

**Charity registration number 1186378**

**Company registration number 12305820 (England and Wales)**

**THE CHESTER BLUECOAT CHARITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

# THE CHESTER BLUECOAT CHARITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Councillor R Bisset	
	Dr H K Symons	(Appointed 24 July 2024)
	Mr A J Makinson	
	Mr A G Farrall	
	Mr J Rice-Jones	
	Ms L J Fearnall	
	Mrs J Davies	
	Councillor P Chamberlain	(Appointed 27 July 2023)
	Mrs J Harvey	(Appointed 24 July 2024)

Charity number 1186378

Company number 12305820

Auditor  
Champion Accountants LLP  
2nd Floor Refuge House  
33-37 Watergate Row  
Chester  
CH1 2LE

# THE CHESTER BLUECOAT CHARITY

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# THE CHESTER BLUECOAT CHARITY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### Objectives and activities

The Charity aims to assist people in need by providing grants and accommodation.

The Charity owns several properties in Chester so enabling generation of rental income, the provision of Almshouse accommodation and the provision of office accommodation to Third Sector organisations. The Charity's objectives can be summarised as follows:

1. To continue the provision of Almshouses by maintaining and improving the properties
1. To continue to improve the quality of life of individuals falling within the scope of the Charity by providing grants and support to organisations providing a service to those individuals
1. To improve the educational outcome of individuals falling within the scope of the Charity by continuing to provide bursaries and funding towards educational costs
1. To promote the Bluecoat building as a Third Sector Hub and commercial meeting venue for Chester

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### Achievements and performance

#### *Charitable achievements*

The Charity continued to invest in the maintenance and upkeep of the property portfolio.

The trustees continued to support institutions and organisations with one-off grants and regular funding. The bursary provision at both The King's and The Queen's Schools continued in 2023.

### Financial review

During the year the Charity received income of £551,483 (2022: £596,321), the current year comprising of donations of £3,980, charitable maintenance contributions of £72,924, charitable rent and services charges of £112,299, investment rental of £334,500, listed investment income of £26,252 and interest of £1,528.

The charity expended £548,841 (2022: £556,094), the current year comprising charitable grants of £216,333, maintenance costs of £67,810, investment management fees of £5,467, and support and governance costs of £259,231.

The resultant surplus before investment gains was £2,642 (2022: £40,277). Investment gains were £43,670 (2022: losses £95,760) leaving net income movement in funds of £46,312 (2022: net deficit £55,533)

On 31 December 2023 the charity had investments which had a market value of £942,094 (2022: £902,820). The charity had fixed assets of, tangible assets at a carrying value of £5,912,356 (2022: £6,015,163), heritage assets at a carrying value of £120,050 (2022: £120,050) and investment properties at a fair value of £2,760,000 (2022: £2,760,000).

# THE CHESTER BLUECOAT CHARITY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Historic assets held by the charity include:

### *Freehold property*

Almshouses	£2,000,220
Bluecoat Building	£3,624,000

### *Investment property*

47 Eastgate Street (including Kings Arms Kitchen)	£2,260,000
45 Eastgate Street	£500,000

### *Heritage assets*

Silver	£120,050
Mock Parlour	Not attributed

At 31 December 2023 total net assets were £9,273,365 (2022: £9,227,053) comprising the Endowment Fund £974,734 (2022: £942,732) and the unrestricted General Fund £8,298,631 (2022: £8,284,321).

### *Reserves policy*

The trustees regularly review the reserve levels of the charity. Whilst most of the charity's reserves are invested in tangible assets and investments, including the endowment funds, the trustees are happy that sufficient unrestricted income is generated from unrestricted assets each year to cover annual expenditure for the foreseeable future.

The total amount of unrestricted funds is £8,298,631 at 31 December 2023 (2022: £8,284,321) and Endowment Fund of £974,734 (2022: £942,732).

Post year end, the charity has obtained permission from the Charity Commission to un-restrict/un-endow all of its income and assets, to support the Charity's objectives and increase the level of free reserves for potential future projects.

### **Risk management**

The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks. The appropriate risk register is reviewed at appropriate sub-committee and main board together with appropriate planning.

### **Plans for future periods**

The Charity's main objectives for next year are:

1. To continue to improve the Almshouses
2. To manage the Bluecoat as a Community Hub
2. To grow commercial revenues from room hires at the Bluecoat Building
2. To continue the Grant Giving provision for local organisations
1. To continue to support organisations which assist people in need
1. To continue to review the strategic objectives of the charity and review our effectiveness in fulfilling our aims
1. To review our website and social media strategies to increase the awareness of the Charity and our aims
1. To initiate the cessation of the Bursary funding programme with local schools whilst honouring all existing bursary students

# THE CHESTER BLUECOAT CHARITY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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### Structure, governance and management

The charitable company, The Chester Bluecoat Charity (company number 12305820) was incorporated on 8 November 2019 following Charity Commission approval for that company to be registered as a charitable company.

The trustees received formal approval from the Charity Commission on 18 December 2020 for a scheme whereby the new company replaces the individual trustees as the sole trustee of Chester Municipal Charities. The Governing document is the scheme dated 18 December 2000.

With effect from July 2024 the registration of the two entities was linked under a single charity registration. The external charity is now referred to as The Chester Bluecoat Charity, with legal and financial responsibilities continuing to lie with the original incorporated charity.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Councillor R Bisset

Dr H K Symons (Appointed 24 July 2024)

Mr A J Makinson

Mr A G Farrall

Ms C M Russell (Resigned 10 October 2023)

Mrs P Richards (Appointed 24 February 2023 and resigned 23 April 2023)

Mr T Mann (Resigned 10 October 2023)

Mr R J Gill (Resigned 26 April 2023)

Mr J B Ebo (Resigned 10 October 2023)

Mr N C Davies (Resigned 31 December 2023)

Mr J Rice-Jones

Ms L J Fearnall

Mrs J Davies

Councillor P Chamberlain (Appointed 27 July 2023)

Mrs J Harvey (Appointed 24 July 2024)

### Recruitment and appointment of trustees

Up to eleven trustees can be appointed to fulfil specific areas of expertise. Up to two further trustees are nominated by Cheshire West and Chester Council. Trustees receive training as appropriate and make all necessary declarations as are legally required upon their appointment.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

### Organisational structure

The Charity's main board meets every two months, and there were five committees to manage the various activities : Almshouses, Bluecoat and Property, Communications, Finance and Governance, and Grant Giving. Towards the end of 2023 this was streamlined by the Board following appointment of a Chief Executive to one sub-committee of Finance and Governance. Spending limits are set by the Main Board.

**THE CHESTER BLUECOAT CHARITY**

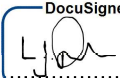
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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**Auditor**  
Champion Accountants LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

DocuSigned by:  
  
.....2FB859B2DC0A4B7....  
**Ms L J Fearnall**  
Trustee

**Date:** 10/29/2024 .....

# **THE CHESTER BLUECOAT CHARITY**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 DECEMBER 2023***

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The trustees, who are also the directors of The Chester Bluecoat Charity for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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 CHESTER BLUECOAT CHARITY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE CHESTER BLUECOAT CHARITY

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#### Opinion

We have audited the financial statements of The Chester Bluecoat Charity (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

# THE CHESTER BLUECOAT CHARITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHESTER BLUECOAT CHARITY

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

#### **Extent to which the audit is considered capable of detecting irregularities, including fraud**

The responsibility for the prevention and detection of irregularities, including fraud, lies with the trustees and with those charged with governance. The objectives of our audit in respect of irregularities and fraud are to assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient, appropriate audit evidence regarding the assessed risks and to respond appropriately to fraud or suspected fraud identified during the audit.

#### **Audit procedures**

We determine significant applicable laws and regulations through discussion with those charged with governance and our own knowledge of the industry and design audit procedures to help identify instances of non-compliance with those laws and regulations that may have a material effect on the financial statements.

We consider the applicable laws and regulations to be the financial reporting framework (FRS 102 and the Companies Act 2006), employment law, and the Health and Safety at Work Act 1974.

We consider the control environment and the procedures in place to address identified risks, including management override, non-compliance with laws and regulations and to prevent and detect fraud or irregularity. Our procedures are designed to provide reasonable assurance that the financial statements are free from material misstatement or error and include: enquiries of management and of staff in key compliance functions; review of reported incidents and reports from regulators; review of minutes of meetings of those charged with governance; review and testing of manual journals, relevant nominals and significant transactions outside the normal course of business; review of financial statement disclosures and testing to supporting documentation; performance of analytical procedures.

We are not responsible for preventing non-compliance and due to the inherent limitations of an audit, as described above, the audit cannot be relied upon to detect all instances of non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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

# THE CHESTER BLUECOAT CHARITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHESTER BLUECOAT CHARITY

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**Susan Harris MA ACA (Senior Statutory Auditor)**  
**for and on behalf of Champion Accountants LLP**

29 October 2024

**Chartered Accountants**  
**Statutory Auditor**

2nd Floor Refuge House  
33-37 Watergate Row  
Chester  
CH1 2LE

# THE CHESTER BLUECOAT CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED 31 DECEMBER 2023**

		Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	As restated Total
	Notes	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
<b>Income from:</b>							
Donations and legacies	3	3,980	-	3,980	3,951	-	3,951
Charitable activities	4	185,223	-	185,223	213,283	-	213,283
Investments	5	336,028	26,252	362,280	361,500	17,587	379,087
<b>Total income and endowments</b>		<u>525,231</u>	<u>26,252</u>	<u>551,483</u>	<u>578,734</u>	<u>17,587</u>	<u>596,321</u>
<b>Expenditure on:</b>							
Raising funds	6	-	5,467	5,467	-	5,919	5,919
Charitable activities	7	543,374	-	543,374	550,175	-	550,175
<b>Total expenditure</b>		<u>543,374</u>	<u>5,467</u>	<u>548,841</u>	<u>550,175</u>	<u>5,919</u>	<u>556,094</u>
Net gains/(losses) on investments	13	-	43,670	43,670	-	(95,760)	(95,760)
<b>Net income/(expenditure)</b>		<u>(18,143)</u>	<u>64,455</u>	<u>46,312</u>	<u>28,559</u>	<u>(84,092)</u>	<u>(55,533)</u>
Transfers between funds		32,453	(32,453)	-	-	-	-
Net movement in funds	10	14,310	32,002	46,312	28,559	(84,092)	(55,533)
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2023		8,284,321	942,732	9,227,053	8,255,762	1,026,824	9,282,586
<b>Fund balances at 31 December 2023</b>		<u>8,298,631</u>	<u>974,734</u>	<u>9,273,365</u>	<u>8,284,321</u>	<u>942,732</u>	<u>9,227,053</u>

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

# THE CHESTER BLUECOAT CHARITY

## BALANCE SHEET

AS AT 31 DECEMBER 2023

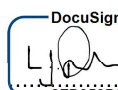
		2023	As restated
	Notes	£	2022
		£	£
<b>Fixed assets</b>			
Tangible assets	15	5,912,356	6,015,163
Heritage assets	16	120,050	120,050
Investment property	17	2,760,000	2,760,000
Investments	18	942,094	902,820
		<u>9,734,500</u>	<u>9,798,033</u>
<b>Current assets</b>			
Debtors	19	15,018	33,857
Cash at bank and in hand		252,673	144,860
		<u>267,691</u>	<u>178,717</u>
<b>Creditors: amounts falling due within one year</b>	21	<u>(306,202)</u>	<u>(332,937)</u>
<b>Net current liabilities</b>		<u>(38,511)</u>	<u>(154,220)</u>
<b>Total assets less current liabilities</b>		9,695,989	9,643,813
<b>Creditors: amounts falling due after more than one year</b>	22	<u>(422,624)</u>	<u>(416,760)</u>
<b>Net assets excluding pension liability</b>		9,273,365	9,227,053
<b>Net assets</b>		<u><u>9,273,365</u></u>	<u><u>9,227,053</u></u>
<b>The funds of the charity</b>			
Endowment funds	24	974,734	942,732
Unrestricted funds		8,298,631	8,284,321
		<u><u>9,273,365</u></u>	<u><u>9,227,053</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

10/29/2024

The financial statements were approved by the trustees on .....

DocuSigned by:  
  
 2FB859B2DC0A4B7...  
 Ms L J Fearnall  
 Trustee

Company registration number 12305820 (England and Wales)

# THE CHESTER BLUECOAT CHARITY

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	28		(236,239)		(304,625)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,152)		(300)	
Purchase of investments		(85,294)		(63,733)	
Proceeds from disposal of investments		89,690		57,693	
Investment income received		362,280		379,087	
<b>Net cash generated from investing activities</b>			364,524		372,747
<b>Financing activities</b>					
Repayment of bank loans		(20,472)		(73,982)	
<b>Net cash used in financing activities</b>			(20,472)		(73,982)
<b>Net increase/(decrease) in cash and cash equivalents</b>			107,813		(5,860)
Cash and cash equivalents at beginning of year			144,860		150,720
<b>Cash and cash equivalents at end of year</b>			252,673		144,860

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Charity information

The Chester Bluecoat Charity is a charitable company limited by guarantee incorporated in England & Wales. The registered office is The Bluecoat, Upper Northgate Street, Chester, Cheshire, CH1 4EE

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Prior period adjustment

In the previous financial year an adjustment was made to recognise potential grants payable in future years. The charity had no obligation to pay these grants as at the year end and hence they did not meet the criteria for recognition. A prior period adjustment has been posted to reverse the amount accrued. See note 30.

#### 1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income is deferred when rents are received in advance of the period to which they relate.

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.6 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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 are allocated on the portion of the asset's use.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include Head Office costs, finance, personnel, payroll and governance costs.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases: Freehold land and buildings, some of which are listed properties, are included at cost and are not depreciated. It is the Governors' policy to maintain the buildings in a good state of repair, consequently they are considered to have an indefinite useful economic life. Annual impairment reviews have so far confirmed that the service potential of the buildings remains undiminished.

Freehold land and buildings	N/A
Property improvements	10% Straight Line
Fixtures and fittings	20% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 1.9 Heritage assets

Heritage assets represent historic artefacts held by the Charity which are principally held and maintained for their contribution to knowledge and culture. The assets are recorded at their deemed cost when they were gifted to the Charity. Where it is impracticable to obtain a valuation of the assets, the assets are not held on the balance sheet at a valuation. The assets have been assessed to have indefinite useful lives and are therefore not depreciated. The heritage assets are reviewed at each reporting date for impairment - this may be caused by physical deterioration, breakage or new evidence giving rise to doubts over their authenticity.



# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.10 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.11 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.13 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies (Continued)

#### 1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

##### Property valuations

Property valuations are carried out by a Chartered Surveyor who is a trustee of the charity. No depreciation is charged on freehold properties as these are maintained to a high level, and regular revaluations are performed. Actual market values of properties can vary.

##### Long term funding commitments

The charity has committed to providing unconditional grants and bursaries to local organisations over multiple financial years. The long term commitments in the accounts are estimates based on the length of time the beneficiaries are expected to receive funding. The actual commitment may increase with inflation or decrease with beneficiaries leaving the schemes.

### 3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	3,980	423
Government grants	-	3,528
	<u>3,980</u>	<u>3,951</u>

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Almshouses maintenance contributions	72,924	74,840
Bluecoat rent and service charges	112,299	138,443
	<u>185,223</u>	<u>213,283</u>

### 5 Income from investments

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Rental income	334,500	-	334,500	328,872	-	328,872
Income from listed investments	-	26,252	26,252	7,443	17,587	25,030
Interest receivable	1,528	-	1,528	25,185	-	25,185
	<u>336,028</u>	<u>26,252</u>	<u>362,280</u>	<u>361,500</u>	<u>17,587</u>	<u>379,087</u>

### 6 Expenditure on raising funds

	Endowment funds 2023 £	Endowment funds 2022 £
Investment management	<u>5,467</u>	<u>5,919</u>

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 7 Expenditure on charitable activities

	Maintain charity assets 2023 £	Grant funding 2023 £	Total 2023 £	Maintain charity assets 2022 £	Grant funding 2022 £	As restated Total 2022 £
<b>Direct costs</b>						
Provision and maintenance of Almshouses	8,641	-	8,641	4,469	-	4,469
Provision and maintenance of Bluecoat building	59,169	-	59,169	58,647	-	58,647
Grants	-	216,333	216,333	-	196,746	196,746
	<u>67,810</u>	<u>216,333</u>	<u>284,143</u>	<u>63,116</u>	<u>196,746</u>	<u>259,862</u>
<b>Share of support and governance costs (see note 9)</b>						
Support	239,978	-	239,978	267,990	-	267,990
Governance	19,253	-	19,253	22,323	-	22,323
	<u>327,041</u>	<u>216,333</u>	<u>543,374</u>	<u>353,429</u>	<u>196,746</u>	<u>550,175</u>
<b>Analysis by fund</b>						
Unrestricted funds	<u>327,041</u>	<u>216,333</u>	<u>543,374</u>	<u>353,429</u>	<u>196,746</u>	<u>550,175</u>

### 8 Description of charitable activities

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 8 Description of charitable activities

(Continued)

#### Grant funding - Institutions

##### Education support

The Charity funds two full bursary places at both The King's School and The Queen's School each academic year. For the year ended 31 December 2023 grants awarded amounted to £124,780 (2022: £154,496).

##### Charitable support

Cheshire West Voluntary Action received grants from the Charity towards core costs so that they could continue to provide valuable services. For the year ended 31 December 2023 grants awarded amounted to £9,925 (2022: £5,500).

#### Supporting organisations

The Charity was pleased to be able to provide grant funding to a number of charitable and community organisations based in Chester. These included multi-year grants for core costs of organisations providing vital services in their local communities – such as meeting spaces, counselling support and finance and debt advice. This helps these organisations to make reliable future planning and maintain successful services.

Additionally the Charity has provided multi-year funding for projects helping local people with specific needs in mental health support and recovery from physical illness.

#### Grant funding - Individuals

In line with the Charity's policy, the Charity did not provide any direct support to individuals during the 2023 year (2022: £nil).

### 9 Support costs allocated to activities

	2023 £	2022 £
Staff costs	85,629	95,419
Depreciation	104,959	108,601
Bank charges & interest	1,356	2,846
Administration	28,529	50,571
Irrecoverable VAT	14,712	10,291
Motor & travel	38	262
Bad debts written off	4,755	-
Governance costs	19,253	22,323
	<u>259,231</u>	<u>290,313</u>
<b>Analysed between:</b>		
Maintain charity assets	<u>259,231</u>	<u>290,313</u>

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

<b>10 Net movement in funds</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,675	4,350
Depreciation of owned tangible fixed assets	104,958	108,601
	<u>          </u>	<u>          </u>

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: £nil).

None of the trustees incurred or were reimbursed expenses during the year (2022: £nil).

### 12 Employees

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Administration	3	3
Maintenance	1	1
	<u>          </u>	<u>          </u>
Total	4	4
	<u>          </u>	<u>          </u>

<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	81,464	86,055
Social security costs	2,274	7,515
Other pension costs	1,200	1,173
	<u>          </u>	<u>          </u>
	84,938	94,743
	<u>          </u>	<u>          </u>

There were no employees whose annual remuneration was more than £60,000.

### 13 Gains and losses on investments

	<b>Endowment</b>	<b>Endowment</b>
	<b>funds</b>	<b>funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gains/(losses) arising on:		
Revaluation of investments	28,622	(107,568)
Sale of investments	15,048	11,808
	<u>          </u>	<u>          </u>
	43,670	(95,760)
	<u>          </u>	<u>          </u>

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 15 Tangible fixed assets

	Freehold land and buildings	Property improvements	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2023	5,624,220	1,036,532	32,712	6,693,464
Additions	-	-	2,152	2,152
	<u>5,624,220</u>	<u>1,036,532</u>	<u>34,864</u>	<u>6,695,616</u>
At 31 December 2023	5,624,220	1,036,532	34,864	6,695,616
<b>Depreciation and impairment</b>				
At 1 January 2023	-	647,832	30,470	678,302
Depreciation charged in the year	-	103,653	1,305	104,958
	<u>-</u>	<u>751,485</u>	<u>31,775</u>	<u>783,260</u>
At 31 December 2023	-	751,485	31,775	783,260
<b>Carrying amount</b>				
At 31 December 2023	<u>5,624,220</u>	<u>285,047</u>	<u>3,089</u>	<u>5,912,356</u>
At 31 December 2022	<u>5,624,220</u>	<u>388,700</u>	<u>2,243</u>	<u>6,015,163</u>

### 16 Heritage assets

£

At 1 January 2023 and at 31 December 2023

120,050

#### **Silver - Seal Matrix and Almsman's Badges**

A collection of silver Almsman's badges and a seal matrix and mount held in the Grosvenor Museum on behalf of the Charity. These are recorded at their historic insurance replacement cost upon the Charity being gifted these assets in order to preserve their history.

#### **Kings Arm's Kitchen Mock Parlour**

Once forming the interior of the public house of 57 Eastgate Street the contents of "The Honourable Corporation of the Kings Arms Kitchen" the Mayor's parlour is now being preserved in a room at the Grosvenor Museum. This is recorded at historic insurance replacement cost upon the placing the items in the museum's care. This does not carry at a value in the balance sheet.

### 17 Investment property

2023

£

#### **Fair value**

At 1 January 2023 and 31 December 2023

2,760,000

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 17 Investment property

(Continued)

Investment property comprises the historic buildings of 45 Eastgate Street and 47-57 Eastgate Street in Chester City centre. The fair value of the investment property has been arrived at on the basis of a valuation carried out to reflect the value at 31 December 2021 and 31 December 2020 by Justin Rice-Jones FRCIS a Chartered Surveyor and trustee of the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The trustees do not believe that the fair value at 31 December 2023 has changed materially from this.

### 18 Fixed asset investments

	Endowment Funds Listed Investments £
<b>Cost or valuation</b>	
At 1 January 2023	902,820
Additions	85,294
Valuation changes	28,622
Disposals	(74,642)
At 31 December 2023	942,094
<b>Carrying amount</b>	
At 31 December 2023	942,094
At 31 December 2022	902,820

#### Fixed asset investments revalued

The above investments have been stated at market value. At 31 December 2023 the historic cost of the investments was £580,062 (2022: £570,815).

Included in the above investments are overseas investments with a valuation of £255,266 (2022: £76,252).

### 19 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,159	22,205
Other debtors	3,670	-
Prepayments and accrued income	7,189	11,652
	15,018	33,857



# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 20 Loans and overdrafts

	2023 £	2022 £
Bank loans	-	20,472
Payable within one year	-	20,472

The long-term loan was secured by a fixed legal charge held by National Westminster Bank Plc dated 28 August 2014. The loan has now been full repaid and the charge has been satisfied.

### 21 Creditors: amounts falling due within one year

	Notes	2023 £	As restated 2022 £
Bank loans	20	-	20,472
Other taxation and social security		6,944	5,167
Trade creditors		5,420	14,762
Other creditors		206,841	207,011
Accruals and deferred income		86,997	85,525
		306,202	332,937

Included within other creditors falling due within one year is £77,882 of deferred income arising from rents received in advance (2022: £78,764). The full amount deferred in 2022 has been recognised in income in 2023.

The charity has committed to providing unconditional grants and bursaries to local organisations. A commitment has been recorded in the financial statements within other creditors falling due within one year of £206,561 (2022: 206,561). Each year the commitment unwinds with the grants paid and increases with the additional grants awarded.

### 22 Creditors: amounts falling due after more than one year

	2023 £	As restated 2022 £
Other creditors	422,624	416,760

The charity has committed to providing unconditional grants and bursaries to local organisations. A commitment has been recorded in the financial statements within other creditors falling due after more than one year of £422,624 (2022: £416,760). Each year the commitment unwinds with the grants paid and increases with the additional grants awarded.

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 23 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	1,200	1,173

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

### 24 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 December 2023 £
<b>Permanent endowments</b>	942,732	26,252	(5,467)	(32,453)	43,670	974,734
<b>Previous year:</b>	<b>At 1 January 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Gains and losses £</b>	<b>At 31 December 2022 £</b>
<b>Permanent endowments</b>	1,026,824	17,587	(5,919)	-	(95,760)	942,732

### 25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
General funds	8,284,321	525,231	(543,374)	32,453	8,298,631

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 25 Unrestricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
<b>As restated</b>					
	£	£	£	£	£
General funds	8,255,762	578,734	(550,175)	-	8,284,321

### 26 Analysis of net assets between funds

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
<b>At 31 December 2023:</b>			
Tangible assets	5,912,356	-	5,912,356
Heritage assets	120,050	-	120,050
Investment properties	2,760,000	-	2,760,000
Investments	-	942,094	942,094
Current assets/(liabilities)	(71,151)	32,640	(38,511)
Long term liabilities	(422,624)	-	(422,624)
	<u>8,298,631</u>	<u>974,734</u>	<u>9,273,365</u>
	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
<b>As restated</b>			
<b>At 31 December 2022:</b>			
Tangible assets	6,015,163	-	6,015,163
Heritage assets	120,050	-	120,050
Investment properties	2,760,000	-	2,760,000
Investments	-	902,820	902,820
Current assets/(liabilities)	(194,132)	39,912	(154,220)
Long term liabilities	(416,760)	-	(416,760)
	<u>8,284,321</u>	<u>942,732</u>	<u>9,227,053</u>

### 27 Related party transactions

The charity has a trustee in common with Chester Aid to the Homeless and therefore, transactions with this entity are considered related party transactions.

During the financial year, the charity received amounts of £11,565 (2022: £10,212) from Chester Aid to the Homeless for rental services.

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

<b>28</b>	<b>Cash generated from operations</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
	Surplus/(deficit) for the year	46,312	(55,533)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(362,280)	(379,087)
	Gain on disposal of investments	(15,048)	(11,808)
	Fair value gains and losses on investments	(28,622)	107,568
	Depreciation and impairment of tangible fixed assets	104,959	108,601
	Movements in working capital:		
	Decrease/(increase) in debtors	18,839	(14,676)
	(Decrease) in creditors	(399)	(59,690)
	<b>Cash absorbed by operations</b>	<b>(236,239)</b>	<b>(304,625)</b>
<b>29</b>	<b>Analysis of changes in net funds</b>		
		<b>At 1 January 2023</b>	<b>Cash flows At 31 December 2023</b>
		<b>£</b>	<b>£</b>
	Cash at bank and in hand	144,860	107,813
	Loans falling due within one year	(20,472)	-
		<u>124,388</u>	<u>252,673</u>
<b>30</b>	<b>Prior period adjustment</b>		

# THE CHESTER BLUECOAT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 30 Prior period adjustment

(Continued)

#### Changes to the balance sheet

	At 31 December 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Creditors due within one year	341,135	(8,198)	332,937
Creditors due after one year	2,153,642	(1,736,882)	416,760
Net assets	7,481,973	1,745,080	9,227,053
Capital funds			
Endowment funds	942,732	-	942,732
Income funds			
Unrestricted funds	6,539,241	1,745,080	8,284,321
<b>Total equity</b>	<b>7,481,973</b>	<b>1,745,080</b>	<b>9,227,053</b>

#### Changes to the profit and loss account

	Period ended 31 December 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Charitable activities	2,295,255	(1,745,080)	550,175
Net movement in funds	(1,800,613)	1,745,080	(55,533)