of the holding is £6,959.

**17. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Trade debtors	26,397	32,462
Prepayments and accrued income	3,733	6,600
Other debtors	692	692
	<u>30,822</u>	<u>39,754</u>

**18. Creditors: amounts falling due within one year**

	2021 £	2020 £
Trade creditors	26,222	17,230
Accruals and deferred income	17,194	41,518
Other creditors	1,849	1,839
	<u>45,265</u>	<u>60,587</u>

**19. Deferred income**

	2021 £	2020 £
At 1 January 2021	13,000	—
Amount released to income	(13,000)	—
Amount deferred in year	8,140	13,000
<b>At 31 December 2019</b>	<u>8,140</u>	<u>13,000</u>

**20. Pensions and other post retirement benefits**

**Defined contribution plans**

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £75 (2020: £22).

**21. Government grants**

The amounts recognised in the financial statements for government grants are as follows:

	2021 £	2020 £
Recognised in income from donations and legacies:		
Government grants income	<u>2,331</u>	<u>1,435</u>

**22. Analysis of charitable funds**

**Unrestricted funds**

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2021 £
General funds	325,585	256,099	(224,515)	(90,000)	1,318	268,487
Repairs and Renovation fund	377	—	(65,262)	90,000	—	25,115
	<u>325,962</u>	<u>256,099</u>	<u>(289,777)</u>	<u>—</u>	<u>1,318</u>	<u>293,602</u>
	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
General funds	—	559,736	(134,773)	(100,000)	622	325,585
Repairs and Renovation fund	—	7,954	(107,577)	100,000	—	377
	<u>—</u>	<u>567,690</u>	<u>(242,350)</u>	<u>—</u>	<u>622</u>	<u>325,962</u>



The Repairs and Renovation fund has been designated to be used for specific repairs and renovations.

**Restricted funds**

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£	£	£	£	£	£
Samaritans Grant	—	27,585	—	—	—	27,585

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2020
	£	£	£	£	£	£
Samaritans Grant	—	—	—	—	—	—

This fund has been restricted to be used for the Samaritan Grants payable from 2022 onwards.

**Endowment funds**

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£	£	£	£	£	£
Endowment Fund Capital	204,715	—	—	—	29,040	4,233,755
Endowment Fund	4,000,000	—	—	—	—	4,000,000
	<u>4,204,715</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>29,040</u>	<u>4,233,755</u>

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2020
	£	£	£	£	£	£
Endowment Fund Capital	—	190,711	—	—	14,004	204,715
Endowment Fund	—	4,000,000	—	—	—	4,000,000
	<u>—</u>	<u>4,190,711</u>	<u>—</u>	<u>—</u>	<u>14,004</u>	<u>4,204,715</u>

The Capital Endowment Fund represents the investments as shown in Note 16. Income arising on the endowment fund can be used in accordance with objects of the charity and is included as unrestricted income in the statement of financial activities. Any capital gains, or losses, form part of the fund.

The Permanent Endowment Fund represents the valuation of the investment properties held by the charity. Income arising on this fund can be used to support the charity's general objects.

**23. Analysis of net assets between funds**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2021
	£	£	£	£
Tangible fixed assets	—	—	4,000,000	4,000,000
Investments	8,899	—	233,755	242,654
Current assets	329,968	27,585	—	357,553
Creditors less than 1 year	(45,265)	—	—	(45,265)
<b>Net assets</b>	<u>293,602</u>	<u>27,585</u>	<u>4,233,755</u>	<u>4,554,942</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	–	–	4,000,000	4,000,000
Investments	7,581	–	204,715	212,296
Current assets	378,968	–	–	378,968
Creditors less than 1 year	(60,587)	–	–	(60,587)
<b>Net assets</b>	<b>325,962</b>	<b>–</b>	<b>4,204,715</b>	<b>4,530,677</b>

**24. Post balance sheet events**

At the date of preparation of the financial statements, the instability factor relating to the Covid health emergency should not be underestimated. There have been no adjusting events identified whilst preparing the accounts. The charity has reviewed this scenario and evaluated the management actions to mitigate the operational impact. The charity has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity. The repercussions on any adjustments to the financial statements are currently not determinable in light of the volatility of the scenario and the continuous evolution of the market, these will be reflected in the 2022 results.

**25. Related parties**

Where trustees have an interest in the grant to be paid or considered by the Public Benefit and Awareness committee (formerly the grants committee) this is declared and no part is taken in any vote or in deciding the application in principle or amount.

The Charity paid for the insurance premiums to indemnify trustees and senior staff from any loss arising from neglect or defaults of trustees or staff and any consequent loss.