

Bristol Hospitality Network
ANNUAL REPORT AND
FINANCIAL STATEMENTS

31 MARCH 2020

Company Registration Number 7308750
Charity Number 1138498

Bristol Hospitality Network
Annual Report and Financial Statements
Year Ended 31 March 2020

CONTENTS	PAGE
Reference and administration details of the charity and its advisors	2
Trustees Annual Report	3 to 6
Independent Examiner's Report	7
Statement of Financial Activities (including Income and Expenditure Account)	8
Balance Sheet	9
Notes to the Financial Statements	10 to 15

Bristol Hospitality Network

Annual Report and Financial Statements

Year Ended 31 March 2020

Status

Bristol Hospitality Network is a company limited by guarantee (registration number 7308750) incorporated on 8th July 2010 and granted charitable status by the Charity Commission under number 1138498 on the 21st October 2010.

Trustees

The following have served as trustees during the year:

John Stephen Watters (Chair)
Oona Goldsworthy (Vice-Chair)
Laura Barrow (Treasurer)
Leila Nicholas
Sarah Webb (appointed 17 July 2019)
Naomi Millner (resigned 30 November 2019)
Ralph Openshaw (appointed 17 July 2019, resigned 11 March 2020)

Registered Office

Bristol Hospitality Network
c/o ECFC
Beaufort Street
Easton
Bristol
BS5 0SQ

Bankers

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Independent Examiner

Geoff Archer
Bristol Community Accountants CIC
The Park
Daventry Road
Knowle
Bristol
BS4 1DQ

Bristol Hospitality Network

Trustees Annual Report

Year Ended 31 March 2020

The Trustees present their report and the unaudited financial statements of the Charity for the year ended 31 March 2020.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Structure, Governance and Management

Organisation

The Charity is controlled by its governing document, Memorandum and Articles of Association.

Risk Review

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees monitor risk on an ongoing basis and have appropriate frameworks in place for risk management.

The Directors

The Board of Directors, who are Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3.

Objectives and activities

Objects of the Charity

To relieve financial hardship amongst those seeking asylum, and those granted refugee status, and their dependents who are destitute and living temporarily or permanently in Bristol and the surrounding areas, in particular but not exclusively by the provision of temporary accommodation, advice, information, support and advocacy, for the public benefit.

Such other charitable purposes for the public benefit and the benefit of those seeking asylum, and those granted refugee status, and their dependents who are destitute in such ways as the trustees shall determine.

Achievements and performance

Core Activities

Bristol Hospitality Network (BHN) continued to work to support people who find themselves destitute while seeking asylum. In order to provide accommodation to people who would otherwise be homeless, BHN continued to operate a 11 bed men's hostel (BHN House) throughout the year, as well as coordinating a network of host households.

47 people from 17 countries were provided accommodation during the year, with a total of 9,947 'person-nights' of hosting in the year to March 2020 (vs 10,037 in 18/19). The length of time that people were placed in accommodation varied and continued to average several months.

The weekly 'Welcome Centre' drop-in session was attended by an average of 114 people a week (106 – 2019). The support offered included a hot lunch, the chance to socialise in a safe environment, ESOL teaching, games, art, and free haircuts.

The specialist destitution Help Team continued to provide advocacy support to members during the year, with an average of 13 individuals receiving support sessions from the Help team in any given week, and a total of 134 individuals receiving claim support during the year.

BHN employed a further two staff members during the year, a Maintenance Co-ordinator for our men's hostel, and a Member Volunteer Co-ordinator to focus on increased member engagement, volunteering and the Welcome Centre, taking the total to eight part-time staff (3.6 FTE). Volunteers continued to play a key role in the organisation and we are very grateful to them. We were supported by 149 volunteers during the year, the majority of whom were involved in the Welcome Centre. We also saw the majority of our beneficiaries volunteering in some capacity, with 67 of our volunteers being members.

We continued to develop member engagement, including the activities of our speakers' group, where a group of c.10 members and volunteers meet regularly and go in small teams to speak to communities and at events with the messages we want to share about asylum-seekers, destitution, and BHN. We've spoken at occasions such as pop-up food events and festivals, in churches, and at university events, and are always looking for new opportunities to speak.

BHN also continued to provide catering via 'Moveable Feast' for a number of public and private events, including weddings, birthdays, pop-up events, meetings and conferences. Moveable Feast contributes to our charitable objectives by empowering member volunteers, providing training and skills development, an opportunity for community engagement, and for members to contribute by raising awareness about our charitable activities and raising funds for the charity. The investment in the previous year resulted in a 60% growth in income in 2019/20, with a 13% increase in expenditure, generating a net surplus of c£7,000 which has been used for funding core activities.

Public Benefit

The trustees have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission.

Financial Position

The organisation finished the year with a deficit of c£20,000, this is in line with the budget and forecast for the year, with growth in activity having been funded by reserves. Total income increased by 6% compared to 2018/19. Around 60% of the income during the year came from non-grant donations and the total amount of donations increased by 14% compared to the previous year. Around three-quarters of these donations came from regular donors, whose support provides a solid foundation for BHN's activities. A further 14% of income was generated by trading income through Moveable Feast, which generated 60% more income than the previous year. The remainder of our income in the year came from grant funding, some of which is raised in advance for projects in the next financial year.

Expenditure increased by 18% (vs 46% increase in 18/19), reflecting the ongoing growth in the activities of the charity in response to need. These increases included a c£6,000 increase in office costs (including a rent increase and one-off IT costs), and c.£18,000 increase in staff costs as a result of growing our staff team from six to eight members of staff.

Future Developments

We expect costs to stay broadly flat in the next year financial year and are targeting a c10-15% increase in income in order to achieve a breakeven position and maintain our reserves within the target range.

Since the year end, we have amended operations in response to the Covid-19 situation. We have ceased all catering and event activities under 'Moveable Feast', which we expect to significantly impact our income for the year, with a lesser impact on the overall surplus. In response to government guidelines we closed the Welcome Centre from the end of March 2020 and continue to review the government advice in considering any plans for re-opening. We continue to support our hosted members through our network of volunteers and hosts and we are urgently seeking new hosts to support destitute asylum seekers in Bristol over the next year, including providing move-on accommodation for those who were temporarily housed by the local authority during the crisis period.

There is continued demand for the provision of accommodation and solidarity for destitute asylum seekers in Bristol, which is the core activity of BHN. The organisation has continued to raise sufficient grants and donations to cover operating costs to date, with campaigns planned and a strategy in place to raise the required funds to ensure that the organisation can continue to operate and to meet its financial obligations for at least the next 12 months and with reasonable expectation for the foreseeable future. For this reason, BHN continues to adopt the going concern basis in preparing the financial statements.

Reserves Policy

The Trustees aim to have three to six months total expenditure available in unrestricted reserves. This is to allow sufficient time to respond if income is reduced, giving the organisation time to find alternative income streams, or to scale back activities if required. A significant proportion of our income comes from voluntary donations and we rely on the ongoing support of our regular donors.

During the year the Trustees made an explicit decision to fund the expected trading deficit from reserves, keeping closing reserves within the target range. Total free reserves at year-end correspond to unrestricted reserves of £49,567, which represents three and half months' expenditure. Total reserves of £64,719 (including restricted funds) represent four and half months' expenditure.

Trustees' Responsibilities in relation to the Financial Statements

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The above report has been prepared in accordance with the special provisions relating to the small companies regime as set out in part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

..... Date: ...10th November 2020...

Laura Barrow, Director/Treasurer

Bristol Hospitality Network

Year Ended 31 March 2020

Independent Examiner's Report to the Trustees of Bristol Hospitality Network

I report on the unaudited accounts for the year ended 31st March 2019 set out on pages 8 -15.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

..... ..5th November 2020...

Geoff Archer
Bristol Community Accountants CIC
The Park,
Daventry Road,
Knowle,
Bristol,
BS4 1DQ

Bristol Hospitality Network

Statement of Financial Activities (including Income and Expenditure Account)

Year Ended 31 March 2020

		Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	Note	£	£	£	£
Income from:					
Voluntary Income	2	94,223	240	94,463	82,735
Other Trading Activities	3	21,797	-	21,797	10,997
Charitable Activities	4	10,000	25,501	35,501	49,500
Total Incoming Resources		126,020	25,741	151,761	143,232
Expenditure on:					
Charitable Activities	5	127,242	40,995	168,237	142,721
Other	6	1,640	1,855	3,495	2,424
Total Resources Expended		128,882	42,850	171,732	145,145
Net Incoming Resources		(2,862)	(17,109)	(19,971)	(1,913)
Total Funds at 01 April 2019		50,189	34,501	84,690	86,603
Transfers Between Funds		2,240	(2,240)	-	-
Total Funds at 31 March 2020	7	49,567	15,152	64,719	84,690

All of the activities of the Charity are classed as continuing.

The notes on pages 10 - 15 form part of these financial statements

Bristol Hospitality Network

Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
CURRENT ASSETS			
Debtors	13	4,023	2,358
Cash at Bank		64,303	82,706
Cash Held		427	918
		<u>68,753</u>	<u>85,982</u>
CURRENT LIABILITIES			
Creditors falling due within one year			
Accruals	14	<u>(4,034)</u>	<u>(1,292)</u>
		(4,034)	(1,292)
Net Current Assets		<u>64,719</u>	<u>84,690</u>
Total Assets less Current Liabilities		<u>64,719</u>	<u>84,690</u>
Represented by:			
CAPITAL AND RESERVES - Charitable Funds			
Restricted Fund		15,152	34,501
Unrestricted Fund		<u>49,567</u>	<u>50,189</u>
Total Charitable Funds	7	<u>64,719</u>	<u>84,690</u>

The notes on pages 10 - 15 form part of these financial statements

Directors' Statements

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 396, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the trustees on 10th November 2020 and are signed on their behalf by:

..... Laura Barrow, Director/Treasurer

Bristol Hospitality Network

Notes to the Financial Statements

Year Ended 31 March 2020

1 Accounting policies

- a) The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective on 1st January 2015, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

Under the SORP 2015, where there is no specific requirement to adopt a specific accounting requirement a charity may follow their existing accounting policies provided that the policies and disclosures made are consistent with accepted accounting practice. This charity has decided that the accounting policies set out below, which it followed prior to SORP 2015, shall continue to be followed.

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The charity meets the definition of a public benefit entity as defined by FRS 102.

- b) Income from donations is included in income when this is receivable, except as follows:
- a. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.
 - b. When donors impose conditions, which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until such conditions have been met.
- c) Expenditure is recognised in the period in which they are incurred. Expenditure includes attributable VAT which cannot be recovered.
- d) Most expenditure is directly attributable to specific activities and has been included in those cost categories. Support costs have been allocated 100% towards the charitable activities of the charity.
- e) Rentals applicable to operating lease agreements where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.
- f) Financial Instruments: The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

- g) Pension Scheme: The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. Pension costs charged in the financial statements represent the contribution payable by the charitable company during the year.
- h) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees and designated for specific purposes as determined by the trustees from time to time.
- i) Restricted funds can only be used for particular restricted purposes within the objects of the charity.

2 Voluntary Income

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Donations - General	84,614	240	84,854	76,112
Donations – Moveable Feast	1,000	-	1,000	3,402
Gift Aid	8,609	-	8,609	3,221
	94,223	240	94,463	82,735

3 Other Trading Activities

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Movable Feast Events	21,797	-	21,797	10,981
Merchandise Sales	-	-	-	16
	21,797	-	21,797	10,997

4 Incoming Resources from Charitable Activities

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Grants	10,000	25,501	35,501	49,500
	10,000	25,501	35,501	49,500

Bristol Hospitality Network

Notes to the Financial Statements continued

Year Ended 31 March 2020

5 Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
BHN House	26,947	9,406	36,353	35,964
Welcome Centre	29,221	-	29,221	17,611
Solidarity Payments	14,020	80	14,100	13,240
Host Network	-	12,207	12,207	11,563
Syria Project	-	1,780	1,780	4,015
Moveable Feast	13,359	2,319	15,677	13,870
Training and Supervision	-	-	-	746
Volunteer Co-ordination	-	7,112	7,112	3,566
Help Team	10,397	2,934	13,331	17,287
Database Project	1,341	4,772	6,113	10,228
Core Salaries	21,111	-	19,383	8,885
Office Costs	9,440	-	9,440	3,368
New Roots	-	385	385	1,300
Insurance	1,406	-	1,406	1,078
	127,242	40,995	168,237	142,721

6 Other Costs

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Governance	1,640	-	1,640	841
Communications	-	1,855	1,855	1,583
	1,640	1,855	3,495	2,424

Bristol Hospitality Network

Notes to the Financial Statements continued

Year Ended 31 March 2020

7 Movement in Funds

Project	Opening Balance £	Incoming Resources £	Resources Expended £	Transfers	Closing Balance £
BHN House	7,185	2,221	(9,406)	-	-
Solidarity Fund	80	-	(80)	-	-
Host Network	3,985	8,280	(12,207)	-	58
Syria Project	3,871	-	(1,780)	(2,091)	-
Moveable Feast Project	2,319	-	(2,319)	-	-
Volunteer Co-ordination	6,434	15,000	(7,112)	-	14,322
Help Team	2,694	240	(2,934)	-	-
Database Project	4,772	-	(4,772)	-	-
Communications	2,961	-	(1,855)	(1,106)	-
New Roots	200	-	(385)	957	772
Total Restricted Funds	34,501	25,741	(42,850)	(2,240)	15,152
Total Unrestricted Funds	50,189	126,020	(128,882)	2,240	49,567
Total Funds	84,690	151,761	(171,732)	-	64,719

Transfers from restricted to unrestricted funds relate to activities where the donor or grantor has agreed in writing that the remaining balance be released to be used for core expenditure.

Transfers from unrestricted to restricted relate to funds that were incorrectly classified as unrestricted in the previous year, and have not been adjusted through opening balances, on the grounds of materiality.

Grants and donations which the donor or grant-maker has intended for specific project activity have been treated as restricted income, along with restricted grant income. Funds have been allocated to the relevant projects which have taken place during the year, with the corresponding expenditure treated as restricted.

Project/Fund	Purpose/Use (and source of funding in year where applicable)
BHN House	Repairs, maintenance, and staff costs related to the men's hostel (funding from Desmond Harris Trust)
Host Network	Supporting members provided with accommodation and those hosting them, includes staff and other costs e.g. travel (funding from Brisdoc)
Syria Project	Supporting individuals in the Syria resettlement programme
Moveable Feast Project	Catering equipment and staffing for growing the catering social enterprise
Volunteer Co-ordination	Management of volunteers and member engagement – including staff costs (funding from The Burden Trust)
Help Team	Providing advocacy support to destitute asylum seekers
Database Project	Improving resilience and impact measurement through development of a CRM/database
Communications	Staffing and external costs to raise awareness of BHN's work
New Roots	Creative gardening project - previously the Asylum Seekers Allotment Project

Bristol Hospitality Network
Notes to the Financial Statements continued
Year Ended 31 March 2020

8 Taxation

The charity is exempt from corporation tax on its charitable activities.

9 Trustee expenses

No trustees received remuneration or reimbursement for expenses within this or the prior period.

10 Company limited by guarantee

The company is limited by guarantee and as such has no issued share capital.
 In the event of the company being wound up the liability of the members is limited to £1 each.

11 Analysis of prior year funds, as required by paragraph 4.2 of SORP 2015

	Prior Year Unrestricted Funds £	Prior Year Restricted Funds £	Prior Year Total Funds £
Income from:			
Donations	58,910	23,825	82,735
Other Trading Activities	10,997	-	10,997
Charitable Activities	10,000	39,500	49,500
Total Incoming Resources	79,907	63,325	143,232
Expenditure on:			
Charitable Activities	68,765	73,956	142,721
Other	841	1,583	2,424
Total Resources Expended	69,606	75,539	145,145
Net Incoming Resources	10,301	(12,214)	(1,913)
Transfer between Funds	-	-	-
Total Funds brought forward	39,888	46,715	86,603
Total Funds carried forward	50,189	34,501	84,690

Bristol Hospitality Network
Notes to the Financial Statements continued
Year Ended 31 March 2020

12	Staff costs and numbers	2020	2019
		£	£
	Wages and salaries	84,086	65,787
		<u>84,086</u>	<u>65,787</u>

No employee received emoluments of more than £60,000.

The total value of salary and employee benefits paid to key management personnel was £26,922.

The average monthly headcount was 8 members of staff (6 – 2019) equivalent to 3.6 FTE.

13	Debtors	2020	2019
		£	£
	Debtors	4,023	2,358
		<u>4,023</u>	<u>2,358</u>

14	Creditors	2020	2019
		£	£
	Accruals	(4,034)	(1,292)
		<u>(4,034)</u>	<u>(1,292)</u>

15 Related Party Transactions

Transactions with related parties: There were no related party transactions throughout the period.

Controlling party: The charitable company was under the control of the trustees throughout the period.