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CHARITY COMMISSION
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ACCOUNTS
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Bristol Charities
**ANNUAL REPORT
AND FINANCIAL STATEMENTS**

for the year ended

31 March 2016



Bristol Charities

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for the year ended 31 March 2016

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What We Do

Bristol Charities' mission is to enhance the quality of life of older people living in our communities. We make a difference to the lives of older people **by supporting them to live independently.** Our work ranges from the provision of **supported rented accommodation** and **day services** to the distribution of individual **grants** to those most in need.

In Brief – Key Facts and Figures

- We provide excellent accommodation through our **5 Almshouses**, each one offering onsite support and a safe community setting.
- We provide day care and day time opportunities through our **3 Community Day Centres** in Bristol. In 2015/16 we supported a total of **288 Older People** through our Day Centres and our activities.
- We provide grants through our grant giving programme. Our grants help individuals and families living in crisis or hardship when there is no one else to help.
- We provide educational grants to **support vulnerable and needy children and young people** to access education, extracurricular activities, and spiritual guidance.
- Our work supports older people to live independently and **reduces isolation and loneliness.**
- Around **£159,000** in grants are awarded annually, mainly to individuals.

Bristol Charities

MESSAGE FROM THE CHAIR OF TRUSTEES for the year ended 31 March 2016

Welcome to our Annual Report and accounts for the year ended 31st March 2016.

Our mission, to support older people in our communities to live fulfilling and, as far as reasonably possible, independent lives, is unchanged as indeed it has been since our first charity was founded over seven hundred years ago.

We have three arms to our activities and all are relevant to needy people and all have had exciting and, at times, challenging years. They do though have great opportunities and we intend to make the most of them:

- Almshouse provision through Orchard Homes in Bristol and William Jones's Almshouse charity in Monmouth;
- Day Services from our centres at Brentry and St. George, both in Bristol;
- Grant giving in Bristol.

Our almshouse portfolio continues to be developed towards our ambition to have some 200 modern apartments for older people in Bristol and Monmouth. We made the decision to press ahead with our most ambitious development to date, a sixty apartment new building in Stockwood, South Bristol. This will be to "extra-care" standards and will provide the "homes-for-life" that is always our ambition. Despite the uncertainties provided by constant changes in Housing Benefit provided by Central Government, Trustees have been steadfast in their ambition to press ahead with this project and we plan to be on-site in September/October 2016 with completion in Spring 2018.

During the year we made the difficult decision to close our two remaining almshouses in central Bristol, Perrett House and Redcross Mews. These were clearly no longer able to meet the standards we set ourselves and that our residents expect. I am grateful for the care and professionalism shown by our staff in rehousing residents, some of whom are amongst the most vulnerable in society.

The proceeds from disposing of these two properties, together with external resources, should provide us with the funding for our next project, the site for which we are presently seeking. We are much encouraged that our "offer" is appropriate for our residents, present and future, by the excellent occupancy levels being achieved in our new almshouses and by the responses to our satisfaction surveys, which are detailed later in this report.

In Day Services, we are satisfied that the services we provide at our centres in Brentry and St. George are meeting a clear set of needs, as shown again by increasing usage levels and strong satisfaction survey results. However, the financial results overall in Day Services have not proved sustainable. Consequently, with much regret we have closed our centre in Henbury, with a write down of our investment there, and consolidated the service nearby at our Brentry centre. Sadly, our dementia service at Brentry has been unable to attract sufficient users on a sustained basis and that service too has had to be closed.

Bristol City Council have been talking for many months about tendering for suppliers against a new specification for Day Services. We welcome the opportunity this provides to make these services sustainable and we will be taking part in the tender process.

Bristol Charities

MESSAGE FROM THE CHAIR OF TRUSTEES for the year ended 31 March 2016

During the year, we carried out a detailed review of our governance arrangements. I am pleased to report that Trustees have agreed to follow Charity Commission guidance on terms of office. Over the next three years all Trustees with nine or more years of service will retire and thereafter Trustees will serve terms of three years, renewable twice, thus giving a maximum term of nine years. The Chair will step out of this arrangement and may serve a maximum of two terms of four years before, if wished, resuming the normal trustee cycle. We have also agreed to simplify our sub-committee structure.

I am delighted that we continue to be able to recruit new Trustees with relevant experience and this year we have been joined by Mr. Nolan Webber, who brings strong credentials in the area of investment management.

Trustees continue to commit hugely and entirely voluntarily of their time and expertise and I am most grateful to them and also to our Patron, Mary Prior, for their continued interest and support.

Finally, I must pay tribute, again, to Anne and her team. They always seem to deliver and they continue to provide stimulating leadership in these challenging times. It will be clear from what I have said that the coming year will be no less exciting than the last.

Andrew Hillman, A.C.A.
Chair of Trustees



From left to right:

Chief Executive: Anne Anketell, B.A. (Hons)

Chair of Trustees: Andrew Hillman, A.C.A.

Patron: Mary Prior MBE DStJ JP (Lord-Lieutenant of the County and City of Bristol)

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT for the year ended 31 March 2016

i) ACHIEVEMENTS AND PERFORMANCE

Our priorities in 2015 were...

GOAL

To Develop new Almshouses that are Fit for the Future

AIM

In 2015, our aim was to increase our Almshouse provision and dispose of our properties and sites that were no longer fit for purpose

PERFORMANCE

- The Charity has during the year been focussed on developing a new Almshouse built to **Extra Care Standards** in **Stockwood, South Bristol**. Much detailed work has taken place with our architects to prepare and gain planning permission and to develop the initial designs. The project is due to go on site in late 2016.
- In keeping with our strategy to increase our Almshouse provision, the Charity has also begun to look for a site for our **next development** and has started discussions with a number of partners around a **joint project**.
- In 2015 we also completed work on preparing some of our schemes which are no longer fit for purpose for **disposal**. The longer-term aim is to **reinvest** this money in brand new purpose-built Almshouse accommodation for older people.
- Customer satisfaction in our current schemes remains high and the year saw a **24%** increase in numbers of residents taking part in the annual satisfaction survey. Key highlights of the survey are:

88% satisfaction with Housing Services

89% satisfaction with Support Services

86% satisfaction with Repairs and Maintenance

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*)
for the year ended 31 March 2016

GOAL

To Develop Day Services and Opportunities

AIM

Our priority in 2015 was to develop a sustainable model for Day Services by reducing provision of more traditional services and increasing the breadth of services to customers based on their changing needs and demands

PERFORMANCE

- We made the difficult decision to consolidate two of our services – the day service at Henbury Centre and the Dementia Service at Barstaple Almshouse with a gradual closure of the Dementia Service. The service at Barstaple now continues to thrive with service users enjoying the facilities of the newly-built centre and its lovely gardens.
- Our work with LinkAge running the Henbury/Brentry LinkAge Hub continues to be successful with some great joint activities taking place during the year including Toddler Takeover - our first ever toddler and older people intergenerational session.



Photos
courtesy
of
LinkAge

- In 2015/16 we provided day services to **121** people.
- **164** older people attended our LinkAge activities at the Henbury Centre.
- Satisfaction with services at the Summerhill Centre was **96%** amongst service users and **94%** amongst carers/family.
- Satisfaction with services at Barstaple Centre in Brentry was **97%** amongst service users and **94%** with family/carers.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*
for the year ended 31 March 2016

GOAL

To Deliver a Grant Programme Targeted at Individuals

AIM

To launch a grant programme that focusses on grants to individuals rather than other charities and organisations. To identify systems and software that allows for the successful delivery of the programme in an efficient and cost-effective way

PERFORMANCE

- During the year, we investigated several software packages to streamline our grant-making processes and made a decision to implement the Benefactor system.
- 2015 was the first year of a change shifting the balance of our grant-giving to individuals. During the year we awarded grants totalling **£159,181**.
- **£25,145** was awarded to individuals including refugees who were resettling after a period of homelessness.
- **£22,080** was awarded to single-parent families in need.
- **43%** of total grants were awarded to people in the **16 – 29 age range**.

One great big, whopping, humungous THANK YOU for helping and providing me with a mobility scooter. This has given me another lease of life. I am too chuffed for words!!

We at SSAFA are most grateful for your continuing support, especially to these worthy ex-military lads. I am so glad that they will now shortly be able to move into their own accommodation and have the chance of a new life.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*)
for the year ended 31 March 2016

GOAL

To Build Financial Capacity

AIM

To ensure strong financial performance of our existing and new funding streams and of the charity as a whole

PERFORMANCE

- The year saw for the first time since their opening both of the Charity's new Almshouses, Cwrt William Jones in Monmouth and Barstaple Almshouse in Brentry, at full occupancy. Our voids at year end were **2.74%**.
- We have maintained our rent arrears level at just **0.7%** and rent collection at **103.3%** despite the economic challenges.
- Occupancy rates at our Day Services continued to show improvement during the year. Our Centre at Summerhill in St. George, Bristol continued to maintain its strong performance in meeting demand and finished the year at **97.5%** occupancy. Barstaple Day Service was at **86%** occupancy at year end.
- In 2015 we set up a wholly owned subsidiary of Bristol Charities which would act as a Design and Build Company for the development at Stockwood in order to gain the maximum tax efficiencies. It is envisaged that the new company would reclaim all VAT costs on professional fees charged in relation to the project.
- 2015 has been challenging for our investments. Our funds managed by Barings and Smith and Williamson suffered capital reductions of 5.3% and 8.7% respectively compared to the 8.8% reduction in the value of the FTSE 100 in the year ended 31 March 2016. Our investment properties grew in value by 1.9% in the year. Investment income achieved in the year was £516,042 compared to £530,152 in the prior year.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*
for the year ended 31 March 2016

GOAL

To Make Bristol Charities Stronger

AIM

To develop the capacity of our staff teams, review finance systems and procedures and make improvements to our Housing and Property Management Systems

PERFORMANCE

- We have made some important changes to both our systems, processes and work culture so that we can adapt to the changing market. In 2015 we outsourced our payroll and introduced a new sales ledger and other finance systems in order to establish streamlined, effective processes.
- During the year we put into place new repairs and maintenance contracts and established a compliance programme to ensure **100% compliance** with regulatory requirements.
- We have been working hard to strengthen and develop our workforce, embedding new supervision and appraisal systems within the charity and actively focussing on the development of our teams. Work was completed on developing a new H.R. Manual and we have now started a comprehensive review of all Care and Support Policies.



Staff
Members
with
volunteer,
Miriam
Goodland
(far right)

- In 2015 we conducted a full and robust review of the effectiveness of the current governance structure and processes. The review has resulted in changes to the committee structure, has introduced terms of office for Trustees and improved the recruitment, training and on-going development of Trustees. We have also made changes to improve scrutiny of performance, risk management, safeguarding and control.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*
for the year ended 31 March 2016

GOAL

To Increase Our Profile

AIM

To ensure that Bristol Charities' name and brand stand out from the crowd

PERFORMANCE

- We were delighted to welcome **HRH The Princess Royal** to our new Almshouse and Day Centre in Brentry in June 2015. This was Princess Anne's second visit to the charity as she opened the John Foster's Almshouse and visited the Henbury Day Centre in 2010.



HRH The Princess Royal at **Barstaple Almshouse and Day Centre**, with (clockwise from bottom left) a resident; service users; Dr Ros Kennedy, High Sheriff of Bristol (and Trustee of Bristol Charities), Cllr Clare Champion-Smith, The Lord Mayor of Bristol.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*
for the year ended 31 March 2016

- It has also been a busy year for awards with the redeveloped William Jones's Almshouse in Monmouth receiving a **royal accolade** having been selected for a **Highly Commended Award in the Almshouse Association's Patrons Award Scheme**. The award was presented to Andrew Hillman, Chair of Trustees, by **HRH Duke of Gloucester** at a ceremony at the Mercers' Hall in the City of London.
- The Barstaple Almshouse won the Local Authority Building Control (**LABC**) **Building Excellence Regional Awards** in the category of **Best Affordable/Social Housing Development**.
- In 2015, we launched the Charity's brand new website.
- Finally, in June, the Charity hosted the National Association of Almshouses for their quarterly Trustees' and Clerks' Seminar with over **60 delegates** from all over the country.



Andrew Hillman, A.C.A., Chair of Trustees is presented with a Highly Commended Award in the Almshouse Association's Patrons Award Scheme by HRH Duke of Gloucester for William Jones's Almshouse, Monmouth.

Plans for the Year Ahead

Our plans and objectives for the year ahead are to:

Continue to Increase Almshouse Provision

- Next year we expect the Stockwood Project to start on site and work will commence to develop the service model including securing a long term Care Partner.
- We will complete our disposal strategy with the sale of our two properties in the Old Market area of Bristol and complete a review of the rest of our property portfolio.
- The charity will also begin exploring potential including partnerships for an additional site.

Develop a Sustainable Model for Day Services

- A retendering exercise will take place next year for a place on the framework to deliver Community Support Services in Bristol. The charity's existing day services will be subject to this retendering exercise. In 2016 we will prepare to tender and if successful complete a remodelling/restructuring exercise ready to deliver existing and new services.

Improve our Efficiency and Effectiveness

- The charity will continue to modernise its systems in order to strengthen its operating platform.
- We plan to undertake a Value for Money review on our repairs and maintenance services and our Head Office functions.

Develop the Strategy to take us to 2020

- In 2016, we will start to develop a new organisational strategy, based upon our discussions with other key stakeholders in the city of Bristol.
- We will also work to refine our values and mission so that they support the Bristol Charities brand, name and strategic direction of the Charity.

Raise our Profile

- In 2016 we plan to work to identify other charities that we can work with to increase the benefit of the people supported and to the organisations.
- We will continue to actively engage with stakeholders and with local and specialist media and improve our communications through our website and written material.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*
for the year ended 31 March 2016

ii) LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure and Governance

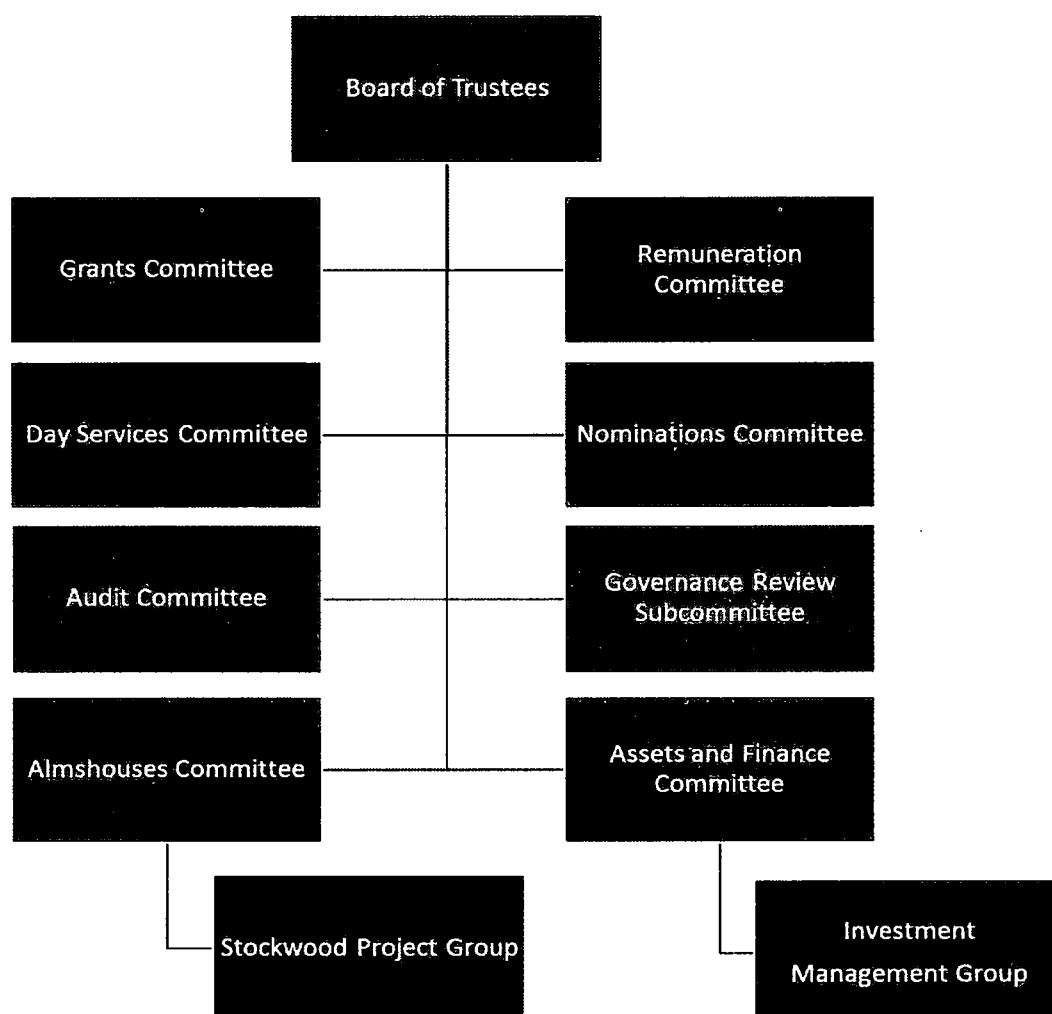
Bristol Charities is incorporated in the form of a company limited by guarantee (Company Registration Number: 05402303, Charity Registration number: 1109141), and the Trustees are directors of the company. The company "Bristol Charities" serves as sole Trustee of the charities under its control. Our main governing document is our Memorandum and Articles of Association and each charity has its own charitable scheme, describing its objects.

Day to day management of the Charity is delegated to the Chief Executive (Anne Anketell). The Chief Executive reports progress on key areas of work to the Board on a regular basis.

The address of the principal office of the charity as well as names of the Charity's Trustees can be found on page 63.

There are seven standing Committees of the Board. In addition during the year an Investment Management Subcommittee as well as two time-limited working/project groups were established, one to oversee the progress of the charity's main capital project and the second to undertake a review of governance structures within the charity.

The Committee Structure is as follows:



Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*) for the year ended 31 March 2016

Following on from the Governance Review undertaken by the Governance Subcommittee, the Board of Trustees have decided to delete the Almshouses and Day Services Committees from the structure with the work of these two committees now being reported directly to the Board of Trustees. The roles of the Committees are as follows:

ALMSHOUSES COMMITTEE

This Committee monitors the operational side of the almshouses including admission criteria for residents, maintenance of the buildings, incidents, accidents, safeguarding, compliments and complaints, key performance indicators and finances. The Committee considers potential new sites and projects for almshouse accommodation, developments in residential needs for older people and how the charity could respond to these. The oversight of the charity's new development in Stockwood has now passed to the Stockwood Project Group.

DAY SERVICES COMMITTEE

This committee monitors the operational side of day services including quality assurance, attendance figures, incidents, accidents, safeguarding, compliments and complaints, key performance indicators and finance. The Committee considers potential new developments in day services and new sites to deliver these services.

GRANTS COMMITTEE

This Committee is responsible for agreeing the criteria for grant giving and reviewing the process for the grant giving charities. It also receives reports about the recipients of grants.

ASSETS AND FINANCE COMMITTEE

This Committee is responsible for overseeing all aspects of the charity's investment portfolio including investment policy, setting appropriate benchmarks and maintaining the performance of the two investment managers. The Committee has overall responsibility for all endowment and operational property and non-property investments and assets. It also reviews the consolidated annual operating and capital project budgets and central management income and expenditure.

AUDIT & HEALTH AND SAFETY COMMITTEE

This Committee is responsible for the review of the external audit of the financial statements, the requirements for any internal audit projects and the review of risk management. The Audit & Health and Safety Committee recommends to the Board the appointment of the firm which conducts the external audit.

NOMINATIONS COMMITTEE

This Committee ensures that the Board of Trustees has the right balance of skills, expertise and experience required to govern the charity and company. The Committee oversees the recruitment and appointment of new Trustees, and presents prospective Trustees for election to the Board of Trustees.

REMUNERATION COMMITTEE

This Committee considers and makes decisions about staff terms and conditions and pay.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

INVESTMENT MANAGEMENT GROUP SUBCOMMITTEE

This Subcommittee meets biannually to measure the investment performance and review the service provided by the investment managers.

STOCKWOOD PROJECT GROUP

This Group oversees progress on the project programme, provides advice and issue resolution to the Project Team and gives approval and sign off at key project milestones. The Project Group also monitors cost, budgets and cash flow for the project.

GOVERNANCE REVIEW SUBCOMMITTEE

This Subcommittee met twice during the year to conduct a full and robust review of the effectiveness of the current governance structure and processes. The Subcommittee made recommendations to the Board of Trustees in February 2016.

Recruitment, Induction and Training of Trustees

TRUSTEE RECRUITMENT

Candidates are recruited on the basis of the skills and experience and knowledge that will be needed on the Board. The Nominations Committee undertake an annual skills analysis in order to identify gaps on the Board. Any recruitment campaigns focus on the specific skills and experience required to fill those gaps. In 2014/15 fixed terms of office were introduced for all Trustees and the Chair and a strategy for succession planning was introduced. The charity has a role description for the Trustee post and the recruitment pack is updated annually. Applicants have the opportunity to meet the Chair and the Chief Executive before being interviewed by two members of the Nominations Committee. Recommendations to appoint are then made by the Nominations Committee to the Board of Trustees.

TRAINING INDUCTION AND APPRAISAL OF TRUSTEES

New Trustees take part in a Structured Induction Programme, attending meetings with key staff and other Trustees, visiting projects and sites and are encouraged to attend all committees to really get an understanding of the work of the charity. This year the charity developed and introduced a comprehensive Induction Pack.

Trustees are sent information on a regular basis on training courses and briefings. A regular item has been introduced to the Board of Trustees meeting agenda to provide updates on policy/legislation changes. Trustees who have attended training are encouraged to share knowledge with fellow Trustees.

The Chair meets with each Trustee on an annual basis to review their performance and to receive feedback. A summary of those meetings is reported to the Nominations Committee.

The Governance Review Subcommittee have recommended that a Formal Trustee Appraisal Policy and Procedure be implemented and this was being developed in the year.

Public benefit

The objects and aims of Bristol Charities are contained in the company's Memorandum of Association.

Its objects include

- Providing specially adapted and designed housing services or facilities to relieve the needs of older people resident in Bristol

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

- The relief of persons resident in the City of Bristol who are in need, hardship or distress, who are sick, convalescent, disabled or infirm by relieving their suffering or assisting recovery.

The Trustees have considered the Charity Commission guidance on public benefit from section 17 of the Charities Act 2011. We believe that the work of Bristol Charities has directly benefited people by:

- Providing excellent, purpose-build accommodation through our five almshouses, each one offering on site support and a safe community setting for older, vulnerable people.
- Providing day care and daytime opportunities through our three day centres in Bristol which support older people to live independently and reduces isolation and loneliness.
- Providing grants to support individuals and families living in crisis or hardship when there is nobody else to help.

The Strategic Report section (pages 4 to 23) sets out the aims and strategies of the Charity and demonstrates how the aims and activities of the Charity during the year were carried out for the public benefit.

Grant-Making Policy

Bristol Charities is a charitable grant making trust. It has four main areas of charitable funding:

- a) Relief in Need
- b) Relief in Sickness and Disability
- c) The Ella Mary Merchant Fund for the relief of carers
- d) Educational Funds for the Advancement of Education

The Principles which underpin the Trustees' governance of the charity's grant-making take into account the scale of the grant-related activity and strike a balance between direct involvement in decisions, and efficient, responsive customer service for applicants.

The governance principles are as follows:

- The Board of Trustees has ultimate responsibility for all grant making decisions in line with the charity's objectives, purposes and priorities for the time being, and any restrictions agreed with donors and funding partners.
- The Trustees may give certain decision-making responsibilities to its standing Committees, Board members or to the Chief Executive within its framework of delegation.
- All Trustees understand the charity's grant making principles and processes and have opportunities to engage in and learn from grant making activities.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*) for the year ended 31 March 2016

There is grant-making criteria to provide clear information from the Trustees to those individuals and groups who want to apply for grants. The Board has delegated responsibility to its Grants Committee to review this criterion from time to time and, if necessary, to amend or update them.

All new grant requests go through a four stage process as follows:

Allocation	to available funds according to criteria
Assessment	of each application
Review	by the Grants Committee, Board of Trustees, CEO or person with delegated responsibility
Decision	by CEO, Committee, Board or person acting with delegated authority
Ratification	by Committee, Board

Pay Policy for Senior Staff

The trustees consider the board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustee expenses are disclosed in note 8 to the accounts.

Trustees are required to disclose all relevant interests and register them and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

The pay of the senior staff is reviewed annually by the Remuneration Committee, page 65, and normally increased in accordance with average earnings."

Our Staff and Volunteers

Throughout the year we engaged in a programme to streamline our organisational effectiveness and invested time and resources into embedding new supervision and appraisal processes, to ensure a focus on our operational goals. It is through the commitment to our staff that we are able to meet our objectives. Bristol Charities is committed to providing a working environment where everyone has a chance to develop and make a contribution. We provide training and career development to all employees, we assess an individual's career development with an annual appraisal and regular 1:1 meetings and we provide training to meet any ongoing needs with the aim of developing employees for both their current and future roles.

We also recognise the invaluable work that our volunteers do on our behalf and the part they play in contributing to our shared objectives. Last year twenty volunteers supported the charity by giving their time, energy, passion and skills. Volunteers worked in the office, and also in our Day Services. In Stockwood, South Bristol where our new development is planned a local football team, (Stockwood Football Club), have been fundraising for the charity. This year we celebrated the long standing service that one of our volunteers has given, George Hooper celebrated twenty years as a volunteer in our Henbury/Barstaple Day Service.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016



Rebecca Lippett (Managing Director) and Lucy Bennett (Sales Manager) of The Umbrella Group present George Hooper with the runner up prize in their Carer of the Year Competition in recognition of the twenty years that he has been volunteering with Bristol Charities

In the year volunteers contributed 1,376 hours of their time at Head Office and our Day Centres. The hours have an estimated value of £12,975. As well as their time, volunteers ensure the vital link between the charity and the local communities we work in.

Risk Management

The Board of Trustees assesses risks annually with additional operational and financial risk assessment through delegation to the relevant committee and to the Audit & Health and Safety Committee.

It oversees its responsibility through its review of the effectiveness of the Charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the Charity's performance and its ability to achieve its objectives.

Management of risk is embedded into our day-to-day business activities and well-established processes and policies are in place to manage them. All of our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity so as to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than eliminate the risks to the Charity's objectives and to provide reasonable, but not absolute mitigation of these risks.

The Audit & Health and Safety Committee biannually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

Principle Risks and Uncertainties

The Principle Risks to the Charity's objectives and actions mitigating those risks are summarised below.

Risk	Management Actions
Activities potentially outside objects/powers or terms of gift	<ul style="list-style-type: none">• Strategic review of grant-giving undertaken• Separate grant-giving committee set up• Cy-Pres case made to Charity Commission to change the objects/schemes for Orchard Homes• New projects reviewed to ensure consistency with objects
Services make a deficit	<ul style="list-style-type: none">• Day Services Strategy agreed• Action plan and targets in place to reduce deficit
Inadequate Management of Stockwood Project leads to cost overruns and delay	<ul style="list-style-type: none">• Stockwood Project Group set up to oversee project• Project Manager appointed• Achieve key milestones of pre-planning and planning submission
Loss of business through Day Services contract retender	<ul style="list-style-type: none">• Achieve good standards in quality audits• Complete review of all policies• Remodel and re-cost services• Scenario testing around impact of loss
Change in legislation and regulation on activities undertaken	<ul style="list-style-type: none">• Monitor proposed legal and regulatory reforms• Review Care Act 2014• Implement Action Plan for Heat Network Regulations• Welfare Reform – model impact of rent reductions and benefit caps to assess impact on income streams.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*) for the year ended 31 March 2016

iii) FINANCIAL REVIEW

Bristol Charities reported incoming resources in the year of £1,673,707 (2015: £2,921,715) and a deficit in the year of £1,121,695 (2015: surplus: £2,231,703).

Day Services

	2016	2015
	£	£
Incoming resources	306,623	318,383
Costs incurred	(532,134)	(510,971)
Henbury Centre Leasehold property improvement costs	(174,056)	-
Resources expended	(706,190)	(510,971)
Deficit for year	(399,567)	(192,588)

The financial aim at the Day Centres continued to be to try to adapt to the reduced funding resulting from the local authority move from block contracts to individual budgets, which happened in 2012. In 2014/15 a dementia day service was started at the Barstaple Day Centre. The number of referrals was significantly lower than was anticipated and this, coupled with a high turnover of service users, meant that the dementia service was unable to reach its target occupancy rates. This has resulted in the decision to close the service in the Summer of 2015. Management has worked hard to increase the number of attendees at the Centres but with the loss in revenue from the closure of the Dementia Service total incoming resources achieved were of a similar level to the prior year.

To reduce Day Centre costs the Trustees made the decision in February 2016 to give notice to Bristol City Council on the Henbury Centre Lease and move the Henbury Day Service to the newly vacated Barstaple Day Centre. The property will be handed back to the Council in December 2016. The Henbury Centre building improvement costs were written off and this cost amounted to £174,056.

In 2016/17 Bristol City Council is undertaking a city wide re-tendering exercise for all existing Day Service Contracts. The Trustees have agreed that contracts should only be bid for on a full cost recovery basis and so have committed to continuing the existing Day Services throughout 2016/17, until the results of the tender are known. If Bristol Charities is unsuccessful in the tender process then the existing Day Services will be closed down during 2017.

Almshouse Services

	2016	2015
	£	£
Income	843,112	811,849
Expenditure	584,760	473,068
Surplus	258,352	338,781

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*) for the year ended 31 March 2016

Orchard Homes almshouse rental income by property was:

	2016	2015
	£	£
Redcross Mews	23,059	51,478
Perrett House	105,190	184,849
John Fosters	154,115	152,196
Barstaple	314,669	172,002
Manor House	-	10,913
Furber properties	66,498	73,015
Almshouse rental income	663,989	644,453

During the year the almshouses at Redcross Mews and Perrett House were decanted in preparation for them to be sold in 2016/17 resulting in lower rental income than in the prior year. Barstaple was completed in April 2014 and the first residents moved in during May 2014, 2015/16 represents the first full year of occupation. Manor House was sold in February 2015. One of the Furber properties, 1 Rossiters Lane, was empty for most of the year prior to being sold in April 2016.

Barstaple costs excluding property depreciation increased to £173,369 (2015: £129,143) due to 2016 being the first full year of operation.

William Jones's Almshouse Charity maintenance and re-letting costs were £10,999 higher in the year resulting in the reduced surplus reported.

In February 2015 the Manor House Almshouse was sold generating a surplus of £1,147,547, no almshouse properties were sold in 2015/16.

Grants

	2016	2015
	£	£
Grants awarded	159,180	214,154

Investment income has been used for several years to fund the grants programme, day centre placements for those in need and also the Day Centre deficits. In January 2016 the decision was taken to temporarily cease awarding grants to individuals to ensure that there was sufficient income to cover the increased Day Centre deficits. The Trustees have decided that no grants will be awarded to individuals in 2016/17 but intend to re-start the programme in 2017/18 when the results of the Day Centre tender and the future of the Service have been determined.

Stockwood Almshouse Development

This project was started in 2014/15 and £520,037 of costs were incurred in the development in the year. In the second half of 2016 the land purchase from Bristol City Council will be completed and construction on site will start. Information on the funding plans for this project are detailed in the Going Concern and Reserves Policy section later in the Trustees' report.

Implementation of FRS 102

FRS 102 was implemented in the year resulting in provisions being made for the 2 defined benefit pension schemes deficits being booked to reserves for the first time. The reduction in consolidated reserves as at 31 March 2016 as a result of booking the pension deficit provision was £466,648. Further information on the implementation is detailed in notes 1, 9 and 24.

Investment Policy

The investment objective for the Charity's financial assets is to achieve a balanced return with a medium level of risk. The Trustees seek to produce the optimum total return, commensurate with at least maintaining the capital value in line with inflation, as defined by the National Statistics.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

The Trustees have delegated investment of the Charities' equity investments to Barings and Smith and Williamson, with 50% of the investments managed by each.

Barings

	2016 £	2015 £
Capital (reduction)/growth in year	(370,970)	411,259
Capital (reduction)/growth as % of market value at 31 March prior year	(5.6%)	6.2%
Target capital growth %	5%	5.0%
Investment income net of management charges	199,162	228,563
Investment income target as set in January 2015, see note below	192,108	188,442

Smith & Williamson

	2016 £	2015 £
Capital (reduction)/growth in year	(470,120)	476,578
Capital (reduction)/growth as % of market value at 31 March prior year	(6.9%)	7.0%
Target capital growth %	5%	5.0%
Gross Investment income before management charges	207,347	196,485
Investment income target as set in January 2015, see note below	192,108	188,442

The objective of each fund is to aim to achieve a capital growth of CPI + 5% per annum. In January 2015 the Trustees set an annual income target for each fund of £188,442 per annum for the year ending 31 March 2015, with the value of the income generated to rise in line with average earnings as measured by the Average Weekly Earnings (regular pay) index each year thereafter.

Both Barings and Smith & Williamson exceeded their target income level for the year; investment income generated from the investments totalled £406,509 and exceeded the target in the year by £22,465.

Both Barings and Smith & Williamson investments reduced in value during the year. In the year ended 31 March 2016 the FTSE 100 decreased in value by 8.8% which is consistent with the reduction in the Smith and Williamson investments. The Barings portfolio performed better than the FTSE 100 and saw a reduction in value of 5.3%.

Ethical Investment Policy

We encourage and expect our Fund Managers to take social, environmental and ethical considerations into account when assessing the suitability of investments in order to meet the Charities' aims and objectives. The Trustees do not wish to adopt an exclusionary policy, but individual investments may be excluded if perceived to conflict with the Charities' purposes.

Pensions

Bristol Charities implemented pensions auto-enrolment in March 2016. Staff who are automatically enrolled have contributions paid to the Growth Plan Series 4 Pension Scheme which is administered by the Pensions Trust. Pension auto-enrolment was brought in by the UK Government to encourage employees to save towards their retirement and 7 Bristol Charities employees started contributing to a pension following the implementation.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

Bristol Charities participates in 2 defined benefit pension schemes, the Scottish Voluntary Sector Pensions Scheme and the Growth Plan Series 3 Pension Scheme. Both of these funds are in deficit and Bristol Charities makes monthly contributions to fund them. In these accounts Bristol Charities has implemented FRS 102 which requires the net present value of the deficits to be recorded. Further information on these defined benefit pension schemes, including the impact of the implementation of FRS 102 is detailed in notes 1, 9 and 24 of these accounts.

Going Concern and Reserves Policy

The Reserves Policy is reviewed every year by the Board of Trustees. Trustees review the value of reserves required to be held in investments, cash and cash equivalents that are not restricted to any particular purpose. The Trustees also consider the exposure to the risk of any significant unforeseen costs or loss of income. The Trustees believe that reserves should be in the range of:

- six months' central operating costs plus six months' shortfall at the day centres (excluding management charges and property depreciation) as unrestricted cash reserves; and in addition holding
- cash reserves of not less than six months' historic grant giving, including sponsorship of day centre places, plus the accumulated distributions,

At 31 March 2016 the unrestricted cash reserves position was:

	Unrestricted £
Cash and cash investment balances at 31 March 2016	1,856,135
Cash requirement per reserves policy at 31 March 2016	319,047
Cash Surplus	<u>1,537,088</u>

The Day Centres are running at a deficit and part of this funding shortfall is financed out of restricted reserves. The Trustees took the decision in January 2016 to stop awarding grants to individuals to protect its reserves. Later in 2016 Bristol Charities will retender for its Day Services Contracts with Bristol City Council with the intention of only seeking contracts which will generate sufficient income to cover the costs of providing Day Services. The Trustees' intention is to re-start awarding grants to individuals once the future the Day Services has been determined and this is estimated to be in April 2017.

Bristol Charities will start building the Stockwood Almshouse later in 2016 and the Trustees recognise that this project will significantly reduce its cash reserves. The Trustees plan to fund the remaining Stockwood Development cost of £9.7m by selling the Orchard Homes investments (31 March 2016 valuation £2,97m), seeking grant funding from the Homes and Communities Agency of £1.5m, using existing cash investments within Orchard Homes of £1.97m and utilising bank loan finance from Handelsbanken. The Trustees are also pursuing the sale of Perrett House and Redcross Mews almshouses to generate additional cash funds.

Trustees will continue to monitor reserves closely during 2016/17. In light of the above, the current reserve levels and our future plans, the Trustees consider it appropriate to prepare the annual accounts on a going concern basis.

Internal Control

Accounting policies and procedures are determined as far as is practical to provide a good level of financial control over the Charity's income, expenditure, assets and liabilities. All transactions are required to be authorised before payment and all payments require 2 authorisations. All non-standard payments of £10,000 or more require approval by a Trustee before payment.

In advance of each year the Trustees review and approve a budget. Each quarter the Trustees review actual performance of the Charity against budgets and make enquiries to management of significant deviations.

Bristol Charities

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

The Audit & Health and Safety Committee meets twice per year to oversee the external audit process, review the annual accounts and to consider recommendations from the Auditors on internal control and procedures based on the findings in their audit fieldwork.

The Trustees recognise with a small head office function internal controls rely on a small number of key staff but they believe that the controls in place are adequate to safe-guard the Charity's income, expenditure and assets.

The Governance Framework sets out the operational boundaries and defines the activities of the Board, Committees and Management Team, it also sets out how actions and decisions should be taken and ensures compliance is effectively assessed.

The Charity maintains a strong Health and Safety Focus to ensure as far as practical, safe working arrangements and effective management of key hazards (fire legionella, electrical and mechanical safety). Regular reports are presented to the Management Team and the Audit & Health and Safety Committee.

Bristol Charities

TRUSTEES' RESPONSIBILITIES STATEMENT for the year ended 31 March 2016

Responsibilities Statement

The trustees (who are also directors of Bristol Charities for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Milsted Langdon LLP has indicated its willingness to continue in office.

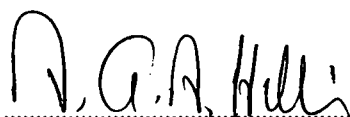
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

The Trustees' Report, including the Strategic Report, was approved by the Trustees and signed on their behalf by:



.....
Andrew Hillman, A.C.A. (Chair of Trustees)

22 November 2016

Bristol Charities

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL CHARITIES for the year ended 31 March 2016

We have audited the financial statements of Bristol Charities for the year ended 31 March 2016 which comprise the Consolidated Statement of Financial Activities (including Income and Expenditure Account), the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 151 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 charitable company's members and the 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in Trustees' Annual Report (including Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Bristol Charities

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL CHARITIES for the year ended 31 March 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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



Mrs S R Jenkins (Senior Statutory Auditor)
For and on behalf of Milsted Langdon LLP, Statutory Auditor
One Redcliffe Street
Bristol
BS1 6NP

23 November 2016

Bristol Charities

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2016 £	Total 2015 (as restated) £
Income and endowments from						
Income from generated funds						
Voluntary income	3	332	20	-	352	3,502
Investment income	4	109,658	406,384	-	516,042	530,152
Income from charitable activities	2	1,149,735	-	-	1,149,735	1,130,231
Other income		2,196	3,730	-	5,926	9,918
Profit on disposal of fixed assets		1,652	-	-	1,652	1,247,912
Total		1,263,573	410,134	-	1,673,707	2,921,715
Expenditure						
Charitable activities	2	1,290,950	238,074	181,240	1,710,264	1,581,413
Other expenditure	17	34,247	-	-	34,247	-
Total		1,325,197	238,074	181,240	1,744,511	1,581,413
(Losses)/gains on investment assets	15	(1,985)	(15,458)	(899,123)	(916,566)	915,661
Net income/(expenditure)		(63,609)	156,602	(1,080,363)	(987,370)	2,255,963
Transfers						
Gross transfers between funds	11	166,469	(132,222)	(34,247)	-	-
Net (loss)/gain for the year before other recognised gains and losses	2	102,860	24,380	(1,114,610)	(987,370)	2,255,963
Actuarial (losses)/gains on defined benefit pension schemes		(134,325)	-	-	(134,325)	(24,260)
Total other gains and losses		(134,325)	-	-	(134,325)	(24,260)
Net movement in funds		(31,465)	24,380	(1,114,610)	(1,121,695)	2,231,703
Reconciliation of funds						
Total funds brought forward		2,881,104	361,479	27,177,715	30,420,298	28,188,595
Fund balances carried forward		2,849,639	385,859	26,063,105	29,298,603	30,420,298

All results relate to continuing operations

Bristol Charities recorded gross income for the year of £721,609 (2015: £753,520) and a deficit for the year of £1,107,083 (2015: surplus of £687,781).

Bristol Charities has taken exemption from presenting its unconsolidated statement of financial activities under section 408 of Companies Act 2006.

The 2015 adjustment is to restate housing properties and reserves, please see note 1, page 30, for further information.

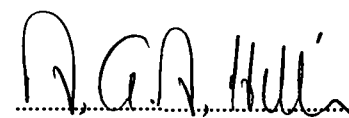
Bristol Charities
BALANCE SHEETS
as at 31 March 2016

	Notes	Consolidated 2016 £	Consolidated 2015 (as restated) £	Charity 2016 £	Charity 2015 (as restated) £
Fixed assets					
Housing properties	13	12,288,512	11,951,807	-	-
Tangible assets	14	228,527	427,649	192,602	394,939
Investments	15	14,879,086	15,793,852	11,903,475	12,634,491
		<u>27,396,125</u>	<u>28,173,308</u>	<u>12,096,077</u>	<u>13,029,430</u>
Current assets					
Debtors due within one year	16	228,027	239,472	187,744	192,282
Investments	15	2,127,500	2,384,807	155,985	235,383
Cash at bank and in hand		227,809	451,507	110,063	155,114
		<u>2,583,336</u>	<u>3,075,786</u>	<u>453,792</u>	<u>582,779</u>
Creditors: amounts falling due within one year	17	<u>(250,985)</u>	<u>(510,322)</u>	<u>(292,182)</u>	<u>(355,478)</u>
Net current assets		<u>2,332,351</u>	<u>2,565,464</u>	<u>161,610</u>	<u>227,301</u>
Total assets less current liabilities		<u>29,728,476</u>	<u>30,738,772</u>	<u>12,257,687</u>	<u>13,256,731</u>
Creditors: amounts falling due after one year	17	<u>(429,873)</u>	<u>(318,474)</u>	<u>(426,513)</u>	<u>(318,474)</u>
Total net assets		<u>29,298,603</u>	<u>30,420,298</u>	<u>11,831,174</u>	<u>12,938,257</u>
Funds of the Charity					
Endowment funds	19	26,063,105	27,177,715	11,869,772	12,634,491
Restricted funds	20	385,859	361,479	128,338	90,897
Unrestricted funds		2,849,639	2,881,104	(166,936)	212,869
		<u>29,298,603</u>	<u>30,420,298</u>	<u>11,831,174</u>	<u>12,938,257</u>

The notes on pages 30 to 62 form part of these accounts. The 2015 individual charity accounts have been restated to exclude the William Jones's Almshouse Charity loan owed to Orchard Homes, please refer to notes 15 and 16 for further information.

The financial statements of Bristol Charities, registered company number 05402303, were approved by the Trustees and authorised for issue on 22 November 2016 and signed on their behalf by:

The 2015 adjustments are to restate housing properties and reserves, please see note 1, page 30, for further information.


.....
Andrew Hillman, A.C.A., (Chair of Trustees)

Bristol Charities
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2016

	Notes	Consolidated 2016 £	Consolidated 2015 £
Net cash used in (operating activities)	i	(449,877)	(344,665)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Net investment income and interest received		516,042	530,152
Proceeds from the sale of charitable property, plant and equipment		2,385	1,147,547
Purchase of property, plant and equipment		(548,029)	(340,467)
Proceeds from the sale of investments		769,317	1,764,773
Purchase of investments		(770,843)	(1,764,773)
Net cash generated from investing activities		(31,128)	1,337,232
Change in cash and cash equivalents in the year		(481,005)	992,567
Cash and cash equivalents at the start of the year		2,836,314	1,843,747
Cash and cash equivalents at the end of the year	ii	2,355,309	2,836,314

NOTES TO THE CASHFLOW STATEMENT

i. RECONCILIATION OF NET MOVEMENT TO OPERATING CASH FLOWS

	Consolidated 2016 £	Consolidated 2015 £
Net movement in funds in the year as per the statement of financial activities	(1,121,695)	2,231,703
Adjustments for:		
Depreciation	409,439	213,629
Unrealised (gains)/losses on investments	916,566	(915,661)
Net dividends, interest and returns on investments	(516,042)	(530,152)
(Profit) on sale of fixed assets	(1,652)	(1,147,547)
Profit on sale of investments	-	(100,365)
(Increase)/decrease in debtors	11,445	(34,979)
(Decrease) in creditors	(147,938)	(61,293)
Net cash used in operating activities	(449,877)	(344,665)

ii. ANALYSIS OF CASH AND CASH EQUIVALENTS IN THE BALANCE SHEET

	Consolidated 2016 £	Consolidated 2015 £
Cash in hand	227,809	451,507
Cash investments	2,127,500	2,384,807
Total cash and cash equivalents	2,355,309	2,836,314

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Charities SORP FRS 102 applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Implementation of FRS 102

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition the accounts need to be restated to record the net present value of the deficits in the two defined benefit pension schemes that Bristol Charities participates in. The net liabilities reported in the accounts for these two defined pension benefit schemes are:

	2016	2015
	£	£
Scottish Voluntary Sector Pension Scheme	430,000	322,000
Growth Plan Series 3 Pension scheme	36,648	30,504
	<u>466,648</u>	<u>352,504</u>

The accounts have been restated for a prior year adjustment to book social housing grants of £1,916,043 to reserves. In the 2015 accounts these grants were shown as a reduction in the cost of housing property fixed assets. The changed treatment of social housing grants in the 2015 accounts increases the net book value of the underlying almshouse assets and requires an additional depreciation charge.

The cost of the Almshouses has been restated for a prior year adjustment to report the correct fair value of the land on which the William Jones's Almshouse is built. The land value included in these accounts is £237,648 (previously reported £232,285).

The accounts have also been restated for a prior year adjustment to correct the amounts allocated to endowment and unrestricted reserves. Endowment reserves restated at 31 March 2015 amount to £27,177,715 (previously reported £27,996,539). Unrestricted reserves restated at 31 March 2015 amount to £2,881,104 (previously reported £2,056,917).

In accordance with the requirements of FRS 102 a reconciliation of the opening balances is provided.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

CONSOLIDATED

	At 1 April 2014			At 31 March 2015		
	As previously reported (as restated)	Effect of transition	FRS 102 (as reported)	As previously reported (as restated)	Effect of transition	FRS 102 (as restated)
	£	£	£	£	£	£
FIXED ASSETS						
Housing properties	10,191,863	1,649,811	11,841,674	10,325,146	1,626,661	11,951,807
Tangible assets	410,944	-	410,944	427,649	-	427,649
Investments	14,777,826	-	14,777,826	15,793,852	-	15,793,852
	<u>25,380,633</u>	<u>1,649,811</u>	<u>27,030,444</u>	<u>26,546,647</u>	<u>1,626,661</u>	<u>28,173,308</u>
 Debtors less than one year	204,493	-	204,493	239,472	-	239,472
Investments	1,625,488	-	1,625,488	2,384,807	-	2,384,807
Cash	218,259	-	218,259	451,507	-	451,507
 CURRENT ASSETS	<u>2,048,240</u>	<u>-</u>	<u>2,048,240</u>	<u>3,075,786</u>	<u>-</u>	<u>3,075,786</u>
 Creditors due less than 1 year	(547,121)	(33,039)	(580,160)	(476,292)	(34,030)	(510,322)
 NET CURRENT ASSETS	<u>1,501,119</u>	<u>(33,039)</u>	<u>1,468,080</u>	<u>2,599,494</u>	<u>(34,030)</u>	<u>2,565,464</u>
 Creditors due more than 1 year	-	(309,929)	(309,929)	-	(318,474)	(318,474)
	<u>26,881,752</u>	<u>1,306,843</u>	<u>28,188,595</u>	<u>29,146,141</u>	<u>1,274,157</u>	<u>30,420,298</u>
 CAPITAL AND RESERVES						
Endowment	23,098,843	1,649,811	24,748,654	25,551,054	1,626,661	27,177,715
Restricted	839,479	-	839,479	361,479	-	361,479
Unrestricted	2,943,430	(342,968)	2,600,462	3,233,608	(352,504)	2,881,104
	<u>26,881,752</u>	<u>1,306,843</u>	<u>28,188,595</u>	<u>29,146,141</u>	<u>1,274,157</u>	<u>30,420,298</u>

Reconciliation of Income and Expenditure for the year ended 31 March 2015

	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Income and expenditure for the year	<u>2,264,387</u>	<u>(32,684)</u>	<u>2,231,703</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

CHARITY

	At 1 April 2014			At 31 March 2015		
	As previously reported £	Effect of transition £	FRS 102 (as restated) £	As previously reported (restated) £	Effect of transition £	FRS 102 (as restated) £
FIXED ASSETS						
Investments	11,821,885	-	11,821,885	12,634,491	-	12,634,491
Other fixed assets	394,670	-	394,670	394,939	-	394,939
	<u>12,216,555</u>	<u>-</u>	<u>12,216,555</u>	<u>13,029,430</u>	<u>-</u>	<u>13,029,430</u>
Debtors less than one year	272,203	-	272,203	192,282	-	192,282
Debtors greater than one year	714,423	-	-	-	-	-
Investments	174,642	-	174,642	235,383	-	235,383
Cash	69,028	-	69,028	155,114	-	155,114
CURRENT ASSETS	<u>1,230,296</u>	<u>-</u>	<u>1,230,296</u>	<u>582,779</u>	<u>-</u>	<u>582,779</u>
Creditors due less than 1 year	(233,479)	(33,039)	(266,518)	(321,448)	(34,030)	(355,478)
NET CURRENT ASSETS	<u>996,817</u>	<u>(33,039)</u>	<u>963,778</u>	<u>261,331</u>	<u>(34,030)</u>	<u>227,301</u>
Creditors due more than 1 year	(619,926)	(309,931)	(929,857)	-	(318,474)	(318,474)
	<u>12,593,446</u>	<u>(342,970)</u>	<u>12,250,476</u>	<u>13,290,761</u>	<u>(352,504)</u>	<u>12,938,257</u>
CAPITAL AND RESERVES						
Endowment	11,821,885	-	11,821,885	12,634,491	-	12,634,491
Restricted	132,207	-	132,207	90,897	-	90,897
Unrestricted	639,354	(342,970)	296,384	565,373	(352,504)	212,869
	<u>12,593,446</u>	<u>(342,970)</u>	<u>12,250,476</u>	<u>13,290,761</u>	<u>(352,504)</u>	<u>12,938,257</u>

Reconciliation of Income and Expenditure for the year ended 31 March 2015

	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Income and expenditure for the year	<u>697,315</u>	<u>(9,534)</u>	<u>687,781</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES *(continued)*

Basis of consolidation

Following the incorporation of Bristol Charities as at 1 April 2005, consolidated accounts have been prepared. The group's financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Orchard Homes, Orchard Homes Design and Build Limited and William Jones's Almshouse Charity are consolidated within these accounts as Bristol Charities is the sole Trustee of the entities.

Going Concern

Bristol Charities' activities and future plans are set out in the Trustees' report.

Bristol Charities has no external borrowing facilities and manages its activities with positive unrestricted bank balances. The Trustees' forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure, show that Bristol Charities should be able to continue to operate on this basis.

Investment and rental income represent Bristol Charities' largest income streams with substantial investments in the Common Pooled Investment Fund held. Two firms, Baring Asset Management and Smith & Williamson Investment Management Limited, were appointed to manage the non-property investments and each was allocated 50% of the portfolio. The investment policy is for a balanced return with a medium level of risk. The Trustees seek to produce the optimum total return, commensurate with at least maintaining the capital value in line with inflation, as defined by the National Statistics.

The Trustees consider that the demand for the charity's services will continue as almshouses are currently nearly fully occupied and demand is high.

Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Income

Voluntary income including donations, gifts and legacies and grants that provide core funding, or are of general nature, are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Rental income from investment properties is included on an accruals basis.

Investment income from the Common Pooled Investment Fund and other investment income is included on an accruals basis. Income relating to grant endowments is restricted, and income relating to Orchard Homes endowments is unrestricted.

Interest receivable is recognised on an accruals basis.

Other income is recognised on an accruals basis and is recognised when there is entitlement, and the receipt is probable and the amount can be measured with sufficient reliability.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

Expenditure

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a constructive obligation arises that results in the payment becoming due.

- Charitable activities include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources (e.g. allocating staff costs on the time spent and other costs by their usage).

Funds

Unrestricted funds comprise those funds that the Trustees are free to use in accordance with the charitable objects of the charity.

Restricted funds are funds that have been given for particular purposes by other charities for which Bristol Charities is now trustee.

Endowment funds represent those assets that must be held permanently by the charity. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as either restricted or unrestricted income, as appropriate. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Support Costs

Head office costs are apportioned against the charities' activities based on estimated time spent by Head office staff.

Tangible fixed assets

Tangible fixed assets are capitalised at cost where the asset has a useful economic life that is more than a year.

Freehold property (excluding land) is depreciated over fifty to one hundred years on a straight-line basis. Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use and the assets are transferred to other categories.

Housing properties are stated at cost. The cost of such properties includes the cost of acquiring land and buildings and development expenditure. Interest is capitalised up to the date of practical completion of the relevant scheme.

Alterations to leasehold properties are capitalised on completion and depreciated over between five and fifty years on a straight-line basis over the period of the lease.

Motor vehicles are depreciated at 25% per annum on a reducing balance basis.

Computers, other office equipment, fixtures and equipment are depreciated over between three and ten years on a straight-line basis.

An impairment review will be undertaken when an indication of impairment has been identified.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The Charity contributes to The Growth Plan 4 Scheme for certain staff, which is run by The Pensions Trust. The assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged to the Statement of Financial Activities as they become payable. This scheme is a defined contribution scheme.

The Charity makes deficit contributions to a final salary scheme, the **Scottish Voluntary Sector Final Salary Pension Scheme**, for certain members of staff. The scheme is in a separate fund where the assets are held and administered by The Pensions Trust. Service costs, net interest expense and remeasurements in respect of the scheme are charged to the Statement of Financial Activities. The scheme closed to future accrual at 31 March 2011.

The Charity also makes deficit contributions to the Growth Plan 3 Scheme. This scheme was a defined benefit scheme which closed to future contributions in October 2013.

Investments

Investments are included at their mid-market value at the balance sheet date. Any gain or loss on valuation is taken to the endowment fund and reflected in the Statement of Financial Activities.

Social Housing Grants

Social housing grants are booked to the Income and Expenditure account in the year of receipt in the consolidated accounts in accordance with Charities SORP FRS 102. This accounting treatment is different from how the grants are dealt with in Orchard Homes' annual accounts whereby the grant income is booked to creditors and amortised to the income and expenditure account over the expected useful life of the almshouse. Social Housing Grant is repayable in certain circumstances, primarily following the sale of a relevant property when the repayable amount will often be restricted to the net proceeds of sale.

Taxation

Bristol Charities is a registered charity and as such is entitled to relevant tax exemptions on its charitable income and gains properly applied under normal circumstances for its charitable purposes.

Grants payable

Grants payable are charged in the year when the offer is pledged to the recipient.

Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 63. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Reserves policy

The recurring operating income of the company has historically been predictable. However, the Trustees are mindful of the need to conserve a reasonable level of unrestricted reserves in order to ensure that the needs of beneficiaries may be consistently met through periods of economic downturn, when calls on funds may be greater.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Trustees believe that holding:

- six months' central operating costs plus six months' shortfall of the day centres (excluding management charges and property depreciation) as unrestricted cash reserves; and in addition holding
- cash reserves of not less than six months' historic grant giving, including sponsorship of day centre places, plus the accumulated distributions, is sufficient for this purpose.

2. ANALYSIS OF CHARITABLE INCOMING AND EXPENDED RESOURCES BY ACTIVITY

Unrestricted Funds	Notes	Day services	Almshouse services	Total 2016	Total 2015
<i>Income from charitable activities</i>		£	£	£	£
Funding received from Social Services		221,665	-	221,665	228,684
Payments from attendees		38,183	-	38,183	47,576
Charges for client and community meals		32,271	-	32,271	37,434
Contributions received for use of facilities		9,870	-	9,870	4,689
LinkAge activities income		4,634	-	4,634	-
Weekly maintenance charges and rental income		-	720,579	720,579	551,017
Service charges for utilities		-	122,533	122,533	260,831
		<u>306,623</u>	<u>843,112</u>	<u>1,149,735</u>	<u>1,130,231</u>
<i>Expenditure on charitable activities</i>					
Staff costs, direct expenditure		263,233	100,780	364,013	347,867
Staff costs, allocated expenditure		48,826	60,688	109,514	108,958
Service costs: support, activities, transport, meals		61,606	13,203	74,809	98,567
Property costs, maintenance and depreciation		270,109	286,850	556,959	320,130
Administration		32,824	36,350	69,174	75,034
Governance		6,590	13,543	20,133	26,961
Allocated support costs	5	23,002	73,346	96,348	128,650
Total expenditure on charitable activities		<u>706,190</u>	<u>584,760</u>	<u>1,290,950</u>	<u>1,106,167</u>
Restricted Funds	Notes	Grant giving	Private houses service charge	Total 2016	Total 2015
<i>Income from</i>		£	£	£	£
Donations	3	20	-	20	2,557
Investment income	4	406,384	-	406,384	401,943
Other income		80	3,650	3,730	5,245
Total restricted incoming resources		<u>406,484</u>	<u>3,650</u>	<u>410,134</u>	<u>409,745</u>
<i>Expenditure on charitable activities</i>					
Grants made		159,181	-	159,181	214,154
Staff costs, direct expenditure		-	-	-	-
Staff costs, allocated expenditure		22,325	1,000	23,325	61,442
Property costs, maintenance and depreciation		-	1,358	1,358	1,728
Governance		-	150	150	192
Allocated support costs	5	54,060	-	54,060	6,658
Total expenditure on charitable activities		<u>235,566</u>	<u>2,508</u>	<u>238,074</u>	<u>284,174</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

2. ANALYSIS OF CHARITABLE INCOMING AND EXPENDED RESOURCES BY ACTIVITY *continued*

Endowment Funds

	Notes	Total 2016 £	Total 2015 £
<i>Endowment from</i>			
Profit on disposal of charitable assets	3	-	1,147,547
Total endowment incoming resources		-	1,147,547
<i>Expenditure on charitable activities</i>			
Property depreciation	3	181,240	191,072

3. VOLUNTARY INCOME

Donations have been received from the following and allocated to the activities as shown:

	Grant- giving £	Day care services £	Alms house services £	Total 2016 £	Total 2015 £
Sundry donations	20	332	-	352	965
Mrs KS Pearce bequest	-	-	-	-	2,537
	<u>20</u>	<u>332</u>	<u>-</u>	<u>352</u>	<u>3,502</u>

4. INVESTMENT INCOME

Investment income arose from the following sources:

	2016 £	2015 £
Income from the Common Pooled Investment Fund including dividends (note 23)	504,103	502,017
CPIF income allocated as management charge	-	20,000
Income on other investments	45	850
Interest received	11,894	7,285
	<u>516,042</u>	<u>530,152</u>

5. HEAD OFFICE COSTS AND ALLOCATION OF SUPPORT COSTS

Total Head office costs, including allocated support costs, consist of:

	2016 £	2015 £
Salary costs	280,322	279,263
Property costs	36,984	32,284
Administration costs	95,996	123,593
Depreciation	268	118
	<u>413,570</u>	<u>435,258</u>
Staff costs, allocated expenditure	205,523	170,400
Allocated support costs	208,047	264,858
	<u>413,570</u>	<u>435,258</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

5. HEAD OFFICE COSTS AND ALLOCATION OF SUPPORT COSTS *continued*

Allocated support costs consist of:	Salary costs £	Property & depreciation £	Administration £	Total 2016 £
Day Services	2,874	5,133	14,995	23,002
Almshouses	20,601	14,599	38,147	73,347
Grant giving	24,840	8,480	20,740	54,060
Assets in construction – in fixed assets	13,245	4,521	11,059	28,825
Future property sales – in prepayments	11,081	3,783	9,252	24,116
Orchard Homes investment income	2,158	737	1,802	4,697
Year ended 31 March 2016	<u>74,799</u>	<u>37,253</u>	<u>95,995</u>	<u>208,047</u>
Year ended 31 March 2015	<u>108,863</u>	<u>32,402</u>	<u>123,593</u>	<u>264,858</u>

6. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging/ (crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets	37,849	22,558
Depreciation of housing properties	197,534	191,071
Write down of Henbury Centre Building Improvements	174,056	-
Surplus on disposal of fixed assets and investments	(1,652)	(1,247,912)
Auditor's remuneration:		
Fees for the audit of the parent Charity's financial statements and consolidation	11,225	15,302
Fees for the audit of the Charity's subsidiaries' financial statements	<u>9,058</u>	<u>11,659</u>

7. ANALYSIS OF STAFF COSTS

	2016 £	2015 £
Salaries and wages	527,682	546,495
Social security costs	44,455	47,889
Other pension costs	39,933	26,067
Relocation costs relating to the recruitment of the new Chief Executive	2,756	19,973
	<u>614,826</u>	<u>640,424</u>

Staff costs include:

	No.	No.
Staff with emoluments in the range:		
£90,000 to £100,000 – (Chief Executive)	1	1
£50,000 to £60,000 – (Assistant Director of Finance)	-	1
£40,000 to £50,000 – (Assistant Director of Finance)	<u>1</u>	<u>-</u>

The Charity considers key management to be the Chief Executive and the Assistant Director of Finance.

The average number of staff employed during the year was	28	23
The average number of full time equivalent staff in the year was	<u>23</u>	<u>20</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

8. TRUSTEE EXPENSES

Trustees received no remuneration or expenses in 2016 or 2015.

9. PENSION COSTS

Historic Final Salary Pension Scheme

Bristol Charities used to offer a final salary pension scheme, but this scheme was closed to new members with effect from January 2000. The assets of the scheme are held separately from those of Bristol Charities in an independently held fund administered by The Pensions Trust.

The scheme is in deficit, and there is a deficit reduction plan. The required deficit contributions are reviewed every three years, and a new level was set to run from April 2016. Contributions will increase by 3% in each year. The contributions required after that will depend on the findings of the next review. The scheme closed to future accrual at 31 March 2010 and from 1 April 2011 contributions in respect of future service have ceased. The two current members are, from 1 April 2011, members of the Pension Trust Growth Plan scheme.

Further information on this scheme, the Scottish Voluntary Sector Final Salary Pension Scheme is included in note 24.

Growth Plan Scheme for Current Staff

The Charity also contributes to the Pensions Trust Growth Plan schemes for current staff (see note 24 for more information). The assets of the scheme are held separately from those of the Charity. The annual contributions are charged to expenses as they become payable.

Growth Plan 3 Scheme Deficit

Contributions for current staff were being invested in Growth Plan 3. The capital invested by employees in Growth Plan 3 were guaranteed. This scheme is in deficit, and a deficit reduction plan was put in place at the start of the financial year.

The Pensions Trust closed Growth Plan 3 to contributions in October 2013, and future contributions are now made to Growth Plan 4, which is a money purchase scheme.

Pensions creditor: the pension contributions due at the year end were £5,367 (2015: £4,346).

Pension costs in the year:	2016 £	2015 £
Pension deficit interest, historic final salary	7,000	11,000
Pension deficit interest, Growth Plan 3 Scheme	499	847
Contributions to the Pensions Trust Growth Plan 4 Scheme for current staff	7,266	6,510
Contributions to other money purchase schemes for current staff	25,168	7,710
	<u>39,933</u>	<u>26,067</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

10. SPONSORSHIP OF DAY CENTRE PLACES

Charity	Day Centre	Number of days	Total 2016 £	Total 2015 £
Relief in Need	Henbury	20	765	23,393
Relief in Need	Barstaple	185	7,343	-
The Guild of the Handicapped Trust	Henbury	34	1,360	30,360
The Guild of the Handicapped Trust	Barstaple	210	8,400	-
The Guild of the Handicapped Trust	Summerhill	48	1,920	2,944
The EM Merchant Fund	Henbury	20	740	16,268
The EM Merchant Fund	Henbury	85	3,220	-
		<u>602</u>	<u>23,748</u>	<u>72,965</u>

This represents funding provided out of restricted funds for individuals to attend day centres, please see note 11 for more information.

11. GROSS TRANSFERS BETWEEN FUNDS

The following amounts have been transferred during the year

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £
Sponsorship of Day Centre Places (see note 10)	23,748	(23,748)	-
Donation from Relief in Need subsidising the Summerhill Day Centre	27,954	(27,954)	-
Donation from Relief in Need subsidising the Henbury Day Centre	34,676	(34,676)	-
Donation from The Guild of the Handicapped Trust subsidising the Barstaple Day Centre	35,364	(35,364)	-
Grant allocation from Dr George Owen's Charity to Orchard Homes	11,735	(11,735)	-
William Jones's Almshouse Charity contribution to the Sinking Fund	(1,255)	1,255	-
Transfer to reflect charity funds paid out of unrestricted funds see note 18	34,247	-	(34,247)
Total transfers between funds to 31 March 2016	<u>166,469</u>	<u>(132,222)</u>	<u>(34,247)</u>
Total transfers between funds to 31 March 2015	<u>163,384</u>	<u>(620,654)</u>	<u>457,270</u>

Within Restricted reserves at 31 March 2014 is a Recoupment Fund which was set up to recoup Endowment reserves that had been spent on property repairs. The properties that were repaired have since been sold. Orchard Homes plans to use its Endowment reserves to develop a new almshouse at Stockwood and it was decided to transfer the Recoupment Fund of £457,270 to Endowment to supplement the reserves to be used to fund Stockwood in the year ended 31 March 2015.

All transfers have been made in accordance with restrictions attached to original donations.

The allocation from the Dr George Owen's Charity is the amount that is allocated to Orchard Homes.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

12. HOUSING PROPERTIES

CONSOLIDATED	Assets in the course of construction	Almshouses (as restated)	Housing	Housing Assets to be sold	Total (as restated)
	£	£	£	£	£
Freehold property at cost					
At 1 April 2015	86,366	12,472,440	131,835	7,292	12,697,933
Additions	520,037	14,202	-	-	534,239
At 31 March 2016	<u>606,403</u>	<u>12,486,642</u>	<u>131,835</u>	<u>7,292</u>	<u>13,232,172</u>
Depreciation					
At 1 April 2015	-	725,256	19,776	1,094	746,126
Charge for the year	-	196,142	1,319	73	197,534
At 31 March 2016	<u>-</u>	<u>921,398</u>	<u>21,095</u>	<u>1,167</u>	<u>943,660</u>
Net book value					
At 31 March 2016	<u>606,403</u>	<u>11,565,244</u>	<u>110,740</u>	<u>6,125</u>	<u>12,288,512</u>
At 31 March 2015	<u>86,366</u>	<u>11,747,184</u>	<u>112,059</u>	<u>6,198</u>	<u>11,951,807</u>

During the year no almshouse assets were disposed of. In the year ended 31 March 2015 the Manor House Almshouse was disposed of for a surplus of £1,147,547. This asset was acquired in 2008/09 for £Nil on the transfer of assets and Trusteeship of The Manor House for the Elderly Charity which was subsequently removed from the Charity Register.

The Housing balances of £110,740 and £6,125 represents the net book value of the Furber Fund housing properties. The Housing Asset to be sold was disposed of in April 2016.

All of the housing properties are held in subsidiary charities and so no Housing Properties note has been prepared for the charity Bristol Charities, only the consolidated note above.

The Assets in the course of construction balance at 31 March 2016 is the cost spent on the Stockwood development.

The value of land included in housing properties is £957,833 (2015: £957,833)

The cost of the Almshouses has been restated to report the correct fair value of the land on which the William Jones's Almshouse is built. The land value included in these accounts is £237,648 (previously reported £232,285).

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

13. TANGIBLE FIXED ASSETS

CONSOLIDATED

	Improvements to leasehold property £	Vehicles £	Computers, office equipment and other equipment £	Total £
Cost				
At 1 April 2015	514,324	70,202	145,609	730,135
Additions	-	-	13,791	13,791
Disposals	-	(27,000)	(13,087)	(40,087)
At 31 March 2016	514,324	43,202	146,313	703,839
Depreciation				
At 1 April 2015	153,067	56,896	92,523	302,486
Charge for the year	15,206	3,306	19,337	37,849
Henbury Centre Building Improvements write down	174,056	-	-	174,056
Disposals	-	(26,856)	(12,223)	(39,079)
At 31 March 2016	342,329	33,346	99,637	475,312
Net book value				
At 31 March 2016	171,995	9,856	46,676	228,527
At 31 March 2015	361,257	13,306	53,086	427,649

CHARITY

	Improvements to leasehold property £	Vehicles £	Computers, office equipment and other equipment £	Total £
Cost				
At 1 April 2015	514,324	65,486	107,899	687,709
Additions	-	-	3,440	3,440
Disposals	-	(27,000)	(13,087)	(40,087)
At 31 March 2016	514,324	38,486	98,252	651,062
Depreciation				
At 1 April 2015	153,067	53,392	86,311	292,770
Charge for the year	15,206	3,003	12,504	30,713
Henbury Centre Building Improvements write down	174,056	-	-	174,056
Disposals	-	(26,856)	(12,223)	(39,079)
At 31 March 2016	342,329	29,539	86,592	458,460
Net book value				
At 31 March 2016	171,995	8,947	11,660	192,602
At 31 March 2015	361,257	12,094	21,588	394,939

Notice has been given to Bristol City Council that the Henbury Day Centre Leasehold Property will be handed back to them in December 2016. The leasehold property depreciation charge includes a charge of £174,056 to write down the Henbury Day Centre Leasehold property improvements asset to a £Nil net book value.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

14. INVESTMENTS

(a) FIXED ASSET INVESTMENTS

CONSOLIDATED	Common Pooled Investment Fund	Other investments	Total 2016	Total 2015 Restated
	£	£	£	£
Market value at 1 April	15,792,841	1,010	15,793,851	14,777,826
Additions	770,843	-	770,843	1,664,408
Disposals market value at 1 April	(1,031,846)	-	(1,031,846)	(1,525,296)
Investment management charge	(32,530)	-	(32,530)	(28,813)
Adjustment to market value	(620,222)	(1,010)	(621,232)	905,727
Market value at 31 March	<u>14,879,086</u>	<u>-</u>	<u>14,879,086</u>	<u>15,793,852</u>
Historical cost	<u>13,713,952</u>	<u>-</u>	<u>13,713,952</u>	<u>13,675,264</u>

Investments at market value comprised:

	2016 £	2015 £
Investment properties	1,397,000	1,370,000
UK fixed interest bonds	1,126,557	1,177,236
Overseas fixed interest bonds	197,759	212,754
Private equity	124,321	-
UK quoted equities	2,538,226	2,752,110
UK Investment & Unit trusts	550,708	859,968
Overseas equities	2,102,346	2,269,438
Barings pooled funds	6,667,791	7,038,761
Cash	174,378	113,585
Market value at 31 March	<u>14,879,086</u>	<u>15,793,852</u>

Realized and unrealized gains and losses in the year were:

	2016 £	2015 £
(Realised losses)/Realized gains	(295,334)	9,934
(Unrealised losses)/unrealized gains	(621,232)	905,727
(Losses)/gains on investment assets	<u>(916,566)</u>	<u>915,661</u>

The investments disclosure is reported in more detail in these accounts and the 2015 figures have been restated to be comparable to the detailed information now provided.

There were realised gains in the year ended 31 March 2015 relating to the sale of land adjacent to John Fosters in the year of £100,365 which were re-invested into the investment portfolio.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

14. INVESTMENTS *(continued)*

Included in the Common Pool Investment Fund is investment properties with a market value of £1,397,000 (2015: £1,370,000). In both years the valuation was carried out by Alder King LLP, RICS Registered Valuers.

At 31 March 2016 the Group held 2,906,695 units in the Bristol Charities Common Pooled Investment Fund (2015: 2,906,695 units). See notes 17 and 23 for more information.

Investments over 5% of the total value being the Barings pooled fund £6,667,791 (2015: £7,038,761)

CHARITY

	Total 2016 £	Total 2015 Restated £
Market value at 1 April	12,634,491	11,821,885
Additions	616,647	1,331,483
Disposals market value at 1 April	(825,438)	(1,220,198)
Investment management charge	(26,023)	(23,050)
Adjustment to market value	(496,202)	724,371
Market value at 31 March	<u>11,903,475</u>	<u>12,634,491</u>

Historical cost	<u>10,970,649</u>	<u>10,939,863</u>
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Investments at market value comprised:

	2016 £	2015 £
Investment properties	1,117,619	1,095,949
UK fixed interest bonds	901,261	941,745
Overseas fixed interest bonds	158,210	170,195
Private equity	99,458	-
UK quoted equities	2,030,616	2,201,584
UK Investment & Unit trusts	440,574	687,942
Overseas equities	1,681,906	1,815,466
Barings pooled funds	5,334,325	5,630,746
Investment in Orchard Homes Design and Build Limited	1	-
Cash	139,505	90,864
Market value at 31 March	<u>11,903,475</u>	<u>12,634,491</u>

The investments disclosure is reported in more detail in these accounts and the 2015 figures have been restated to be comparable to the detailed information now provided.

At 31 March 2016 the Charity held 2,325,396 units in the Bristol Charities Common Pooled Investment Fund (2015: 2,325,396 units). See notes 17 and 23 for more information.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

14. INVESTMENTS *(continued)*

Bristol Charities' Share of realised and unrealised gains and losses in the year were:

	2016	2015
	£	£
(Realised losses)/realised gains	(237,063)	8,170
(Unrealised losses)/unrealised gains	(496,202)	724,371
(Losses)/gains on investment assets	<u>(733,265)</u>	<u>732,541</u>

Bristol Charities' share of the realised gains in the year ended 31 March 2015 relating to the sale of land adjacent to John Fosters amounted to £80,299, which were re-invested into the investment portfolio.

Included in the Common Pool Investment Fund is investment properties, Bristol Charities' share of these properties had a market value of £1,117,619 (2015: £1,096,019). In both years the valuation was carried out by Alder King LLP, RICS Registered Valuers.

Investments over 5% of the total value being the Barings pooled fund £5,334,325 (2015: £5,630,746)

Investment in Orchard Homes Design and Build Limited

Orchard Homes Design and Build Limited was incorporated on 9 November 2015 to provide construction services to Bristol Charities. The first reporting period for Orchard Homes Design and Build Limited will be 9 November 2015 to 31 March 2017. Results for the period to 31 March 2016 have been included in the consolidated accounts, see note 26.

(b) CURRENT ASSET INVESTMENTS

This is represented by cash invested with Royal London.

15. DEBTORS

	Consolidated 2016	Consolidated 2015	Charity 2016	Charity 2015
	£	£	£	Restated £
Due within one year:				
William Jones's Almshouse Charity balances:				
intercompany balance	-	-	22,098	5,992
Orchard Homes Design and Build Limited				
intercompany balance	-	-	18,917	-
Trade debtors	48,044	48,138	35,844	39,337
Prepayments and accrued income	153,504	132,330	110,885	118,976
Other debtors	26,479	59,004	-	27,977
	<u>228,027</u>	<u>239,472</u>	<u>187,744</u>	<u>192,282</u>

In the 2015 Bristol Charities individual charity accounts £25,707 of trade debtors were included in other debtors, the 2015 debtor comparatives have been restated to include these £25,707 debts in trade debtors.

Orchard Homes has a loan outstanding from William Jones's Almshouse Charity which amounted to £742,697 at 31 March 2015. This loan balance was shown in both Bristol Charities individual Charity debtors and creditors in the year ended 31 March 2015 accounts. This loan is owed by William Jones to Orchard Homes. In the year ended 31 March 2016 the loan balance was removed from the Bristol Charities individual Charity accounts so that it is now only reflected in the accounts of Orchard Homes and William Jones's Almshouse Charity accounts. The 2015 balances for both debtors and creditors have been restated so that they are comparable to the 2016 reported numbers. See also note 16 on creditors.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

16. CREDITORS

	Consolidated 2016	Consolidated 2015	Charity 2016	Charity 2015 Restated
	£	£	£	£
Due within one year:				
Trade creditors	24,677	58,263	5,707	16,203
William Jones's School Foundation Loan	480	6,240	-	-
Amounts due to subsidiary and associated undertakings	-	-	125,429	75,177
Deferred income	25,577	20,855	21,186	20,077
Pensions deficit	40,135	34,030	40,135	34,030
Other creditors	81,815	215,044	75,726	180,207
Accruals	78,301	175,890	23,999	29,784
	<u>250,985</u>	<u>510,322</u>	<u>292,182</u>	<u>355,478</u>
Due after more than one year:				
William Jones's School Foundation Loan	3,360	-	-	-
Pensions deficit	426,513	318,474	426,513	318,474
	<u>429,873</u>	<u>318,474</u>	<u>426,513</u>	<u>318,474</u>

In the 2015 accounts Orchard Homes' share of Bristol Charities cash investments with Royal London Cash Management Limited was overstated by £35,208. The 2015 accounts have been restated to increase the amounts due to subsidiaries and to report the correct cash balance with Royal London.

See information on the William Jones's Almshouse Charity loan balance in note 15.

See information on the Pensions deficit in notes 9 and 24.

Orchard Homes has a loan outstanding from William Jones's Almshouse Charity which amounted to £742,697 at 31 March 2015. This loan balance was shown in both Bristol Charities individual Charity debtors and creditors in the year ended 31 March 2015 accounts. This loan is owed by William Jones to Orchard Homes so in the year ended 31 March 2016 the loan balance was removed from the Bristol Charities individual Charity accounts so that it is now only reflected in the accounts of Orchard Homes and William Jones's Almshouse Charity accounts. The 2015 balances for both debtors and creditors have been restated so that they are comparable to the 2016 reported numbers. See also note 15 on debtors.

Deferred income is made up of commercial and almshouse property rents invoiced in advance:

	Consolidated 2016	Consolidated 2015	Charity 2016	Charity 2015
	£	£	£	£
Balance at 1 April 2015	20,855	43,845	20,077	30,291
Amount released to incoming resources	(20,855)	(43,845)	(20,077)	(30,291)
Amount deferred in year	25,577	20,855	21,186	20,077
Balance at 31 March 2016	<u>25,577</u>	<u>20,855</u>	<u>21,186</u>	<u>20,077</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

17. COMMON POOLED INVESTMENT FUND UNIT HOLDINGS AND VALUES

	2016 £	2015 £
Unit value at year end	<u>5.11890</u>	<u>5.43326</u>
	2016 Units	2016 £
		2015 £
Endowment Funds: Grant-giving charities		
Relief in Need Charity (see note 25)	1,182,325	6,052,206
Relief in Sickness Charity (see note 25)	229,261	1,173,565
Bristol Guild of the Handicapped Trust	267,672	1,370,187
Bagshaw Birkin	-	73,903
Furber Ministers' Fund	-	23,428
Hooks Mill Educational Foundation	-	86,394
Educational Charities	29,503	151,023
Richard Hughes Charity	-	2,418
Richard Hughes Educational Charity	-	2,766
Barry T Jones Fund	86,351	442,022
Miss E M Merchant Trust	80,620	412,686
Dr Owen's Charity	423,981	2,170,317
Soldiers Corner, Arncliffe Cemetery Fund	-	3,494
Rev Dr T White's Essex Estates	10,959	56,098
Rev Dr T White's Grays Inn Lane Trust	8,421	43,106
Westbury-on-Trym Consolidated Fund	-	22,749
Reginald Williams Memorial Fund	-	2,141
	<u>2,319,093</u>	<u>11,871,210</u>
Almsouse charities		
Orchard Homes Endowment Reserves	532,477	2,725,807
Orchard Homes Restricted Reserves	48,822	249,805
	<u>581,299</u>	<u>2,975,612</u>
Unrestricted Funds	<u>6,303</u>	<u>32,264</u>
Total Common Pooled Investment Funds Holdings		
At 31 March 2016	<u>2,906,695</u>	<u>14,879,086</u>
At 31 March 2015	<u>2,906,695</u>	<u>15,792,841</u>

On 1 April 2015 the Westbury on Trym Fund was merged with the Relief in Sickness Fund:

	Units	2015 £
Relief in Need	1,178,138	6,401,135
Westbury on Trym	4,187	22,749
Relief in Need Fund after merger with Westbury on Trym Fund	<u>1,182,325</u>	<u>6,423,884</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

17. COMMON POOLED INVESTMENT FUND UNIT HOLDINGS AND VALUES *(continued)*

On 1 April 2015 the Bagshaw Birkin and Hooks Mills Education Funds were combined to form the Educational Charities Fund for individuals:

	Units	2015 £
Bagshaw Birkin Fund	13,602	73,903
Hook Mills Education Fund	15,901	86,394
	<hr/>	<hr/>
Educational Charities Fund	29,503	160,297

It was decided that five of the Funds should be spent out based on the balances reported in the 2015 accounts. The payment was made out of Unrestricted Funds and the 6,303 units were reallocated to

Unrestricted Funds:

	Units	2015 £
Furber Ministers' Fund	4,312	23,428
Richard Hughes Charity	445	2,418
Richard Hughes Educational Foundation	509	2,766
Soldiers Corner, Arnos Vale Cemetery	643	3,494
Reginald Williams Memorial Fund	394	2,141
	<hr/>	<hr/>
Unrestricted Funds	6,303	34,247

18. CONSOLIDATED ENDOWMENT FUNDS

	2016 Total	2015 Total (as restated)
	£	£
Relief in Need Charity (see note 26)	6,052,206	6,401,135
Relief in Sickness Charity (see note 26)	1,173,565	1,245,635
Bristol Guild of the Handicapped Trust	1,370,187	1,454,333
Bagshaw Birkin	-	73,903
Furber Ministers' Fund	-	23,428
Hooks Mill Educational Foundation	-	86,394
Educational Charities	151,023	-
Richard Hughes Charity	-	2,418
Richard Hughes Educational Charity	-	2,766
Barry T Jones Fund	442,022	469,168
Miss E M Merchant Trust	412,686	438,030
Dr Owen's Charity	2,170,317	2,303,600
Soldiers Corner, Arnos Vale Cemetery Fund	-	3,494
Rev Dr T White's Essex Estates	56,098	59,543
Rev Dr T White's Grays Inn Lane Trust	43,106	45,754
Westbury-on-Trym Consolidated Fund	-	22,749
Reginald Williams Memorial Fund	-	2,141
	<hr/>	<hr/>
	11,871,210	12,634,491
Almshouse Charities		
Orchard Homes	2,725,807	2,893,086
	<hr/>	<hr/>
Investments in Common Pooled Investment Fund	14,597,017	15,527,577

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

18. CONSOLIDATED ENDOWMENT FUNDS *(continued)*

Other Investment Property:		
Orchard Homes	-	1,010
Total Other Investment Property	-	1,010
Housing Property:		
Orchard Homes	9,973,980	9,580,607
William Jones's Almshouse Charity	1,487,578	1,547,013
Total Housing Property	11,461,558	11,127,620
Current Assets, Orchard Homes	5,967	556,295
Current Liabilities:		
Bristol Charities	(1,437)	-
William Jones's Almshouse Charity	-	(34,787)
Total Current Liabilities	(1,437)	(34,787)
Total Endowment Funds	26,063,105	27,177,715
Split by Charity:		
Bristol Charities	11,869,772	12,634,491
Orchard Homes	12,705,755	13,030,998
William Jones's Almshouse Charity	1,487,578	1,512,226
Total Endowment Funds	26,063,105	27,177,715

The accounts have been restated for a prior year adjustment to correct the amounts allocated to endowment and unrestricted reserves. Endowment reserves restated at 31 March 2015 amount to £27,177,715 (previously reported £27,996,539). Unrestricted reserves restated at 31 March 2015 amount to £2,881,104 (previously reported £2,056,917).

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

19. RESTRICTED FUNDS

	Balance 1 April 2015 £	Total income £	Total expenditure £	Gains/(losses) and transfers £	Balance 31 March 2016 £
<i>Grant-giving charities</i>					
Relief in Need Charity	20,376	207,054	(83,364)	(69,074)	74,992
Relief in Sickness Charity	9,284	40,180	(35,935)	-	13,529
Bristol Guild of the Handicapped Trust	43,098	46,966	(24,778)	(47,044)	18,242
Bagshaw Birkin	3,470	-	-	(3,470)	-
Furber Ministers' Fund	1,846	-	(1,846)	-	-
Hooks Mills Educational Foundation	4,083	-	-	(4,083)	-
Educational Charities	-	5,236	(2,858)	7,553	9,931
Richard Hughes Charity	111	-	(111)	-	-
Richard Hughes Educational Charity	447	-	(447)	-	-
Barry T Jones Fund	8,808	15,221	(16,829)	-	7,200
Miss E M Merchant Trust	(2,718)	14,112	(3,112)	(3,960)	4,322
Dr Owen's Charity	16	74,314	(62,480)	(11,735)	115
Soldiers Corner, Armos Vale Cemetery Fund	247	-	(247)	-	-
Rev Dr T White's Essex Estates	-	1,923	(1,918)	-	5
Rev Dr T White's Grays Inn Lane Trust	-	1,478	(1,474)	-	4
Westbury-on-Trym Consolidated Fund	1,663	-	-	(1,663)	-
Reginald Williams Memorial Fund	167	-	(167)	-	-
Charity Restricted Funds Movement	90,898	406,484	(235,566)	(133,476)	128,340
<i>Almshouse Charities</i>					
Orchard Homes restricted reserves	265,262	-	-	(15,459)	249,803
William Jones's, leaseholders Service charges	5,319	3,650	(2,508)	1,255	7,716
Total restricted funds held	361,479	410,134	(238,074)	(147,680)	385,859

The purpose of each fund in existence at 31 March 2016 is:

Relief in Need: The relief of persons resident in the City of Bristol who are in need, hardship or distress.

Relief in Sickness: The relief of persons resident in the City of Bristol who are sick, convalescent, disabled or infirm by relieving their suffering or assisting their recovery.

Bristol Guild of the Handicapped Trust: The provision of grants to people resident in the City of Bristol who are disabled.

Educational Charities: The provision of grants to create access to opportunities for young people who are resident in the City of Bristol where no loans or public funds are available.

Barry T Jones Fund: The provision of grants to charitable independent schools engaged in Secondary education within the City and County of Bristol.

Miss E M Merchant Trust: The provision of grants to Carers who have limited means living in the City of Bristol or in an area of 10 miles from Bristol city centre.

Dr Owen's Charity: Income accrued from this fund is required to be distributed 83.33% to Bristol Grammar School and 16.67% to Orchard Homes.

Rev Dr T White's Essex Estates: Income accrued from this fund is required to be distributed to Reverend Dr White.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

9. RESTRICTED FUNDS *(continued)*

Rev Dr T White's Grays Inn Lane Trust: Income accrued from this fund is required to be distributed 50% to Bristol Grammar School and 50% to Reverend Dr White.

INCOME

	Donations and legacies £	Investment income £	Interest receivable £	Other income £	Total income £
<i>Grant-giving charities</i>					
Relief in Need Charity	-	206,959	95	-	207,054
Relief in Sickness Charity	20	40,131	29	-	40,180
Bristol Guild of the Handicapped Trust	-	46,854	112	-	46,966
	-	5,211	25	-	5,236
Barry T Jones Fund	-	15,115	26	80	15,221
Miss E M Merchant Trust	-	14,112	-	-	14,112
Dr Owen's Charity	-	74,215	99	-	74,314
Rev Dr T White's Essex Estates	-	1,918	5	-	1,923
Rev Dr T White's Grays Inn Lane Trust	-	1,474	4	-	1,478
Charity Restricted Funds Movement	20	405,989	395	80	406,484
William Jones's, leaseholders Service charges	-	-	-	3,650	3,650
Total restricted funds income year ended 31 March 2016	20	405,989	395	3,730	410,134
Total restricted funds income year ended 31 March 2015	2,557	401,534	409	5,245	409,745

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

19. RESTRICTED FUNDS *(continued)*

EXPENDITURE

	Direct grants payable £	Charitable expenditure £	Other expenditure £	Total expenditure £
<i>Grant-giving charities</i>				
Relief in Need Charity	37,725	45,639	-	83,364
Relief in Sickness Charity	16,753	19,182	-	35,935
Bristol Guild of the Handicapped Trust	24,778	-	-	24,778
Bagshaw Birkin	-	-	-	-
Furber Ministers' Fund	1,846	-	-	1,846
Hooks Mills Educational Foundation	-	-	-	-
Educational Charities	1,719	1,139	-	2,858
Richard Hughes Charity	111	-	-	111
Richard Hughes Educational Charity	447	-	-	447
Barry T Jones Fund	13,496	3,333	-	16,829
Miss E M Merchant Trust	-	3,112	-	3,112
Dr Owen's Charity	58,674	3,806	-	62,480
Soldiers Corner, Arnos Vale Cemetery Fund	247	-	-	247
Rev Dr T White's Essex Estates	1,820	98	-	1,918
Rev Dr T White's Grays Inn Lane Trust	1,398	76	-	1,474
Westbury-on-Trym Consolidated Fund	-	-	-	-
Reginald Williams Memorial Fund	167	-	-	167
Charity Restricted Funds Movement	159,181	76,385	-	235,566
William Jones's, leaseholders Service charge and sinking fund	-	-	2,508	2,508
Total expenditure from restricted funds during the year to 31 March 2016	159,181	76,385	2,508	238,074
Total expenditure from restricted funds during the year to 31 March 2015	214,154	67,130	2,890	284,174

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

20. GRANTS AND DONATIONS

Grants to institutions comprise:

	£
Paid from Furber Ministers' Fund	
Wesleyan Memorial Methodist Church	1,846
Paid from Dr Owen's Charity	
Bristol Grammar School	57,488
Paid from Barry T Jones Fund	
Bristol Grammar School	6,500
Clifton High School	2,246
Red Maids School	4,750
Other grants to institutions of less than £1,000	17,359
Total grants paid to institutions	90,189
Grants paid to individuals	68,992
Total grants paid	159,181

21. STATEMENT OF FUNDS

	Balance 1 April 2015 (as restated) £	Total income £	Total expenditure £	Gains/losses and transfers £	Balance 31 March 2016 £
Endowment Funds	27,177,715	-	(181,240)	(933,370)	26,063,105
Restricted funds	361,479	410,134	(238,074)	(147,680)	385,859
Unrestricted funds	2,881,104	1,263,573	(1,325,197)	30,159	2,849,639
	<u>30,420,298</u>	<u>1,673,707</u>	<u>(1,744,511)</u>	<u>(1,050,891)</u>	<u>29,298,603</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

CONSOLIDATED	Unrestricted funds (as restated) £	Restricted funds £	Endowment funds (as restated) £	Total (as restated) £
Fund balances at 31 March 2016 are represented by:				
Tangible fixed assets	1,055,481	-	11,461,558	12,517,039
Fixed asset investments	32,264	249,805	14,597,017	14,879,086
Current assets	2,438,110	139,258	5,968	2,583,336
Current liabilities	(246,343)	(3,204)	(1,438)	(250,985)
Creditors falling due after more than one year	(429,873)	-	-	(429,873)
Total net assets	<u>2,849,639</u>	<u>385,859</u>	<u>26,063,105</u>	<u>29,298,603</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS *(continued)*

CHARITY	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 March 2016 are represented by:				
Tangible fixed assets	192,602	-	-	192,602
Fixed asset investments	32,265	-	11,871,210	11,903,475
Current assets	322,250	131,542	-	453,792
Current liabilities	(287,540)	(3,204)	(1,438)	(292,182)
Creditors falling due after more than one year	(426,513)	-	-	(426,513)
Total net (liabilities)/assets	<u>(166,936)</u>	<u>128,338</u>	<u>11,869,772</u>	<u>11,831,174</u>

23. BRISTOL CHARITIES COMMON POOLED INVESTMENT FUND

(a) Income account (return)

	2016 £	2015 £
Gross income:		
Managed portfolios	406,509	425,047
Income from investment in property	104,410	103,046
	<u>510,919</u>	<u>528,093</u>
Charges:		
Property expenses	(2,120)	(6,076)
Bristol Charities	(4,696)	(20,000)
	<u>504,103</u>	<u>502,017</u>
Final distribution	(504,103)	(502,017)
Undistributed income carried forward	<u>-</u>	<u>-</u>
Distribution pence per unit	<u>17.34</u>	<u>17.27</u>

(b) Balance sheet

	2016 £	2015 £
Managed portfolios at market value	13,482,086	14,323,176
Investment in property at market value	1,397,000	1,370,000
Cash and interest-bearing deposits	-	99,665
Net investment fund	<u>14,879,086</u>	<u>15,792,841</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

23. BRISTOL CHARITIES COMMON POOLED INVESTMENT FUND *(continued)*

(c) Statement of movement in net assets

	Total 2016 £	Total 2015 £
Net assets at start of year	15,792,841	14,775,673
	<u>15,792,841</u>	<u>14,775,673</u>
Investment gains/ (losses) for the year		
Realised (losses)/gains on investments sold during the year	(295,334)	9,934
Additions	770,843	1,664,408
Proceeds of investment disposals	(735,502)	(1,534,088)
Valuation (losses)/gains for the year	(621,232)	905,727
Portfolio Manager charges	(32,530)	(28,831)
	<u>(913,755)</u>	<u>1,017,168</u>
Net assets at end of year	<u>14,879,086</u>	<u>15,792,841</u>
Investment in property comprises:		
	2016 £	2015 £
Investment properties	<u>1,397,000</u>	<u>1,370,000</u>

A desk-top valuation of investment properties as at 31 March 2016 has been completed by Alder King and is incorporated in these accounts.

24. PENSIONS OBLIGATIONS DISCLOSURE

Scottish Voluntary Sector Final Salary Pension Scheme

The company participates in a multi-employer scheme, which provides benefits to some 95 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

24. PENSIONS OBLIGATIONS DISCLOSURE *(continued)*

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £88.22m, liabilities of £122.15m and a deficit of £33.93m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

To fund the deficit the 95 participating employers have each chosen one of the 3 contribution plans summarised below:

From 1 April 2016 to 31 October 2029: (payable monthly and increasing by 3% each on 1st April)	£1,323,116 per annum
From 1 April 2016 to 30 September 2031: (payable monthly and increasing by 3% each on 1st April)	£292,376 per annum
From 1 April 2016 to 30 September 2031:	£37,475 per annum

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Bristol Charities has agreed to fund its share of the liability by following the first contribution plan which will finish on 31 October 2029.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation showed assets of £66.21m, liabilities of £95.04m and a deficit of £28.83m. To eliminate this funding shortfall, payments consisted of £1,490,000 per annum, increasing by 3% each 1st April until 31 March 2028.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision

	31 March 2016 £'000s	31 March 2015 £'000s	31 March 2014 £'000s
Present value of provision	<u>430</u>	<u>322</u>	<u>311</u>

Reconciliation of Opening and Closing Provisions

	2016 Total £'000s	2015 Total £'000s
Provision at 1 April	322	311
Unwinding of the discount factor (interest expense)	7	11
Deficit contribution paid in the year	(24)	(23)
Remeasurements – impact of any change in assumptions	(8)	23
Remeasurements – amendments to the contribution schedule	133	-
Provision at 31 March	<u>430</u>	<u>322</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

24. PENSIONS OBLIGATIONS DISCLOSURE *(continued)*

Income and Expenditure Impact

	2016 Total £'000s	2015 Total £'000s
Interest expense	7	11
Remeasurements – impact of any change in assumptions	(8)	23
Remeasurements – amendments to the contribution schedule	133	-

Assumptions

	31 March 2016 %	31 March 2015 %	31 March 2014 %
Rate of discount per annum	2.55	2.27	3.47

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

Year Ending	31 March 2016 £'000s	31 March 2015 £'000s	31 March 2014 £'000s
Year 1	31	24	23
Year 2	32	25	24
Year 3	33	25	25
Year 4	34	26	25
Year 5	35	27	26
Year 6	36	28	27
Year 7	37	29	28
Year 8	38	29	29
Year 9	39	30	29
Year 10	41	31	30
Year 11	42	32	31
Year 12	43	33	32
Year 13	44	34	33
Year 14	27	-	34

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

24. PENSIONS OBLIGATIONS DISCLOSURE (*continued*)

Growth Plan Series 3

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2013 to 31 March 2023: £13.9m per annum
(payable monthly and increasing by 3% each on 1st April)

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

To fund the deficit the 1,300 participating employers have each chosen one of the 2 contribution plans summarised below:

From 1 April 2016 to 30 September 2025: £12,945,440 per annum
(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028: £54,560 per annum

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Bristol Charities has agreed to fund its share of the liability by following the first contribution plan which will finish on 30 September 2025.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision

	31 March 2016	31 March 2015	31 March 2014
	£	£	£
Present value of provision	<u>36,648</u>	<u>30,504</u>	<u>31,970</u>

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

24. PENSIONS OBLIGATIONS DISCLOSURE *(continued)*

Reconciliation of Opening and Closing Provisions

	2016	2015
	Total	Total
	£	£
Provision at 1 April	30,504	31,970
Unwinding of the discount factor (interest expense)	499	847
Deficit contribution paid in the year	(3,680)	(3,573)
Remeasurements – impact of any change in assumptions	(573)	1,260
Remeasurements – amendments to the contribution schedule	9,898	-
Provision at 31 March	<u>36,648</u>	<u>30,504</u>

Income and Expenditure Impact

	2016	2015
	Total	Total
	£	£
Interest expense	499	847
Remeasurements – impact of any change in assumptions	(573)	1,260
Remeasurements – amendments to the contribution schedule	9,898	-

Assumptions

	31 March 2016	31 March 2015	31 March 2014
	%	%	%
Rate of discount per annum	2.07	1.74	2.82

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

	31 March 2016	31 March 2015	31 March 2014
Year Ending	£	£	£
Year 1	3,744	3,680	3,573
Year 2	3,856	3,790	3,680
Year 3	3,972	3,904	3,790
Year 4	4,091	4,021	3,904
Year 5	4,214	4,142	4,021
Year 6	4,340	4,266	4,142
Year 7	4,471	4,394	4,266
Year 8	4,605	4,526	4,394
Year 9	4,743	-	4,526
Year 10	2,443	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

25. RELIEF IN NEED AND RELIEF IN SICKNESS CHARITIES

In 2001, the following charities were merged, with Charity Commission approval, within the Relief in Need and Relief in Sickness Charities. The two relevant schemes were dated 23 April 2001. This was to assist with the administration of those particular groups of grant-giving objects, but Trustees will continue to ensure that, through the website and through the Bristol Charities' booklet, the identities of the benefactors are remembered.

If a future benefactor elects to found a separate charity, with particular objects, this can be arranged, with Bristol Charities acting as trustee. The assets of such charities will be permanent endowment.

Relief in Need

John Colston Barrow
William Barrow
Mary Beck (including the augmentation of her daughter Elizabeth Ash)
Thomas Bonville for Poor Housekeepers
Thomas Bonville for Poor Residents
The Bristol Migration
Humphrey Brown for the Poor of the Parish of Iron Acton
Humphrey Brown for the Poor of the Parish of Westbury-on-Trym
Mrs Mary Castle
Alice Cole for Poor Householders
Alice Cole for the Poor of the Parish of St James
Margaret Edgar
Sir Abraham Elton
Francis Fuller
Edith Louisa Garlick
Thomas Girling
Samuel Gist
The Grove House
Guardian House
Dame Sarah Haberfield
William Emmett Habgood
George Harrington
Thomas Holbyn
Alderman Joseph Jackson
Alderman Robert Kitchen
Edmund Lane
Leir Fund
Miss Elizabeth Ludlow
Miss Hannah Ludlow
Miss Ellen Marriott
Miss Hannah Marriott
Merchant Tailors
Mary Ann Peloquin for Poor Freeman
Mary Ann Peloquin for Poor Lying-In-Women
Mary Ann Peloquin for the Poor of St Stephen's
Edward Phillips
Augustus Phillips
Red Lodge Reformatory
Richard Reynolds
Richard Reynolds II
Sarah Ridley Pension
The Sailors' College Pension
Sion Hospital (Bristol)
Shirehampton Temperance
Mrs Ann Thurston
Webb's Home

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

25. RELIEF IN NEED AND RELIEF IN SICKNESS CHARITIES *(continued)*

Dr Thomas White for Marriage Portions
Alderman John Whitson for Poor Women in Childbed
Whitson's Lying-In-Charity
Alderman John Whitson for Poor Householders
Alderman John Whitson for Poor Widows
Henry Herbert Wills
L E & J Yeadon

Relief in Sickness

Bristol Dispensary and Relief in Sickness Charity
Bristol and District Nursing Association
Bristol Female Misericordia Society
Bristol Medical Missionary Society
Bristol Relief in Sickness and Nurses Charity
Clifton Dispensary
John Merlott for the Blind

26. PRINCIPAL SUBSIDIARIES

Bristol Charities has three principal subsidiaries which have been consolidated into the group financial statements. These are Orchard Homes (registered charity number 1109141, William Jones's Almshouse Charity (registered charity number 230514) and Orchard Homes Design and Build Limited (company registration number 9864047).

Orchard Homes is a registered social landlord and also a registered charity. Orchard Homes is a provider of almshouse accommodation for older people. Orchard Homes operates solely in the UK.

Orchard Homes is unincorporated and has no share capital. It is included on the basis of a uniting direction issued by the Charities Commission dated 20 May 2005. Orchard Homes is under the sole control of Bristol Charities.

The William Jones's Almshouse Charity is a registered charity and a provider of almshouse accommodation for older people. It is consolidated as it is under the sole control of Bristol Charities, as Bristol Charities is its sole trustee.

Orchard Homes Design and Build Limited was incorporated on 9 November 2015 to provide design and construction services for Bristol Charities.

The total reserves for each subsidiary are:

	2016	2015
	Total	Total
	£	£
Orchard Homes	14,282,498	14,274,233
William Jones's Almshouse Charity	1,359,324	1,353,709
Orchard Homes Design and Build Limited	5,230	-

The income and expenditure for each subsidiary in 2016 and 2015 were:

Bristol Charities

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

26. PRINCIPAL SUBSIDIARIES *(continued)*

Orchard Homes	2016 Total £	2015 Total £
Income	832,619	1,959,171
Expenditure	(640,244)	(611,681)
Other (losses)/gains and transfers	(184,110)	203,420
Surplus for year	<u>8,265</u>	<u>1,550,910</u>
William Jones's Almshouse Charity	2016 Total £	2015 Total £
Income	183,253	172,579
Expenditure	(177,638)	(151,073)
Surplus for year	<u>5,615</u>	<u>21,506</u>
Orchard Homes Design and Build Limited (incorporated 9 November 2015)	2016 Total £	
Income	125,573	
Expenditure	(120,343)	
Surplus for year	<u>5,230</u>	

27. ULTIMATE CONTROLLING PARTIES

Ultimate control over the entity is held by the Trustees of Bristol Charities, as listed on page 63, Trustees, Officers and Advisors.

28. RELATED PARTY TRANSACTIONS

The Charity has taken advantage of the exemption under FRS 102 Section 33 not to disclose transactions with charities, 100% of whose voting rights are wholly-controlled within Bristol Charities.

Bristol Charities

TRUSTEES, OFFICERS AND ADVISORS

Trustees	Andrew Hillman, A.C.A. (Chair of Trustees) Laura Claydon, LL.B., Solicitor (Vice Chair of Trustees) Melanie Ball M. Inst.F. (appointed 24 November 2015) Dr Shaheen Shahzadi Chaudhry J.P. (appointed 24 November 2015) Kamala Das, LL.M., Barrister Richard Gore, B.A. (Joint Hons.), Solicitor Susan Hampton, D.L., J.P., B.Sc. Tony Harris, M.Sc., F.C.A. Dr Ros Kennedy, MB, BS, MRCP, MRCGP, DCH Dudley Lewis, Solicitor Michelle Meredith Sonia Mills, M.A., M.Sc., M.IHSM Dip. HSM Paul Staples, A.C.A., B.Sc. (Hons) David Watts, J.P., M.A., F.R.I.C.S. Nolan Webber, Chartered FCSI (appointed 27 September 2016) John Webster, B.A., B.Arch., R.I.B.A., M.R.T.P.I.
Chief Executive	Anne Anketell, B.A. (Hons)
Principal Office/ Registered Office	17 St Augustine's Parade Bristol BS1 4UL Telephone: 0117 930 0301 Email: info@bristolcharities.org.uk Website: www.bristolcharities.org.uk
Property Advisers	Alder King Pembroke House 15 Pembroke Road Bristol BS8 3BA
Investment Managers	Baring Asset Management Limited 155 Bishopsgate London EC2M 3XY Smith & Williamson Investment Management Portwall Place Portwall Lane Bristol BS1 6NA
Auditor	Milsted Langdon LLP 1 Redcliff Street Bristol BS1 6NP
Bankers	HSBC Bank Plc 62 George White Street Cabot Circus Bristol BS1 3BA Handelsbanken 66 Queens Square Bristol BS1 4JP

Bristol Charities

TRUSTEES, OFFICERS AND ADVISORS

Legal Advisors

**Bond Dickinson LLP
3 Temple Quay
Temple Back East
Bristol
BS1 6DZ**

Legal Advisors

**Veale Wasbrough Vizards LLP
Orchard Court
Orchard Lane
Bristol
BS1 5WS**

Bristol Charities

COMMITTEES FOR 2015/2016
for the year ended 31 March 2016

Almshouses Committee (deleted 23/02/16)

J Webster (Chair)
R Gore
A Hillman
R Kennedy
S Mills
H Moss
D Watts

Assets and Finance Committee

T Harris (Chair)
L Claydon
R Gore
A Hillman
D Lewis
P Staples
J Webster

Audit & Health and Safety Committee

R Gore (Chair)
T Harris
A Hillman
P Staples
D Watts

Day Services Committee (deleted 23/02/16)

S Mills (Chair)
S Chaudhry
L Claydon
K Das
R Gore
S Hampton
A Hillman
R Kennedy
D Lewis
H Moss
J Webster

Grants Committee (instated 21/04/15)

K Das (Chair)
M Ball
S Hampton
A Hillman
R Kennedy
M Meredith
D Watts

Nominations Committee

A Hillman (Chair)
L Claydon
S Hampton
T Harris
R Kennedy
D Lewis
D Watts

Remuneration Committee

A Hillman (Chair)
L Claydon
T Harris
R Kennedy
D Lewis
J Webster
S Mills

Investment Management Group Subcommittee (instated 3/5/16)

N Webber (Chair)
T Harris
A Hillman

Stockwood Project Group Subcommittee (instated 27/05/15)

A Hillman (Chair)
S Chaudhry
L Claydon
R Kennedy
S Mills
D Watts
J Webster

Governance Review Subcommittee (instated 12/11/15, deleted 22/01/16)

A Hillman (Chair)
L Claydon
R Gore
P Staples

CHARITY COMMISSION
FIRST CONTACT

- 1 DEC 2010

ACCOUNTS
RECEIVED

Orchard Homes

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2016



Registered Charity No. 1109141/17
Homes and Communities Agency Registration No. A0072
National Association of Almshouses Membership No. 177

Orchard Homes

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for the year ended 31 March 2016

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Orchard Homes

INTRODUCTION

for the year ended 31 March 2016

What We Do

The aims and objects of Orchard Homes is the provision of almshouses for poor persons resident in the City of Bristol.

We Do This By

- Developing well-designed **high quality** new homes for older people who need them in the Bristol area.
- Providing excellent accommodation through our **4 Almshouses**, each one offering onsite support and a safe community setting.
- In total, providing **88 one and two-bedroom, self-contained flats**.
- Looking after and repairing our existing homes well so that they are easy and cost-effective to run and our residents remain proud to live in them.
- Providing a personalised and accessible customer service to our residents.
- Managing a small portfolio of properties. The income derived from this estate is used to fulfil the Charity's main objective which is the provision of almshouses for older people.

Orchard Homes

MESSAGE FROM THE CHAIR OF TRUSTEES

for the year ended 31 March 2016

Welcome to our Annual Report and Accounts for the year ended 31st March 2016.

Our mission, to support older people in our communities to live fulfilling and, as far as reasonably possible, independent lives, is unchanged as indeed it has been since our first charity was founded over seven hundred years ago.

I am fond of saying that institutions do not become great and achieve longevity and continued relevance without making some pretty big decisions. We are certainly making some big decisions as what follows will, I hope, demonstrate.

First, we have decided that our two remaining almshouses in the centre of Bristol, Perrett House and Redcross Mews are no longer able to meet the demands of older people in the 21st Century. It is incumbent on each generation of trustees, guided by management and the best advice, to provide the best accommodation for our residents, "future proofing" as far as possible. Clearly, the world has moved on hugely in the last 30-40 years since these buildings were designed. Decisions to close buildings are never easy and they place great pressure on residents, who can be understandably concerned at being asked to move. I believe that our professional, caring approach manages these transitions as sensitively as possible and I thank all those involved, residents and staff alike.

Secondly, we have taken the huge step to agree to invest in a further new site, at Stockwood in South Bristol. This will compliment our other recent new builds in Bristol at Henbury and Brentry and, of course, in Monmouth. Further, this will be the largest almshouse we have ever built, comprising 60 apartments, and the most ambitious in terms of scope of services as it will be for "extra-care" provision, fulfilling our ambition of providing "homes for life" for our residents. We plan to be on-site in October/November with completion in the Spring of 2018.

The Stockwood investment will take our total number of apartments to over 130 and our ambition is for 200 in the next five years, all of which will be less than fifteen years old.

I am delighted with how well our management team, led by Anne Anketell, is coping with the pressures of all this development, ensuring that our finances remain in strong shape despite the reduced income as a result of closing Perrett House and Red Cross Mews. The near 100% occupancy levels of our Bristol almshouses are a tribute to the design of these buildings and the care and service we show to residents, as borne out by the resident satisfaction survey.

The general regulatory and financial climate in which we operate never gets easier and we are presently grappling with ever-changing indications of how Government will provide both capital and revenue support for our sector.

During the year, we carried out a detailed review of our governance arrangements. I am pleased to report that Trustees have agreed to follow Charity Commission guidance on terms of office. Over the next three years all trustees with nine or more years of service will retire and thereafter Trustees will serve terms of three years, renewable twice, thus

Orchard Homes

MESSAGE FROM THE CHAIR OF TRUSTEES

for the year ended 31 March 2016

giving a maximum period of service of nine years. The Chair will step out of this arrangement and may serve a maximum of two terms, each of four years before, if wished, resuming the new normal trustee cycle. We have also agreed to simplify our sub-committee structure.

I am delighted that we continue to be able to recruit new trustees with relevant experience and this year we have been joined by Mr. Nolan Webber, who brings strong credentials in the area of investment management.

Trustees continue to commit hugely and entirely voluntarily of their time and expertise and I am most grateful to them and also to our Patron, Mary Prior, for their continued interest and support.

Finally, I must pay tribute, again, to Anne and her team. They always seem to deliver and continue to provide stimulating leadership in these challenging times. It will be clear from what I have said above that the coming year will be no less exciting than the last.

Andrew Hillman, A.C.A.
Chair of Trustees



From left to right:

Chief Executive: Anne Anketell, B.A. (Hons)

Chair of Trustees: Andrew Hillman, A.C.A.

Patron: Mrs Mary Prior MBE DStJ JP (Lord-Lieutenant of the County and City of Bristol)

i) ACHIEVEMENTS AND PERFORMANCE

GOAL

To Develop new Almshouses that are Fit for the Future

AIM

In 2015, our aim was to increase our Almshouse provision and dispose of our properties and sites that were no longer fit for purpose.

PERFORMANCE

- The Charity has during the year been focussed on developing a new Almshouse built to **Extra Care Standards** in **Stockwood, South Bristol**. Much detailed work has taken place with our architects to prepare and gain planning permission and to develop the initial designs. The project is due to go on site in late 2016.
- In keeping with our strategy to increase our Almshouse provision, the Charity has also begun to look for a site for our **next development** and has started discussions with a number of partners around a **joint project**.
- In 2015 we also completed work on preparing some of our schemes which are no longer fit for purpose for **disposal**. The longer-term aim is to **reinvest** this money in brand new purpose-built Almshouse accommodation for older people.
- In February 2016, we completed the decanting of two of our older Almshouses, successfully rehousing all of the residents there.
- Customer satisfaction in our current schemes remains high and the year saw a **24%** increase in numbers of residents taking part in the annual satisfaction survey. Key highlights of the survey are:

88% satisfaction with Housing Services

89% satisfaction with Support Services

86% satisfaction with Repairs and Maintenance

GOAL

To Build Financial Capacity

AIM

To ensure strong financial performance of our existing and new funding streams and of the charity as a whole

PERFORMANCE

- The year saw for the first time since its opening of the Charity's new Almshouses, Barstaple Almshouse in Brentry, at full occupancy. Our voids at year end were **0%**.
- We have maintained our rent arrears level at just **0.8%** and rent collection at **103.2%** despite the economic challenges.
- In 2015 we set up Orchard Homes Design and Build Limited, a wholly owned subsidiary of Bristol Charities, which would act as a Design and Build Company for the development at Stockwood.
- 2015 has been challenging for our investments. Our funds managed by Barings and Smith and Williamson suffered capital reductions of 5.3% and 8.7% respectively compared to the 8.8% reduction in the value of the FTSE 100 in the year ended 31 March 2016. Our investment properties grew in value by 1.9% in the year. Investment income achieved in the year was £97,055 compared to £100,485 in the prior year.

GOAL

To Make Bristol Charities Stronger

AIM

To develop the capacity of our staff teams, review finance systems and procedures and make improvements to our Housing and Property Management Systems

PERFORMANCE

- We have made some important changes to both our systems, processes and work culture so that we can adapt to the changing market. In 2015 we outsourced our payroll and introduced a new sales ledger and other finance systems in order to establish streamlined, effective processes.
- During the year we put into place new repairs and maintenance contracts and established a compliance programme to ensure **100% compliance** with regulatory requirements.
- We have been working hard to strengthen and develop our workforce, embedding new supervision and appraisal systems within the charity and actively focussing on the development of our teams. Work was completed on developing a new H.R. Manual and we have now started a comprehensive review of all Care and Support Policies.



Staff
Members
with
volunteer,
Miriam
Goodland
(far right)

- In 2015 we conducted a full and robust review of the effectiveness of the current governance structure and processes. The review has resulted in changes to the committee structure, has introduced terms of office for Trustees and improved the recruitment, training and on-going development of Trustees. We have also made changes to improve scrutiny of performance, risk management, safeguarding and control.

GOAL

To Increase Our Profile

AIM

To ensure that Bristol Charities' name and brand stand out from the crowd

PERFORMANCE

- We were delighted to welcome **HRH The Princess Royal** to our new Almshouse in Brentry in June. This was Princess Anne's second visit to the charity as she opened the John Foster's Almshouse and visited the Henbury Day Centre in 2010.



HRH The Princess Royal at **Barstaple Almshouse and Day Centre**, with (clockwise from top left) service users; Dr Ros Kennedy, High Sheriff of Bristol (and Trustee of Bristol Charities), Cllr Clare Campion-Smith, The Lord Mayor of Bristol; a resident.

Orchard Homes

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*)
for the year ended 31 March 2016

- It has also been a successful year for awards with Barstaple Almshouse winning the Local Authority Building Control **(LABC) Building Excellence Regional Awards** in the category of **Best Affordable/Social Housing Development**.
- In 2015, we launched the Charity's brand new website.
- Finally, in June, the Charity hosted the National Association of Almshouses for their quarterly Trustees' and Clerks' Seminar with over **60 delegates** from all over the country.



Andrew Hillman, A.C.A., Chair of Trustees is presented with a Highly Commended Award in the Almshouse Association's Patrons Award Scheme by HRH Duke of Gloucester for William Jones's Almshouse, Monmouth.

Plans for the Year Ahead

Our plans and objectives for the year ahead are to:

Continue to Increase Almshouse Provision

- Next year we expect the Stockwood Project to start on site and work will commence to develop the service model including securing a long term Care Partner.
- We will complete our disposal strategy with the sale of our two properties in the Old Market area of Bristol and complete a review of the rest of our property portfolio.
- The charity will also begin exploring potential including partnerships for its next site.

Improve our Efficiency and Effectiveness

- The charity will continue to modernise its systems in order to strengthen its operating platform.
- We plan to undertake a Value for Money review on our repairs and maintenance services and our Head Office functions.

Develop the Strategy to take us to 2020

- In 2016, we will start to develop a new organisational strategy, based upon our discussions with other key stakeholders in the city of Bristol.
- We will also work to refine our values and mission so that they support the Bristol Charities brand, name and strategic direction of the Charity.

Raise our Profile

- In 2016, we plan to work to identify other charities that we can work with to increase the benefit of the people supported and to the organisations.
- We will continue to actively engage with stakeholders and with local and specialist media and improve our communications through our website and written material.

Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

ii) LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure and Governance

Orchard Homes is both a registered housing association (No. A0072) and a registered charity (No. 1109141/17) constituted under a charity commission scheme dated 6th September 1977.

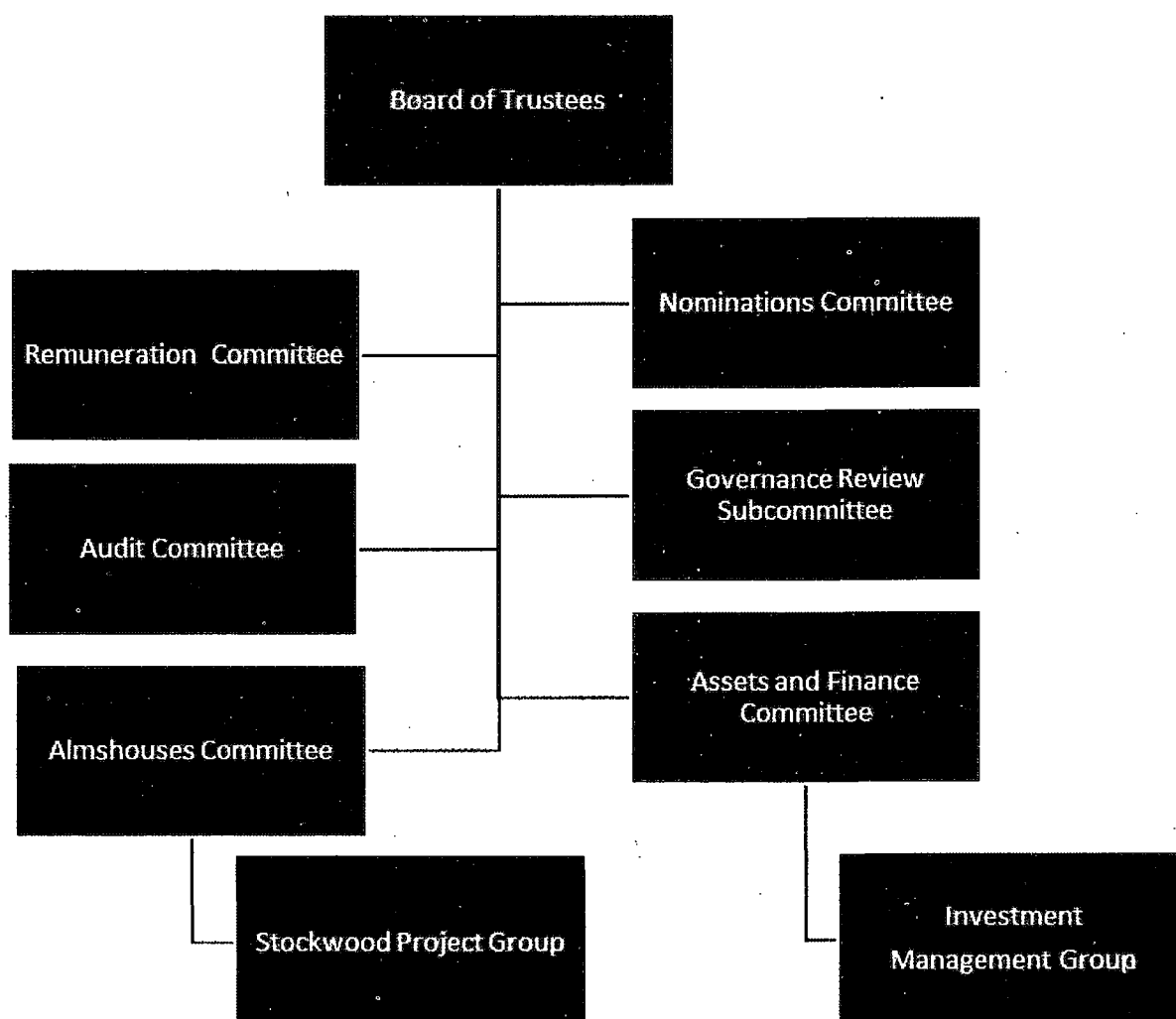
Bristol Charities is the corporate trustee of the charity.

Day to day management of the Charity is delegated to the Chief Executive (Anne Anketell). The Chief Executive reports progress on key areas of work to the Board on a regular basis.

The address of the principal office of the charity as well as names of the Charity's Trustees can be found on page 34.

There are seven standing Committees of the Board. In addition to this during the year an Investment Management Subcommittee as well as two time-limited working/project groups were established, one to oversee the progress of the charity's main capital project and the second to undertake a review of governance structures within the charity.

The Committee Structure is as follows:



Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT *(continued)*

for the year ended 31 March 2016

Following on from the Governance Review undertaken by the Governance Subcommittee, the Board of Trustees have decided to delete the Almshouses Committee from the structure with the work of these two committees now being reported directly to the Board of Trustees. The roles of the Committees are as follows:

ALMSHOUSES COMMITTEE

This Committee monitors the operational side of the almshouses including admission criteria for residents, maintenance of the buildings, incidents, accidents, safeguarding, compliments and complaints, key performance indicators and finances. The Committee considers potential new sites and projects for almshouse accommodation, developments in residential needs for older people and how the charity could respond to these. The oversight of the charity's new development in Stockwood has now passed to the Stockwood Project Group.

ASSETS AND FINANCE COMMITTEE

This Committee is responsible for overseeing all aspects of the charity's investment portfolio including investment policy, setting appropriate benchmarks and maintaining the performance of the two investment managers. The Committee has overall responsibility for all endowment and operational property and non-property investments and assets. It also reviews the consolidated annual operating and capital project budgets and central management income and expenditure.

AUDIT & HEALTH AND SAFETY COMMITTEE

This Committee is responsible for the review of the external audit of the financial statements, the requirements for any internal audit projects and the review of risk management. The Audit & Health and Safety Committee recommends to the Board the appointment of the firm which conducts the external audit.

NOMINATIONS COMMITTEE

This Committee ensures that the Board of Trustees has the right balance of skills, expertise and experience required to govern the charity and company. The Committee oversees the recruitment and appointment of new Trustees, and presents prospective Trustees for election to the Board of Trustees.

REMUNERATION COMMITTEE

This Committee considers and makes decisions about staff terms and conditions and pay.

INVESTMENT MANAGEMENT GROUP SUBCOMMITTEE

This Subcommittee meets biannually to measure the investment performance and review the service provided by the investment managers.

THE STOCKWOOD PROJECT GROUP

This Group oversees progress on the project programme, provides advice and issue resolution to the Project Team and gives approval and sign off at key project milestones. The Project Group also monitors cost, budgets and cash flow for the project.

GOVERNANCE REVIEW SUBCOMMITTEE

This Subcommittee met twice during the year to conduct a full and robust review of the effectiveness of the current governance structure and processes. The Subcommittee made recommendations to the Board of Trustees in February 2016.

Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT *(continued)*

for the year ended 31 March 2016

Recruitment, Induction and Training of Trustees

TRUSTEE RECRUITMENT

Candidates are recruited on the basis of the skills and experience and knowledge that will be needed on the Board. The Nominations Committee undertake an annual skills analysis in order to identify gaps on the Board. Any recruitment campaigns focus on the specific skills and experience required to fill those gaps. In 2014/15 fixed terms of office were introduced for all Trustees and the Chair and a strategy for succession planning was introduced. The charity has a role description for the Trustee post and the recruitment pack is updated annually. Applicants have the opportunity to meet the Chair and the Chief Executive before being interviewed by two members of the Nominations Committee. Recommendations to appoint are then made by the Nominations Committee to the Board of Trustees.

TRAINING INDUCTION AND APPRAISAL OF TRUSTEES

New Trustees take part in a Structured Induction Programme, attending meetings with key staff and other Trustees, visiting projects and sites and are encouraged to attend all committees to really get an understanding of the work of the charity. This year the charity developed and introduced a comprehensive Induction Pack.

Trustees are sent information on a regular basis on training courses and briefings. A regular item has been introduced to the Board of Trustees meeting agenda to provide updates on policy/legislation changes. Trustees who have attended training are encouraged to share knowledge with fellow Trustees.

The Chair meets with each Trustee on an annual basis to review their performance and to receive feedback. A summary of those meetings is reported to the Nominations Committee.

The Governance Review Sub-group have recommended that a Formal Trustee Appraisal Policy and Procedure be implemented and this was being developed in the year.

Public benefit

The objects and aims of Orchard Homes are contained in the charity scheme September 1977.

Its objects are to provide almshouses for poor persons resident in the City of Bristol.

The Trustees have considered the Charity Commission guidance on public benefit from section 17 of the Charities Act 2011. We believe that the work of Orchard Homes has directly benefited people by providing excellent, purpose-built accommodation through our five almshouses, each one offering on site support and a safe community setting for older, vulnerable people.

The Strategic Report section (pages 4-16) sets out the aims and strategies of the Charity and demonstrates how the aims and activities of the Charity during the year were carried out for the public benefit.

Pay Policy for Senior Staff

The pay of the senior staff is reviewed annually by the Remuneration Committee, page 11, and normally increased in accordance with average earnings."

Our Staff and Volunteers

Throughout 2015 we engaged in a programme to streamline our organisational effectiveness and invested time and resources into embedding new supervision and appraisal processes, to ensure a focus on our operational goals. It is through the commitment to our staff that we are able to meet our

Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

objectives. Orchard Homes is committed to providing a working environment where everyone has a chance to develop and make a contribution. We provide training and career development to all employees, we assess an individual's career development with an annual appraisal and regular 1:1 meetings and we provide training to meet any ongoing needs with the aim of developing employees for both their current and future roles.

We also recognise the invaluable work that our volunteers do on our behalf and the part they play in contributing to our shared objectives. In 2015, two volunteers supported the charity at head office by giving their time, energy, passion and skills.

Risk Management

The Board of Trustees oversees risks annually with additional operational and financial risk assessment through delegation to the relevant committee and to the Audit & Health and Safety Committee.

It oversees its responsibility through its review of the effectiveness of the Charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the Charity's performance and its ability to achieve its objectives.

Management of risk is embedded into our day-to-day business activities and well-established processes and policies are in place to manage them. All of our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity so as to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than eliminate the risks to the Charity's objectives and to provide reasonable, but not absolute assurance against material misstatement or loss.

The Audit & Health and Safety Committee biannually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

Principle Risks and Uncertainties

The Principle Risks to the Charity's objectives and actions mitigating those risks are summarised below.

Risk	Management Actions
Activities potentially outside objects/powers or terms of gift	<ul style="list-style-type: none">• Separate grant-giving committee set up• Cy-Pres case made and change of objects/schemes for Orchard Homes• New projects reviewed to ensure consistency with objects
Inadequate Management of Stockwood Project leads to cost overruns and delay	<ul style="list-style-type: none">• Stockwood Project Group set up to oversee project• Project Manager appointed• Achieve key milestones of pre-planning and planning submission
Change in Legislation and regulation on activities undertaken	<ul style="list-style-type: none">• Monitor proposed legal and regulatory reforms• Review Care Act 2014• Implement Action Plan for Heat Network Regulations• Welfare Reform changes to benefits included in budgets• Scenario testing around impact of benefit caps• Welfare Reform changes to benefits included in budgets
Destruction of property, equipment, records through fire, flood or similar damage	<ul style="list-style-type: none">• Insurance cover in place• Business Continuity Policy developed• Data back up and encryption in place• Business Continuity Plan developed and tested

Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT (*continued*) for the year ended 31 March 2016

iii) FINANCIAL REVIEW

The surplus for the year was £8,265 (2015: £1,550,910) and was made up of:

	2016 £	2015 £
Surplus on disposal of Manor House	-	1,147,547
Operating surplus	52,239	61,266
Investment income	97,055	100,485
Donations from Dr Owens	11,735	11,702
Interest receivable	31,346	26,490
(Loss)/gain on revaluation of investments	(184,110)	203,420

Almshouse rental income in the year was £663,989 (2015: £644,453), split by property:

	2016 £	2015 £
Red Cross Mews	23,059	51,478
Perrett House	105,190	184,849
John Fosters	154,115	152,196
Barstaple	315,127	172,002
Manor House	-	10,913
Furber properties	66,498	73,015
Almshouse rental income	663,989	644,453

During the year the almshouses at Red Cross Mews and Perrett House were decanted in preparation for them to be sold in 2016/17 resulting in lower rental income than in the prior year. Barstaple was completed in April 2014 and the first residents moved in in May 2014, 2015/16 represents the first full year of occupation. Manor House was sold in February 2015. One of the Furber properties, 1 Rossiters Lane, was empty for most of the year prior to being sold in April 2016.

Operating costs in the year were £640,244 (2015: £611,681). The increase in costs is mostly due to 2015/16 being the first year of full operating costs at Barstaple, costs excluding property depreciation for Barstaple amounted to £173,369 (2015: £129,143).

The investment income in the year of £97,055 was consistent with the previous year (2015: £100,485).

Investment Policy and Performance

Orchard Homes owns a proportion of the Bristol Charities' Common Pooled Investment Fund.

The investment objective for the Bristol Charities' Common Pooled Investment Fund is to achieve a balanced return with a medium level of risk. The Trustees seek to produce the optimum total return, commensurate with at least maintaining the capital value in line with inflation, as defined by the National Statistics.

The Trustees have delegated investment of the Charities' equity investments to Barings and Smith and Williamson, with 50% of the equity investments managed by each. Full information on the performance of Barings and Smith and Williamson is disclosed in the Trustees Strategic Report within the Bristol Charities annual accounts.

Orchard Homes

REPORT OF THE TRUSTEES - STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

Ethical Investment Policy

We encourage and expect our Fund Managers to take social, environmental and ethical considerations into account when assessing the suitability of investments in order to meet the Charities' aims and objectives. The Trustees do not wish to adopt an exclusionary policy, but individual investments may be excluded if perceived to conflict with the Charities' purposes.

Going Concern

The Trustees regularly prepare forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure.

Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Reserves Policy

The Charity's income stream, of weekly maintenance charges and heat and water charges, is very regular. It is received on a weekly basis from residents and on a monthly basis from the local authority. A minimum cash reserve of £50,000 is retained in the current account, which is one month's maximum expected monthly expenditure. The reserves policy will be reviewed once the intercompany balance has been repaid.

Total reserves at 31 March 2016 amounted to £14,282,498 (2015: £14,274,233) and included unrestricted reserves of £2,914,896 (2015: £2,594,423)

Internal Control

Accounting policies and procedures are determined as far as is practical to provide a good level of financial control over the Charity's income, expenditure, assets and liabilities. All transactions are required to be authorised before payment and all payments require 2 authorisations. All non-standard payments of £10,000 or more require approval by a Trustee before payment.

In advance of each year the Trustees review and approve a budget. Each quarter the Trustees review actual performance of the Charity against budgets and make enquiries to management of significant deviations.

The Audit & Health and Safety Committee meets twice per year and at the meeting to review the annual accounts the Auditors are required to provide a commentary on internal control and procedures based on the findings in their audit fieldwork.

The Trustees recognise with a small head office function internal controls rely on a small number of key staff but they believe that the Controls in place are adequate to safe guard the Charity's income, expenditure and assets.

The Governance Framework sets out the operational boundaries and defines the activities of the Board, Committees and Management Team, it sets out how actions and decisions should be taken and ensures compliance is effectively assessed.

The Charity maintains a strong Health and Safety Focus to ensure that as far as practical, safe working arrangements and effective management of key hazards (fire legionella, electrical and mechanical safety). Regular reports are presented to the Management Team and the Audit & Health and Safety Committee.

Orchard Homes

REPORT OF THE TRUSTEES

TRUSTEES' RESPONSIBILITIES STATEMENT

for the year ended 31 March 2016

Trustees' Responsibilities Statement

The trustees (who are also directors of Bristol Charities for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Milsted Langdon LLP has indicated its willingness to continue in office.

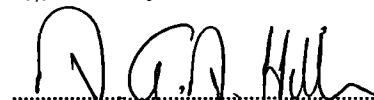
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees and signed on their behalf by:



Andrew Hillman, A.C.A. (Chair of Trustees)

Date 27 September 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORCHARD HOMES

We have audited the financial statements of Orchard Homes for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, 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 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 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 Charities Act 2011, the Housing and Regeneration Act 2008 and The Accounting Requirements for Registered Social Landlords General Determination 2006.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient 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.

Milsted Langdon LLP

Mrs S R Jenkins (Senior Statutory Auditor)
For and on behalf of Milsted Langdon LLP, Statutory Auditor
One Redcliffe Street
Bristol
BS1 6NP

28 September 2016

Orchard Homes

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2016

	Note	2016 £	2015 £
Turnover			
Continuing operations	2	692,483	672,947
Operating costs	2	(640,244)	(611,681)
Operating surplus		52,239	61,266
Profit on disposal of fixed assets	4,6	-	1,147,547
Investment income		97,055	100,485
Donations		11,735	11,702
Interest receivable on short-term deposits		31,346	26,490
Surplus for the financial year		192,375	1,347,490

The notes on pages 24 to 33 form part of these accounts. All of the charity's operations are classed as continuing.

There are no material differences between the historic cost surplus and that shown within the income and expenditure account.

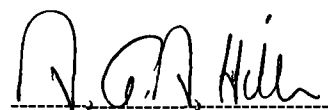
Orchard Homes

STATEMENT OF TOTAL RECOGNISED SURPLUS AND DEFICIT for the year ended 31 March 2016

	Note	2016 £	2015 £
Surplus for the year		192,375	1,347,490
Unrealised (deficit)/surplus on revaluation of investments	7	(184,110)	203,420
Total recognised surplus for the year		<u>8,265</u>	<u>1,550,910</u>

The notes on pages 24 to 33 form part of these accounts.

The financial statements of Orchard Homes, charity registration number 1109141/17, were approved by the Board of Trustees and authorised for issue on 27 September 2016 and signed on their behalf by:



Andrew Hillman, A.C.A. (Chair of Trustees)



Anthony Harris (Trustee)

Orchard Homes

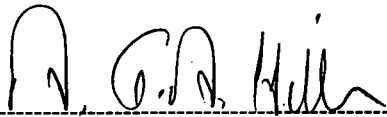
BALANCE SHEET

for the year ended 31 March 2016

	Note	2016	2015
		£	Restated £
Fixed assets			
Housing properties – depreciated cost	6	9,973,979	9,596,981
Investments	7	2,975,612	3,159,361
Other fixed assets	8	26,125	21,563
		<u>12,975,716</u>	<u>12,777,905</u>
Current assets			
Debtors due after more than one year	9	681,327	712,507
Debtors due within one year	9	212,137	149,943
Investments	10	1,971,515	2,149,425
Cash at bank and in hand		98,599	282,395
		<u>2,963,578</u>	<u>3,294,270</u>
Creditors: amounts falling due within one year	11	<u>(97,332)</u>	<u>(209,984)</u>
Net current assets		2,866,246	3,084,286
Creditors: amounts falling due after one year	11	<u>(1,559,464)</u>	<u>(1,587,958)</u>
		<u>14,282,498</u>	<u>14,274,233</u>
Capital and reserves			
Endowment reserves	14	11,117,797	11,414,546
Restricted reserves	14	249,805	265,264
Unrestricted reserves:			
Revenue reserves	14	2,914,896	2,594,423
		<u>14,282,498</u>	<u>14,274,233</u>

The notes on pages 24 to 33 form part of these accounts.

The financial statements of Orchard Homes, charity registration number 1109141/17, were approved by the Board of Trustees and authorised for issue on 27 September 2016 and signed on their behalf by:


 Andrew Hillman, A.C.A. (Chair of Trustees)


 Anthony Harris (Trustee)

Orchard Homes

CASH FLOW STATEMENT

for the year ended 31 March 2016

	Note	2016	2015
		£	Restated £
NET CASH FLOW FROM OPERATING ACTIVITIES	(i)	24,005	(702)
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Investment income		97,055	100,485
Interest received		31,346	26,490
		128,401	126,975
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Investment in William Jones's Almhouse Charity Loan		-	(123,900)
William Jones's Almshouse Charity Loan repayments		30,190	25,529
Acquisition and construction of properties		(533,590)	(301,205)
Purchase of other fixed assets and investments		(10,712)	(20,934)
Profit on disposal of housing properties		-	1,147,547
Net cash (outflow)/inflow from capital expenditure		(514,112)	727,037
Change in cash in the reporting period		(361,706)	853,310
Cash and cash equivalents at the beginning of the reporting period		2,431,820	1,578,510
Cash and cash equivalents at the end of the reporting period	(ii)	2,070,114	2,431,820

Please see note 10 for the reasons for restatement.

Orchard Homes

CASH FLOW STATEMENT

for the year ended 31 March 2016

NOTES TO THE CASH FLOW STATEMENT

(i) RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net movement in funds for the reporting period	192,375	1,347,490
Adjustments for:		
Depreciation charges	162,381	153,444
Amortisation of Social Housing Grant	(28,494)	(28,494)
Profit on disposal of housing properties	-	(1,147,547)
Investment income	(97,055)	(100,485)
Interest receivable on short-term deposits	(31,346)	(26,490)
(Increase) in debtors	(31,014)	(120,605)
(Decrease)/Increase in debtor due to investing in William Jones's Almshouse loan	(30,190)	98,371
(Decrease)/Increase in creditors	(112,652)	(176,386)
Net cash inflow/(outflow) provided by operating activities	24,005	(702)

(ii) ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Instant access cash investments	1,971,515	2,149,425
Cash at bank and in hand	98,599	282,395
Total cash and cash equivalents	2,070,114	2,431,820

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015. A summary of the more important accounting policies is set out below.

The financial statements are prepared on the historical cost convention modified to include the revaluation of fixed asset investments. They are prepared on a going concern basis.

Implementation of FRS 102

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition the accounts need to be restated to reclassify social housing grants of £1,916,043, formerly shown as a reduction in the cost of housing property fixed assets, as a creditor. The social housing grant is required to be recognised as income over the life of the underlying almshouse. Re-classing the social housing grants to creditors increases the net book value of almshouses in the accounts and requires an additional depreciation charge. No other restatements are required. In accordance with the requirements of FRS 102 a reconciliation of the opening balances is provided.

	At 1 April 2014			At 31 March 2015		
	As previously reported	Effect of transition	FRS 102 (as restated)	As previously reported (restated)	Effect of transition	FRS 102 (as restated)
	£	£	£	£	£	£
FIXED ASSETS						
Housing property	9,712,300	(266,232)	9,446,068	9,886,363	(289,382)	9,596,981
Less social housing grants	(1,916,043)	1,916,043	-	(1,916,043)	1,916,043	-
	7,796,257	1,649,811	9,446,068	7,970,320	1,626,661	9,596,981
Investments	2,955,941	-	2,955,941	3,159,361	-	3,159,361
Other fixed assets	3,780	-	3,780	21,563	-	21,563
	10,755,978	1,649,811	12,405,789	11,151,244	1,626,661	12,777,905
Debtors less than one year	121,919	-	121,919	149,943	-	149,943
Debtors greater than one year	619,926	-	619,926	712,507	-	712,507
Investments	1,450,847	-	1,450,847	2,149,425	-	2,149,425
Cash	127,663	-	127,663	282,395	-	282,395
CURRENT ASSETS	2,320,355	-	2,320,355	3,294,270	-	3,294,270
Creditors due less than 1 year	(357,876)	(28,494)	(386,370)	(181,490)	(28,494)	(209,984)
Creditors due more than 1 year	-	(1,616,452)	(1,616,452)	-	(1,587,958)	(1,587,958)
	12,718,457	4,865	12,723,322	14,264,024	10,209	14,274,233
CAPITAL AND RESERVES						
Endowment	9,740,327	4,865	9,745,192	11,404,337	10,209	11,414,546
Restricted	705,448	-	705,448	265,264	-	265,264
Unrestricted	2,272,682	-	2,272,682	2,594,423	-	2,594,423
	12,718,457	4,865	12,723,322	14,264,024	10,209	14,274,233

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. ACCOUNTING POLICIES (*continued*)

Please see note 10 for the reasons for restatement

Reconciliation of Income and Expenditure for the year ended 31 March 2015

	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Turnover	644,453	28,494	672,947
Less: Operating costs	(588,530)	(23,151)	(611,681)
Operating surplus	55,923	5,343	61,266
Profit on disposal of fixed assets	1,147,547	-	1,147,547
Investment income	100,485	-	100,485
Donations	11,702	-	11,702
Interest receivable on short term deposits	26,490	-	26,490
Surplus for the year	1,342,147	5,343	1,347,490

Going Concern

Orchard Home's activities and future plans are set out in the Trustees' report.

Orchard Homes has no external borrowing facilities and manages its activities with positive unrestricted bank balances. The Trustees' forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure, show that Orchard Homes has adequate resources to continue in operational existence for the foreseeable future.

Rental income represents Orchard Homes largest income stream.

Orchard Homes also receives substantial investment income from investments in the Common Pooled Investment Fund.

Turnover

Turnover represents rental and service charge income on an accruals basis.

Value added tax

Value added tax (VAT) is not recoverable by the Charity and expenditure is shown in the accounts inclusive of VAT.

Tangible fixed assets and depreciation

Fixed assets are initially recorded at cost.

Depreciation is provided to write off the cost of motor vehicles at 25% per annum on a reducing balance basis; and computer equipment over three years on a straight line basis.

Housing properties

Housing properties are initially stated at cost. The cost of such properties includes the cost of acquiring land and buildings, development expenditure, and expenditure incurred in respect of improvements which increase the future net income stream. Interest is capitalised up to the date of practical completion of the relevant scheme. Assets in the course of construction are capitalised at cost and not depreciated until the work is complete and the assets are transferred to other categories.

Component accounting as set out in the RSL SORP update 2010 has been used to calculate depreciation for John Foster's Almshouse as is where it has a material impact. Depreciation on all capitalised components for John Foster's Almshouse is on a straight line basis over the life of the asset as follows:

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. ACCOUNTING POLICIES *(continued)*

Component	Useful Economic Life
Land	Nil
Kitchens	20
Bathrooms	20
Heating	20
Roof	30
Windows	30
Lift	30
Structure	100

Social Housing grants

Social Housing grants are paid by the Housing and Communities Agency (HCA) and in previous years reduced the cost of development. Following the implementation of FRS 102 Social Housing Grants are now included in creditors and the income is recognised in the Income and Expenditure account over the life of the respective housing property. Please refer to notes on the implementation of FRS 102

Social Housing grant is repayable under certain circumstances, primarily following the sale of a relevant property when the repayable amount will often be restricted to the net proceeds of the sale.

Investments

Investments are included at their mid-market value at the balance sheet date. The investments represent 20% of the Common Pool Investment Fund held by Bristol Charities. Within the Bristol Charities Common Pool Investment Fund are investment properties which are valued at market value by Alder King LLP, RICS Registered Valuers. Full details of the investments are reported in Bristol Charities annual accounts, notes 15 and 18. Any gain or loss on valuation is taken to the endowment fund and reflected in the Statement of Financial Activities.

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	----- Housing -----			
	Almshouses	The Furber Fund	2016 Total	2015 Total
	£	£	£	
Turnover	625,985	66,498	692,483	672,947
Operating costs	(601,570)	(38,674)	(640,244)	(611,681)
Operating surplus	24,415	27,824	52,239	61,266
Turnover				
Rents/maintenance charges/fees	538,362	66,498	604,860	650,073
Service charges	63,488	-	63,488	102,657
Rent losses from voids	(4,359)	-	(4,359)	(108,277)
Social Housing Grant income	28,494	-	28,494	28,494
	625,985	66,498	692,483	672,947
Operating costs				
Routine maintenance	(28,174)	(5,715)	(33,889)	(42,529)
Direct costs	(287,599)	(17,146)	(304,745)	(262,009)
Administrative costs – management	(119,450)	(13,840)	(133,290)	(148,569)
Administrative costs – other	(5,382)	(557)	(5,939)	(7,561)
Depreciation	(160,965)	(1,416)	(162,381)	(151,013)
	(601,570)	(38,674)	(640,244)	(611,681)

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

3. STAFF NUMBERS AND COSTS

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

	Persons No.	2016 Full-time equivalent No.	Persons No.	2015 Full-time equivalent No.
Average monthly number of staff	2	1.9	3	2.4

Staff are employed by Bristol Charities and the salary costs are apportioned to Orchard Homes on the basis of time allocated to the charity. Salary costs for 2016 were £94,752 (2015: £63,734).

A fee is paid in respect of the management services, to the Trustee, Bristol Charities, as there is no separate executive or management team. Details of the amounts paid to Bristol Charities in this respect are shown within note 16.

4. SURPLUS FOR THE FINANCIAL YEAR

The surplus for the financial year is stated after charging/(crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets	5,789	3,151
Depreciation of housing properties	156,592	150,293
Surplus on disposal of housing properties	-	(1,147,547)
Auditor's remuneration:		
Fees in respect of the audit of the Charity's annual accounts	5,939	7,561

5. TAXATION

Orchard Homes is a registered charity and as such is entitled to relevant tax exemptions on its charitable income and gains properly applied under normal circumstances for its charitable purposes.

6. HOUSING PROPERTY

	Assets in the course of construction £	Almshouses £	Housing £	Total £
Freehold property at cost				
At beginning of year	86,366	10,046,249	139,127	10,271,742
Additions	525,266	8,324	-	533,590
At 31 March 2016	611,632	10,054,573	139,127	10,805,332
Depreciation				
At beginning of year	-	653,891	20,870	674,761
Charge in year	-	155,200	1,392	156,592
At 31 March 2016	-	809,091	22,262	831,353
Net book value at 31 March 2016	611,632	9,245,482	116,865	9,973,979
Net book value at 31 March 2015	86,366	9,392,358	118,257	9,596,981

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

6. HOUSING PROPERTY (*continued*)

The almshouse and housing properties comprise:

	Number of units at 1 April 2015 and 31 March 2016
Red Cross Mews	8
Perrett House	31
John Fosters	18
Barstaple	31
Furber Properties	8

The accommodation at Red Cross Mews, Perrett House, John Fosters and Barstaple is classed as housing for older people. The Furber Properties accommodation is classed as general needs housing.

For insurance purposes the combined value of all housing properties, being the Almshouses and the properties in the Furber Fund, was £16,283,784 (2015 £16,122,558).

There were no disposals in the year. During the year ended 31 March 2015 the Manor House Almshouse was disposed of and generated a surplus of £1,147,547. This asset was acquired in 2008/09 on the transfer of assets and Trusteeship of The Manor House for the Elderly Charity which was subsequently removed from the Charity Register. On transfer this asset had a £nil Net Book Value.

The value of the land included in housing properties at 31 March 2016 was £992,833 (2015: £957,833).

7. INVESTMENTS

	Total 2016 £	Total 2015 Restated £
Market value at 1 April	3,159,361	2,955,941
Additions	154,196	332,924
Disposals market value at 1 April	(206,408)	(305,097)
Investment management charge	(6,507)	(5,763)
Adjustment to market value	(125,030)	181,356
Market value at 31 March	<u>2,975,612</u>	<u>3,159,361</u>
Historical cost	<u>2,742,602</u>	<u>2,735,401</u>

Investments at market value comprised:

	2016 £	2015 £
Investment properties	279,381	274,051
UK fixed interest bonds	225,296	235,491
Overseas fixed interest bonds	39,549	42,559
Private equity	24,862	-
UK quoted equities	507,610	550,525
UK Investment & Unit trusts	110,134	172,026
Overseas equities	420,440	453,972
Barings pooled funds	1,333,466	1,408,015
Cash	34,874	22,722
Market value at 31 March	<u>2,975,612</u>	<u>3,159,361</u>

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

7. INVESTMENTS (*continued*)

The investments disclosure is reported in more detail in these accounts and the 2015 figures have been restated to be comparable to the detailed information now provided.

At 31 March 2016 the Charity held 581,299 units in the Bristol Charities Common Pooled Investment Fund (CPIF) (2015: 581,299). Full details of the CPIF are included in the Bristol Charities financial statements (notes 4 and 24).

Orchard Homes' share of realised and unrealised gains and losses in the year were:

	2016 £	2015 £
(Realised losses)/realized gains	(59,080)	22,064
(Unrealised losses)/unrealized gains	(125,030)	181,356
(Losses)/gains on investment assets	<u>(184,110)</u>	<u>203,420</u>

Orchard Homes' share of the realised gains in the year ended 31 March 2015 relating to the sale of land adjacent to John Fosters amounted to £20,066, which were re-invested into the investment portfolio.

Included in the Common Pool Investment Fund is investment properties, Orchard Homes' share of these properties had a market value of £279,381 (2015: £274,051). In both years the valuation was carried out by Alder King LLP, RICS Registered Valuers.

8. OTHER FIXED ASSETS

	Equipment £	Motor vehicles £	Total £
Cost			
At beginning of year	24,320	4,717	29,037
Additions	10,351	-	10,351
At end of year	<u>34,671</u>	<u>4,717</u>	<u>39,388</u>
Depreciation			
At beginning of year	3,970	3,504	7,474
Charge for the year	5,486	303	5,789
At end of year	<u>9,456</u>	<u>3,807</u>	<u>13,263</u>
Net book value at 31 March 2016	<u>25,215</u>	<u>910</u>	<u>26,125</u>
Net book value at 31 March 2015	<u>20,350</u>	<u>1,213</u>	<u>21,563</u>

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

9. DEBTORS

	2016	2015
	£	Restated £
Due after more than one year: investment in William Jones's Almshouse Charity Loan	681,327	712,507
Due within one year:		
Trade debtors	6,050	30,398
Investment in William Jones's Almshouse Charity Loan, due within one year	31,180	30,190
Amounts due from parent charity, intercompany account balance	125,429	75,165
Amounts due from other group charities, intercompany accounts: with William Jones's Almshouse Charity	7,784	944
Other debtors and prepayments	41,694	13,246
	<u>212,137</u>	<u>149,943</u>
Total Debtors	<u>893,464</u>	<u>862,450</u>

In the 2015 accounts Orchard Homes's share of Bristol Charities cash investments with Royal London Cash Management Limited was overstated by £35,208. The 2015 accounts haven restated to increase the amounts due from intercompany accounts and to report the correct cash balance with Royal London, please also see note 10.

WILLIAM JONES'S ALMSHOUSE CHARITY LOAN

In 2012/13, Bristol Charities – the parent charity – agreed to lend to William Jones's Almshouse Charity (another group charity) up to £750,000, towards building a new almshouse. Orchard Homes invested in the loan and receives interest of 2.73% per annum above the Bank of England base-rate, accrued monthly, on the investment.

It was expected that, once the build was complete in June 2014, the loan would be transferred to a bank. In this way the funds would be returned to Orchard Homes within the year 2013/14 and so in prior years that full balance was shown in current debtors.

After reviewing the options for transferring the loan to a bank, it has been decided not to pursue this option. It was therefore agreed that Orchard Homes would invest further additional funds so that its investment then equated to the total loan to William Jones's Almshouse Charity.

The loan is reflected in these accounts as being issued directly by Orchard Homes to William Jones's Almshouse Charity.

The loan is repayable over 21 years from August 2013. As there are no current plans to liquidate the investment, amounts repayable after 12 months are shown in debtors due after one year. At the end of the year, Orchard Homes had £712,507 invested in the loan (2015 £742,697) of which £681,327 was due after more than one year. Interest charged on the loan in the year amounted to £23,545 (2015: £23,723).

10. INVESTMENTS

	2016	2015
	£	Restated £
Cash on deposit with Royal London Cash Management Limited	<u>1,971,515</u>	<u>2,149,425</u>

The cash invested can be withdrawn without notice.

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

10. INVESTMENTS *(continued)*

In the 2015 accounts Orchard Homes' share of Bristol Charities cash investments with Royal London Cash Management Limited was overstated by £35,208. The 2015 accounts have been restated to reflect the correct balance, please also see note 9.

11. CREDITORS

	2016 £	2015 £
Due within one year:		
Deferred income	4,391	778
Trade creditors	8,167	42,060
Other creditors	4,616	23,206
Amounts owed to other group companies:		
Orchard Homes Design and Build Limited	18,263	-
Accruals	33,401	115,446
Social Housing Grants	28,494	28,494
	<u>97,332</u>	<u>209,984</u>
Due after one year:		
Social Housing Grants	<u>1,559,464</u>	<u>1,587,958</u>

12. GROSS TRANSFERS BETWEEN RESERVES

The following amounts were transferred between reserves during the year:

	Endowment reserves £	Restricted reserves £	Unrestricted reserves £
Transfers during the year ended 31 March 2016	<u>-</u>	<u>-</u>	<u>-</u>
Transfers during the year ended 31 March 2015	<u>457,270</u>	<u>(457,270)</u>	<u>-</u>

13. TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

No remuneration or expenses were paid by Orchard Homes to any trustee during the year, or the prior year.

14. CAPITAL AND RESERVES

	Endowment reserves £	Restricted reserves £	Unrestricted reserves £	Total £
At beginning of year	11,414,546	265,264	2,594,423	14,274,233
(Deficit)/Surplus for the financial year	(128,098)	-	320,473	192,375
(Loss) on revaluation of investments	(168,651)	(15,459)	-	(184,110)
At end of year	<u>11,117,797</u>	<u>249,805</u>	<u>2,914,896</u>	<u>14,282,498</u>

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

14. CAPITAL AND RESERVES (continued)

Unrestricted reserves are represented by:

	Balance at 1 April 2015 £	Total income £	Total expenditure £	Balance at 31 March 2016 £
General unrestricted reserve	2,594,423	804,125	(483,652)	2,914,896
Total unrestricted reserves	2,594,423	804,125	(483,652)	2,914,896

Restricted reserves are represented by:

	Balance at 1 April 2015 £	Total losses on investment assets £	Balance at 31 March 2016 £
Restricted reserves	265,264	(15,459)	249,805
Total restricted reserves	265,264	(15,459)	249,805

Endowment reserves are represented by:

	Balance at 1 April 2015 £	Total income £	Total expenditure £	Total losses on investment assets £	Balance at 31 March 2016 £
Endowment reserve	11,414,546	28,494	(156,592)	(168,651)	11,117,797
Total endowment reserves	11,414,546	28,494	(156,592)	(168,651)	11,117,797

The capital and reserves are represented by:

	Endowment reserves £	Restricted reserves £	Unrestricted reserves £	Total £
Housing property	9,973,979	-	-	9,973,979
Investments	2,725,807	249,805	-	2,975,612
Other fixed assets	-	-	26,125	26,125
Current assets	5,969	-	2,957,609	2,963,578
Current liabilities	(28,494)	-	(68,838)	(97,332)
Creditors falling due after more than one year	(1,559,464)	-	-	(1,559,464)
Total net assets	11,117,797	249,805	2,914,896	14,282,498

The Restricted Reserves are funds that were set aside for major repairs when Orchard Homes owned historic properties, for which significant repairs reserves were needed because of the properties' ages.

Endowment reserves are funds for almshouse and housing tangible fixed assets.

Orchard Homes

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

15. HOUSING STOCK

The number of Housing Units in management at 31 March was:

	2016 No.	2015 No.
Housing accommodation for letting	57	97

16. RELATED PARTY TRANSACTIONS

Bristol Charities, the sole Trustee of Orchard Homes, provided the charity with administrative services and charged Orchard Homes £231,288 (2015: £256,632) in respect of the charity's share of the total administrative costs. 2016 management charges are split as follows:

	£
Almshouse costs expensed in the Income & Expenditure Account	123,680
Costs incurred in the proposed sale of housing properties	30,000
Costs incurred in the development of new almshouses and capitalised in the year	77,608
	<u>231,288</u>

The apportionment of management costs is calculated at the start of the financial year based on the anticipated share of Bristol Charities central management costs and is included in Orchard Homes annual budget.

The amount owed to Orchard Homes from Bristol Charities as at 31 March 2016 was £125,429 (2015: £75,165).

The amount owed to Orchard Homes from William Jones's Almshouse Charity as at 31 March 2016 was £7,784 (2015: £944). The loan owed by William Jones's Almshouse Charity to Orchard Homes as at 31 March 2016 was £712,507 (2015: £742,697).

Orchard Homes' maintenance officer visited William Jones's Almshouse to resolve minor maintenance issues in the year ended 31 March 2015 but no such visits occurred in the year ended 31 March 2016. Orchard Homes charged William Jones's Almshouse Charity £0 (2015: £840) for this service.

Orchard Homes Design and Build Limited, a subsidiary of Bristol Charities, provided the charity with construction services for the building of the proposed almshouse in Stockwood and charged Orchard Homes £125,573 (2015: £0) for these services.

The amount owed from Orchard Homes to Orchard Homes Design and Build Limited as at 31 March 2016 was £18,263 (2015: £0).

The 3 related parties, Bristol Charities, William Jones's Almshouse Charity and Orchard Homes Design and Build Limited are not registered with the Homes and Communities Agency.

17. DEFINED BENEFIT PENSION PLANS

Bristol Charities, the Corporate trustee of Orchard Homes, participates in 2 defined benefit pension Schemes, the Scottish Voluntary Sector Pension Scheme and the Growth Plan Series 3 Plan. Full information on the policy for funding these 2 plans and the accounting for the contributions payable are disclosed in Bristol Charities annual accounts, notes 9 and 25.

18. ULTIMATE CONTROLLING PARTY

Ultimate control over the entity is held by Bristol Charities as sole Trustee of Orchard Homes.

Orchard Homes

TRUSTEES, OFFICERS AND ADVISERS for the year ended 31 March 2016

Trustee Bristol Charities

The Trustees of Bristol Charities are:

Andrew Hillman, A.C.A. (Chair of Trustees)
Laura Claydon, LL.B., Solicitor (Vice Chair of Trustees)
Melanie Ball M.Inst.F. (appointed 24 November 2015)
Dr Shaheen Shahzadi Chaudhry J.P. (appointed 24 November 2015)
Kamala Das, LL.M., Barrister
Richard Gore, B.A. (Joint Hons.), Solicitor
Susan Hampton, D.L., J.P., B.Sc.
Tony Harris, M.Sc., F.C.A.
Dr Ros Kennedy, MB, BS, MRCP, MRCGP, DCH
Dudley Lewis, Solicitor
Michelle Meredith
Sonia Mills, M.A., M.Sc., M.IHSM Dip. HSM
Paul Staples, A.C.A., B.Sc. (Hons)
David Watts, J.P., M.A., F.R.I.C.S.
Nolan Webber, Chartered FCSI (appointed 27 September 2016)
John Webster, B.A., B.Arch., R.I.B.A., M.R.T.P.I.

Chief Executive Anne Anketell, B.A. (Hons)

Principal Office/
Registered Office 17 St Augustine's Parade
Bristol
BS1 4UL

Telephone: 0117 930 0301
Email: info@bristolcharities.org.uk
Website: www.bristolcharities.org.uk

Property Advisers Alder King
Pembroke House
15 Pembroke Road
Bristol
BS8 3BA

Investment Managers Baring Asset Management Limited
155 Bishopsgate
London
EC2M 3XY

Smith & Williamson Investment Management
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Auditor Milsted Langdon LLP
1 Redcliff Street
Bristol
BS1 6NP

Bankers CAF Bank
25 Kings Hill Avenue
Kings Hill West Malling
Kent
ME19 4JQ

Orchard Homes

TRUSTEES, OFFICERS AND ADVISERS for the year ended 31 March 2016

Bankers (*continued*)

Handelsbanken
66 Queens Square
Bristol
BS1 4JP

Santander
Bootle
Merseyside
L30 4GB

Legal Advisers

Bond Dickinson LLP
3 Temple Quay
Temple Back East
Bristol
BS1 6DZ

Veale Wasbrough Vizards LLP
Orchard Court
Orchard Lane
Bristol
BS1 5WS

William Jones's Almshouse Charity
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended
31 March 2016



William Jones's Almshouse Charity

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for the year ended 31 March 2016

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William Jones's Almshouse Charity

INTRODUCTION

for the year ended 31 March 2016

What We Do

The aims and objectives of William Jones's Almshouse Charity are held within the governing scheme. The primary objective is as follows:

The provision of housing accommodation for beneficiaries who

- i) Are in need, hardship or distress, and
- ii) Have resided in the area of benefit, the county of Monmouthshire.

We Do This By

Providing an almshouse comprising **twenty-four one-bedroom flats** offering opportunities for independent, affordable and secure living.

The History

William Jones, a Haberdasher, was one of the most generous benefactors of his time; a staunchly puritan merchant adventurer who left his home in the Monmouth/Newland area to find employment in London. He went on to live and work for many years in Stade and Hamburg in Northern Germany. When he died, he left a sum of £19,900 for various charitable purposes, leading to the establishment of two richly-endowed almshouse charities. The larger of the almshouse charities was built at Monmouth, where he also founded a school (now the Monmouth School for Boys). William Jones granted the trusteeship to the Haberdashers' Company, which went on to be responsible for the charities for almost 400 years.

The original Monmouth Almshouses were constructed in 1614, and rebuilt in 1842 and 1961.

The 1961 Almshouses consisted of 19 bedsits. By recent years, it had become apparent that the Almshouses were no longer "fit for purpose" as their outdated design and limited size did not provide the quality of accommodation that the Haberdashers believed should be made available to older people. The Company therefore decided to work with Bristol Charities to create new modern almshouse accommodation on the Monmouth site. Having consulted with the Haberdashers' Company since 2005, Bristol Charities took over the trusteeship of William Jones's Almshouse Charity in 2011.

William Jones's Almshouse Charity

MESSAGE FROM THE CHAIR OF TRUSTEES

for the year ended 31 March 2016

Welcome to our Annual Report and Accounts for the year ended 31st March 2016.

The mission of this charity, which is to support the older people of Monmouth to live fulfilling and, as far as reasonably possible, independent lives, is unchanged as indeed it has been since our foundation in 1614. The ways in which we do this of course change with increasing longevity, improved healthcare, and, understandably, greater expectations from our residents. Central Government continues to provide us with challenges too with continued uncertainty around benefit levels.

I am delighted with the response of our residents to our satisfaction questionnaire whilst being very mindful that we have constantly to "raise the bar" in all that we do. Perhaps the greatest compliment to our work and what we provide is our high levels of occupancy.

We spend a considerable amount on maintenance and minor improvements to the facilities – even in such a new building there are always things that can be better and we believe strongly in preventive action.

During the year we carried out a detailed review of our governance arrangements and I am pleased to report that Trustees have agreed to follow Charity Commission guidance on terms of office. Over the next three years all Trustees with nine or more years of service will retire and thereafter Trustees will serve terms of three years, renewable twice, thus



From left to right:
Chief Executive: Anne Anketell, B.A. (Hons)
Chair of Trustees: Andrew Hillman, A.C.A.

William Jones's Almshouse Charity

MESSAGE FROM THE CHAIR OF TRUSTEES

for the year ended 31 March 2016

giving a maximum period of service of nine years. The Chair will step out of this arrangement and may serve a maximum of two terms each of four years before, if wished, resuming the new normal trustee cycle. We have also agreed to simplify parts of our sub-committee structure.

I am delighted that we continue to be able to recruit new trustees with relevant experience and this year we have been joined by Mr. Nolan Webber, who brings very strong credentials in the area of investment management.

Trustees continue to commit hugely and entirely voluntarily of their time and expertise and I am most grateful to them and also to our Patron, the Haberdashers' Company, for their continued interest and support.

Finally, I must pay tribute, again, to Anne and her team. They seem always to deliver, although I expect this year will be no less demanding than last.

Andrew Hillman, A.C.A.
Chair of Trustees

i) ACHIEVEMENTS AND PERFORMANCE

OUR PRIORITIES IN 2015 WERE TO

- Maintain a 95% occupancy rate and keep void periods to a minimum
- Build on our communication and consultation with residents at William Jones's Almshouse to ensure their views are taken into account
- Work with other partners to ensure a responsive, excellent quality management and maintenance service.

PERFORMANCE

- For the first time since opening, the scheme was at full occupancy, although we ended the year at **8%** voids.
- Our rent collection at year end was **101.4%**.
- Our customer satisfaction response rate increased this year with **68%** of residents taking part in the survey. There was **78%** satisfaction with resident involvement at the scheme. **79%** of residents were satisfied with the quality of the housing and services provided.
- We have an important relationship with our partner, Monmouthshire Housing Association, and we have worked closely with them this year to deliver efficient repair and maintenance services as well as local management and support services. Satisfaction with repairs and maintenance services increased from 70% last year to **80%** in 2015.

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*)
for the year ended 31 March 2016

- Finally, this year we were delighted to receive a royal accolade having been presented with the Highly Commended Award in the Almshouse Association's Patrons Award Scheme. The award was presented by HRH Duke of Gloucester.



Andrew Hillman, A.C.A., Chair of Trustees is presented with a Highly Commended Award in the Almshouse Association's Patrons Award Scheme by HRH Duke of Gloucester for William Jones's Almshouse, Monmouth.

Plans for the Year Ahead

Our plans for William Jones's Almshouse Charity for the year ahead are to:

- Work with our local partner, Monmouthshire Housing Association, on improving the quality and value of the services we deliver.
- In response to feedback from residents, explore opportunities with resident engagement experts to improve the standard of resident engagement and communication.
- Enhance the physical environment of the scheme by introducing recycling, composting and environment-friendly solutions to waste disposal.

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)* for the year ended 31 March 2016

ii) LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure and Governance

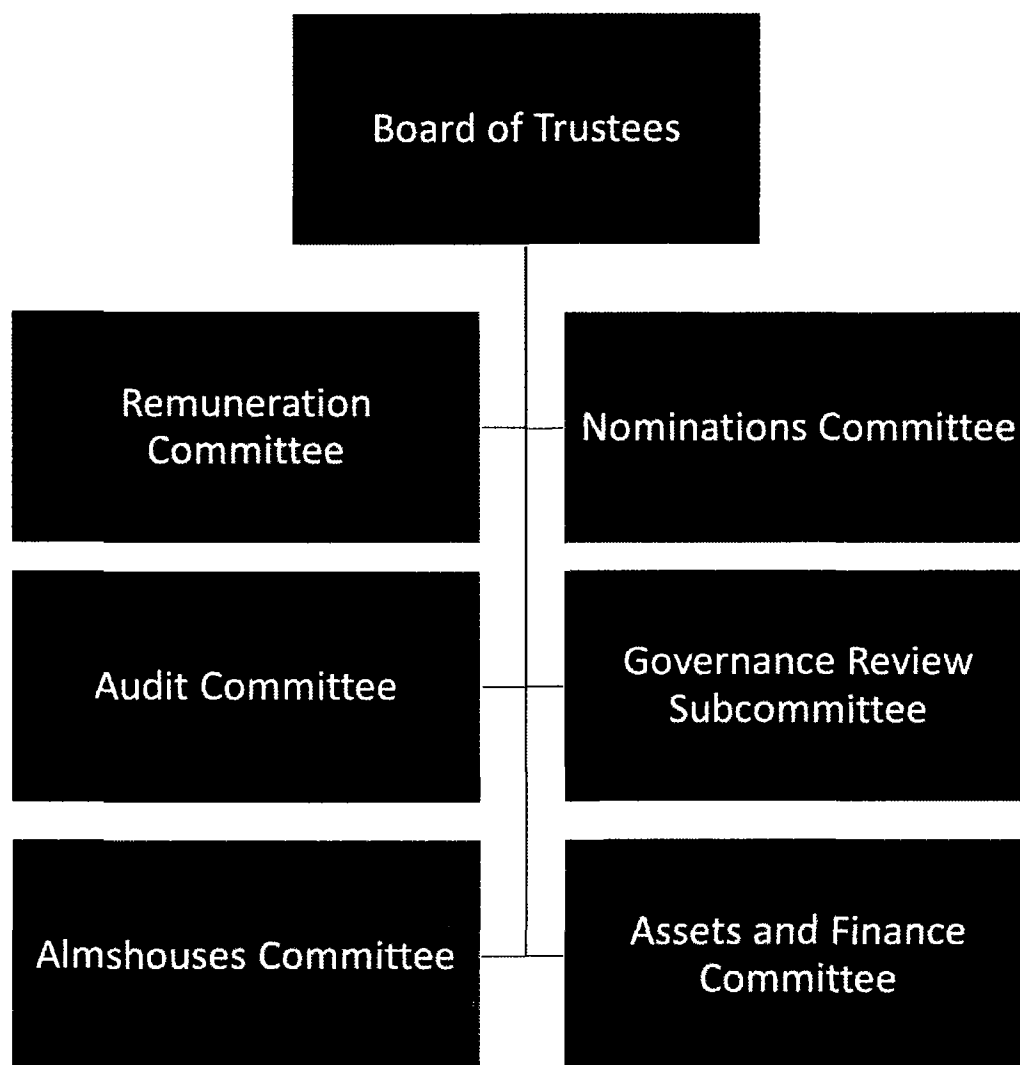
The William Jones's Almshouse Charity is a registered charity number 320514. The Charity is governed by a scheme of the Charity Commission dated 12 July 2001, modified by a scheme dated 3 October 2007 and by special resolution of the trustee dated 23 June 2011.

Day to day management of the Charity is delegated to the Chief Executive (Anne Anketell). The Chief Executive reports progress on key areas of work to the Board on a regular basis.

The address of the principal office of the charity as well as names of the Charity's Trustees can be found on page 23.

There are five standing Committees of the Board. In addition to this during the year a time-limited working/project group was established to undertake a review of governance structures within the charity.

The Committee Structure is as follows:



William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*

for the year ended 31 March 2016

Following on from the Governance Review undertaken by the Governance Subcommittee, the Board of Trustees have decided to delete the Almshouses Committee from the structure with the work of this committee now being reported directly to the Board of Trustees. The roles of the Committees are as follows:

ALMSHOUSES COMMITTEE

This Committee monitors the operational side of the almshouses including admission criteria for residents, maintenance of the buildings, incidents, accidents, safeguarding, compliments and complaints, key performance indicators and finances. The Committee considers potential new sites and projects for almshouse accommodation, developments in residential needs for older people and how the charity could respond to these. The oversight of the charity's new development in Stockwood has now passed to the Stockwood Project Group.

ASSETS AND FINANCE COMMITTEE

This Committee is responsible for overseeing all aspects of the charity's investment portfolio including investment policy, setting appropriate benchmarks and maintaining the performance of the two investment managers. The Committee has overall responsibility for all endowment and operational property and non-property investments and assets. It also reviews the consolidated annual operating and capital project budgets and central management income and expenditure.

AUDIT & HEALTH AND SAFETY COMMITTEE

This Committee is responsible for the review of the external audit of the financial statements, the requirements for any internal audit projects and the review of risk management. The Audit & Health and Safety Committee recommends to the Board the appointment of the firm which conducts the external audit.

NOMINATIONS COMMITTEE

This Committee ensures that the Board of Trustees has the right balance of skills, expertise and experience required to govern the charity and company. The Committee oversees the recruitment and appointment of new Trustees, and presents prospective Trustees for election to the Board of Trustees.

REMUNERATION COMMITTEE

This Committee considers and makes decisions about staff terms and conditions and pay.

GOVERNANCE REVIEW SUBCOMMITTEE

This Subcommittee met twice during the year to conduct a full and robust review of the effectiveness of the current governance structure and processes. The Subcommittee made recommendations to the Board of Trustees in February 2016.

Recruitment, Induction and Training of Trustees

TRUSTEE RECRUITMENT

Candidates are recruited on the basis of the skills and experience and knowledge that will be needed on the Board. The Nominations Committee undertake an annual skills analysis in order to identify gaps on the Board. Any recruitment campaigns focus on the specific skills and experience required to fill those gaps. In 2014/15 fixed terms of office were introduced for all Trustees and the Chair and a strategy for succession planning was introduced. The charity has a role description for the Trustee post and the

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*)

for the year ended 31 March 2016

recruitment pack is updated annually. Applicants have the opportunity to meet the Chair and the Chief Executive before being interviewed by two members of the Nominations Committee. Recommendations to appoint are then made by the Nominations Committee to the Board of Trustees.

TRAINING INDUCTION AND APPRAISAL OF TRUSTEES

New Trustees take part in a Structured Induction Programme, attending meetings with key staff and other Trustees, visiting projects and sites and are encouraged to attend all committees to really get an understanding of the work of the charity. This year the charity developed and introduced a comprehensive Induction Pack.

Trustees are sent information on a regular basis on training courses and briefings. A regular item has been introduced to the Board of Trustees meeting agenda to provide updates on policy/legislation changes. Trustees who have attended training are encouraged to share knowledge with fellow Trustees.

The Chair meets with each Trustee on an annual basis to review their performance and to receive feedback. A summary of those meetings is reported to the Nominations Committee.

The Governance Review Sub-group have recommended that a Formal Trustee Appraisal Policy and Procedure be implemented and this was being developed in the year.

Public benefit

The objects and aims of Bristol Charities are contained in the governing scheme dated 12 July 2001.

Its objects include the provision of housing accommodation for beneficiaries who

- i) Are in need, hardship or distress, and
- ii) Have resided in the area of benefit, the county of Monmouthshire.

The Trustees have considered the Charity Commission guidance on public benefit from section 17 of the Charities Act 2011. We believe that the work of Bristol Charities has directly benefited people by

- Providing excellent, purpose-build accommodation at William Jones's Almshouse, offering on site support and a safe community setting for older, vulnerable people.

The Strategic Report section (pages 4 to 11) sets out the aims and strategies of the Charity and demonstrates how the aims and activities of the Charity during the year were carried out for the public benefit.

Pay Policy for Senior Staff

The pay of the senior staff is reviewed annually by the Remuneration Committee, page 6, and normally increased in accordance with average earnings."

Our Staff

Throughout the year we engaged in a programme to streamline our organisational effectiveness and invested time and resources into embedding new supervision and appraisal processes, to ensure a focus on our operational goals. It is through the commitment to our staff that we are able to meet our objectives. William Jones's Almshouse Charity is committed to providing a working environment where everyone has a chance to develop and make a contribution. We provide training and career development to all employees, we assess an individual's career development with an annual appraisal and regular 1:1

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*

for the year ended 31 March 2016

meetings and we provide training to meet any ongoing needs with the aim of developing employees for both their current and future roles.

Risk Management

The Board of Trustees oversees risks annually with additional operational and financial risk assessment through delegation to the relevant committee and to the Audit & Health and Safety Committee.

It oversees its responsibility through its review of the effectiveness of the Charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the Charity's performance and its ability to achieve its objectives.

Management of risk is embedded into our day-to-day business activities and well-established processes and policies are in place to manage them. All of our employees have a role in reducing risk through our internal central framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity so as to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than eliminate the risks to the Charity's objectives and to provide reasonable, but not absolute assurance against material misstatement or loss.

The Audit & Health and Safety Committee biannually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Principle Risks and Uncertainties

The Principle Risks to the Charity's objectives and actions mitigating those risks are summarised below.

Risk	Management Actions
Lack of demand resulting in an excessive number of voids	<ul style="list-style-type: none"> • Use multiple sources to advertise vacancies including choice-base lettings and local adverts • Monmouthshire Housing Association to provide local support for interviews and assessment to facilitate a speedy response to referrals • Build waiting list.
Change in Legislation and regulation on activities undertaken	<ul style="list-style-type: none"> • Monitor proposed legal and regulatory reforms • Review Care Act 2014 • Implement Action Plan for Heat Network Regulations • Welfare Reform changes to benefits included in budgets.
Service delivery is poor leading to customer dissatisfaction	<ul style="list-style-type: none"> • Quarterly contract review meetings with Monmouthshire Housing Association • Review of Key Performance Indicators and other performance data • Undertake Customer Satisfaction Survey.

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT (*continued*) for the year ended 31 March 2016

iii) FINANCIAL REVIEW

It is pleasing to report the Charity made a surplus in the year of £5,615 (2015: surplus £21,506). Within these results £24,648 of depreciation (2015: £24,406) was charged to endowment, net restricted fund income of £2,397 (2015: £3,495) and a surplus of £27,866 (2015: surplus £42,417) of charitable income over expenditure was credited to unrestricted reserves.

Unrestricted charitable income of £179,581 (2015: £167,396) was generated from weekly maintenance and utility charges to residents.

Pensions

Bristol Charities implemented pensions auto-enrolment in March 2016. Staff who are automatically enrolled have contributions paid to the Growth Plan Series 4 Pension Scheme which is administered by the Pensions Trust. Pension auto-enrolment was brought in by the UK Government to encourage employees to save towards their retirement and 7 Bristol Charities employees started contributing to a pension following the implementation.

Bristol Charities participates in 2 defined benefit pension schemes, the Scottish Voluntary Sector Pensions Scheme and the Growth Plan Series 3 Pension Scheme. Both of these funds are in deficit and Bristol Charities makes monthly contributions to fund them. Full information on the policy for funding these 2 plans and the accounting for the contributions payable are disclosed in Bristol Charities' annual accounts, notes 9 and 25.

Going concern

The Trustees regularly prepare forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure.

Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Reserves policy

The Charity's income stream, of weekly maintenance charges and heat and water charges, is very regular. It is received on a weekly basis from residents and on a monthly basis from the local authority. A minimum cash reserve of £10,000 is retained in the current account, which is one month's maximum expected monthly expenditure. Any cash above this, once obligations have been met, is used to repay the intercompany balances to Bristol Charities and Orchard Homes. The reserves policy will be reviewed once the intercompany balance has been repaid.

Internal Control

Accounting policies and procedures are determined as far as is practical to provide a good level of financial control over the Charity's income, expenditure, assets and liabilities. All transactions are required to be authorised before payment and all payments require 2 authorisations. All non-standard payments of £10,000 or more require approval by a Trustee before payment.

In advance of each year the Trustees review and approve a budget. Each quarter the Trustees review actual performance of the Charity against budgets and make enquiries to management of significant deviations.

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES – STRATEGIC REPORT *(continued)*

for the year ended 31 March 2016

The Audit & Health and Safety Committee meets twice per year and at the meeting to review the annual accounts the Auditors are required to provide a commentary on internal control and procedures based on the findings in their audit fieldwork.

The Trustees recognise with a small head office function internal controls rely on a small number of key staff but they believe that the Controls in place are adequate to safe guard the Charity's income, expenditure and assets.

The Governance Framework sets out the operational boundaries and defines the activities of the Board, Committees and Management Team, it sets out how actions and decisions should be taken and ensures compliance is effectively assessed.

The Charity maintains a strong Health and Safety Focus to ensure that as far as practical, safe working arrangements and effective management of key hazards (fire legionella, electrical and mechanical safety). Regular reports are presented to the Management Team and the Audit & Health and Safety Committee.

Structure, Governance and Management

William Jones's Almshouse Charity is a registered charity, number 230514.

The charity is governed by a Scheme of the Charity Commission dated 12 July 2001, modified by a Scheme dated 3 October 2007 and by special resolution of the trustee dated 23 June 2011.

Bristol Charities is the corporate trustee of the charity. The Haberdashers' Company retains a role as Patron of the charity.

Bristol Charities' Trustees are appointed on a triennial basis. Candidates are recruited on the basis of the skills and experience required on the Board. The Nominations Committee identifies the skills, experience and knowledge that will be needed on the Board and seeks to recruit candidates on this basis. The Committee oversees the process of recruitment and makes recommendations to the Board of Trustees at the Annual General Meeting.

The list of Bristol Charities' Trustees, along with the registered charity address and list of advisors is included on page 23.

Day to day management is delegated to the Chief Executive (Anne Anketell). The Chief Executive reports progress on key areas of work to the Board on a regular basis.

William Jones's Almshouse Charity

TRUSTEES' RESPONSIBILITY STATEMENT

for the year ended 31 March 2016

The trustees (who are also directors of Bristol Charities for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

Milsted Langdon LLP has indicated its willingness to continue in office.

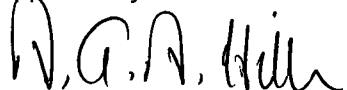
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website, www.bristolcharities.org.uk, in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees and signed on their behalf by:



Andrew Hillman, A.C.A. (Chair of Trustees)

Date 22 November 2016

William Jones's Almshouse Charity

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WILLIAM JONES'S ALMSHOUSE CHARITY

for the year ended 31 March 2016

I report on the accounts of the Charity for the year ended 31 March 2016 comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 20.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the following requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act 2011have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mrs S R Jenkins
For and on behalf of **Milsted Langdon LLP**
One Redcliff Street
Bristol, BS1 6NP

Date ...23/11/16

William Jones's Almshouse Charity

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2016 £	Total 2015 £
Income						
Income and endowment from charitable activities	2	179,581	-	-	179,581	167,396
Investment income	3	22	-	-	22	53
Other incoming resources	4	-	3,650	-	3,650	5,130
Total		179,603	3,650	-	183,253	172,579
Expenditure on						
Charitable activities	5	150,482	150	24,648	175,280	148,183
Other expenditure	6	-	2,358	-	2,358	2,890
Total		150,482	2,508	24,648	177,638	151,073
Net income/(expenditure)		29,121	1,142	(24,648)	5,615	21,506
Transfers between funds	7	(1,255)	1,255	-	-	-
Net movement in funds		27,866	2,397	(24,648)	5,615	21,506
Reconciliation of funds						
Total funds brought forward		73,812	5,319	1,274,578	1,353,709	1,332,203
Fund balances carried forward		101,678	7,716	1,249,930	1,359,324	1,353,709

All results relate to continuing operations

William Jones's Almshouse Charity

BALANCE SHEET

as at 31 March 2016

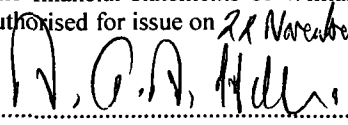
	Notes	2016 £	2015 (as restated) £
FIXED ASSETS			
Tangible assets	9	2,091,914	2,128,325
CURRENT ASSETS			
Debtors	10	7,074	4,217
Cash at bank and in hand		17,065	13,999
Total current assets		<u>24,139</u>	<u>18,216</u>
LIABILITIES			
Creditors: Amounts falling due within one year	11	(72,042)	(76,485)
Net current liabilities		<u>(47,903)</u>	<u>(58,269)</u>
Total assets less current liabilities		2,044,011	2,070,056
Creditors: Amounts falling due after more than one year	12,13	(684,687)	(716,347)
Total net assets		<u>1,359,324</u>	<u>1,353,709</u>
FUNDS			
Endowment funds	15	1,249,930	1,274,578
Restricted income funds	15	7,716	5,319
Unrestricted income funds	15	101,678	73,812
Total charity funds		<u>1,359,324</u>	<u>1,353,709</u>

Information on the restated 2015 accounts is included in note 11, Creditors.

The notes on pages 16 to 22 form part of these accounts.

The Trustees have prepared the accounts in accordance with FRSSE and Charity SORP (FRSSE)

The financial statements of William Jones's Almshouse Charity were approved by the Board of Trustees and authorised for issue on 22 November 2016 and signed on their behalf by:



 Andrew Hillman, A.C.A. (Chair of Trustees)

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of preparation

The accounts (financial statements) have been prepared in accordance with Accounting and Reporting by Charities: Statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting standard for Smaller Entities (FRSSE) and the Charities Act 2011 and applicable regulations.

The accounts are prepared under the historic cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

Going concern

William Jones's Almshouse Charity's activities and future plans are set out in the Trustees' report.

The Trustees forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure, show that William Jones's Almshouse Charity should be able to continue to operate on the going concern basis.

Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Incoming resources

All income is recognised in the statement of financial activities on an accruals basis. Income has been recognised gross on the basis of entitlement, probability and measurement.

Resources expended

Expenditure is recognised when a liability is incurred. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. The majority of costs are directly attributable to activities in furtherance of the objects of the charity.

Value added tax

Value added tax (VAT) is not recoverable by the Charity and expenditure is shown in the accounts inclusive of VAT.

Tangible fixed assets

Housing properties are initially stated at cost. The cost of such properties includes the cost of acquiring land and buildings, development expenditure, and expenditure incurred in respect of improvements which increase the future net income stream. Interest is capitalised up to the date of practical completion of the relevant scheme. Assets in the course of construction are capitalised at cost and not depreciated until the work is complete and the assets are transferred to other categories.

Depreciation is charged on a straight line basis as follows:

Component	Useful Economic Life (Years)
Kitchens, Bathrooms, Heating	20
Roof, Windows, Lift	30
Structure	100
Equipment	5

Depreciation is split between the unrestricted and endowment funds pro rata to the net book value of the underlying fixed assets.

No value is attributed to the land owned by the Charity. Historical cost information is no longer available for this property and the Trustees consider that attempts to provide valuations on an existing use basis would produce no useful or reliable information. If it were possible to base a provision for depreciation on historical cost, it is probable that the amount would not be material.

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. ACCOUNTING POLICIES *(continued)*

Debtors

Debtors are recognised at the settlement amount net of any discounts offered. Prepayments are valued at the amount prepaid after taking account of any discount due.

Creditors

Creditors are recognised when the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

Funds structure

Endowment reserves represent the original endowment of the Charity which was used to invest in freehold land and buildings less the depreciation of endowment properties.

Unrestricted income funds represent income received which is expendable at the discretion of the trustees in furtherance of the objects of the Charity.

Restricted reserves represent the amounts charged to the Householders as service charges less costs incurred relating to the Householders share of the common areas.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Charitable activity: providing almshouse accommodation

	2016	2015
	£	£
Maintenance charges	181,982	181,470
Heat and water charges	14,188	12,264
Losses from voids	(16,589)	(26,338)
Total Almshouse income	<u>179,581</u>	<u>167,396</u>

3. INVESTMENT INCOME

Investment income relates to interest on cash deposited with the CAF Bank.

4. OTHER INCOMING RESOURCES

Other incoming resources is the service fees received from residents of the 10 privately owned houses to cover their share of maintenance costs in the grounds shared with the almshouse residents.

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

5. ANALYSIS OF EXPENDITURE

	Unrestricted funds	Endowment funds	2016	2015
	£	£	£	£
Charitable activity: providing almshouse accommodation				
Maintenance	25,667	-	25,667	4,568
Professional fees	261	-	261	614
Other property costs	27,480	-	27,480	26,953
Resident support costs	3,211	-	3,211	4,583
Staff costs	6,029	-	6,029	8,898
Loan interest	23,545	-	23,545	23,723
Management	40,816	-	40,816	26,294
Administration	2,862	-	2,862	6,325
Governance costs	2,970	-	2,970	4,098
Depreciation	17,641	24,648	42,289	42,127
Total expenditure on charitable activities	150,482	24,648	175,130	148,183

Further information on staff costs is detailed in see note 18.

Governance costs in the year were the Independent Examiner's fees per note 17.

6. OTHER EXPENDITURE

When William Jones's Almshouse was built, 10 private houses were also built on the site to help fund construction of the new almshouse. The houses were sold by the developer on long leases. William Jones's Almshouse Charity manages the site and charges a service charge to the leaseholders, see note 4. During the year, £2,358 (2015: £2,890) of the costs of maintaining the site, facilities and administration have been allocated to the service charges paid by the ten private leaseholders.

7. TRANSFERS

£1,255 (2015: £1,255) has been transferred from almshouse funds to a sinking fund for future maintenance of the site areas and facilities shared with the ten private houses.

8. TAXATION

William Jones's Almshouse Charity is a registered charity and as such is entitled to relevant tax exemptions on its charitable income and gains properly applied under normal circumstances for its charitable purposes.

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures fittings and equipment £	Total £
Cost			
At 1 April 2015	2,188,543	13,390	2,201,933
Additions in the year	5,878	-	5,878
At 31 March 2016	2,194,421	13,390	2,207,811
Depreciation			
At 1 April 2015	71,365	2,243	73,608
Charge for the year	40,942	1,347	42,289
At 31 March 2016	112,307	3,590	115,897
Net book value at 31 March 2016	2,082,114	9,800	2,091,914
Net book value at 31 March 2015	2,117,178	11,147	2,128,325

For insurance purposes the value of the William Jones's Almshouse is £3,638,215 (2015 £3,602,193).

10. DEBTORS

	2016 £	2015 £
Due within one year:		
Prepayments	925	107
Trade debtors	6,149	4,110
	7,074	4,217

11. CREDITORS

	2016 £	2015 Restated £
Due within one year:		
Repayments due on loan from Orchard Homes	31,180	30,190
Bristol Charities inter company creditor	22,098	5,991
Orchard Homes inter company creditor	7,784	944
William Jones's Schools Foundation, unsecured interest-free loan	480	2,400
Trade creditors	5,303	4,069
Accruals	3,724	30,648
Other creditors	1,473	2,243
	72,042	76,485
Due after more than one year:		
William Jones's Schools Foundation, unsecured interest-free loan	3,360	3,840
Repayments due on loan from Orchard Homes	681,327	712,507
	684,687	716,347

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

11. CREDITORS (*continued*)

Creditors at 31 March 2015 have been restated to split the William Jones's School Foundation loan liabilities between amounts payable in less than and in more than one year.

Please also see further information on the William Jones's School' Foundation Loan in note 12. Further information on the Orchard Homes' Loan is shown in note 13.

12. LOAN FROM WILLIAM JONES'S SCHOOLS FOUNDATION

	2016 £	2015 £
Loan value at the start of the year	6,240	6,240
Repayments	(2,400)	-
	<u>3,840</u>	<u>6,240</u>
	2016 £	2015 £
Due within one year	480	2,400
Due after more than one year	3,360	3,840
	<u>3,840</u>	<u>6,240</u>

The loan is interest free and the terms require £480 to be repaid per annum.

13. LOAN FROM ORCHARD HOMES

Orchard Homes has agreed to lend to William Jones's Almshouse Charity up to £750,000. Interest is charged on the outstanding balance, compounded monthly, at an interest rate of 2.73% above the annual Bank of England base rate. The loan term is 21 years from 1 August 2013.

	2016 £	2015 £
Loan value at the start of the year	742,697	742,543
Amount drawn down	-	28,461
Interest charged	23,545	23,723
Loan value at the end of the year	(53,735)	(52,030)
	<u>712,507</u>	<u>742,697</u>
	2016 £	2015 £
Due within one year	31,180	30,190
Due after more than one year	681,327	712,507
	<u>712,507</u>	<u>742,697</u>

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

14. RELATED PARTY TRANSACTIONS

The Charity has taken advantage of the exemption under Financial Reporting Standard Number 8 not to disclose transactions with charities, 100% of whose voting rights are wholly controlled within Bristol Charities.

15. STATEMENT OF FUNDS

	Balance at 1 April 2015	Income	Expenditure	Transfers	Balance at 31 March 2016
	£	£	£	£	£
Unrestricted funds	73,812	179,603	(150,482)	(1,255)	101,678
Restricted funds	5,319	3,650	(2,508)	1,255	7,716
Endowment funds	1,274,578	-	(24,648)	-	1,249,930
	<u>1,353,709</u>	<u>183,253</u>	<u>(177,638)</u>	<u>-</u>	<u>1,359,324</u>

Unrestricted funds have no restrictions and can be used for any class of expenditure.

Restricted funds represent funds held for the Leaseholders to cover major future repairs £6,902 (2015: £4,292) and also monies owed by Leaseholders for service charges £814 (2015: £927) for service charges.

Endowment funds are in respect of the almshouse housing properties.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible assets	841,984	-	1,249,930	2,091,914
Current assets	16,423	7,716	-	24,139
Current liabilities	(72,042)	-	-	(72,042)
Amounts falling due after more than one year	(684,687)	-	-	(684,687)
	<u>101,678</u>	<u>7,716</u>	<u>1,249,930</u>	<u>1,359,324</u>

17. INDEPENDENT EXAMINER'S FEES

The Independent Examiner's fees were £3,120 (2015: £4,290), of which £150 (2015: £192) was allocated to the service charges for the private householders.

18. STAFF COSTS

Bristol Charities employs a cleaner at William Jones's Almshouse Charity. The employee's salary and national insurance costs were charged to William Jones's Almshouse Charity. There was also a direct allocation of staff costs for Bristol Charities Scheme Manager's time spent at the almshouse.

The total staff costs during the year were £6,029 (2015: £8,898).

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

19. TRUSTEE REMUNERATION AND EXPENSES

£0 remuneration and expenses were paid to Trustees in the year (2015: £0).

20. ULTIMATE CONTROLLING PARTY

Ultimate control over the entity is held by Bristol Charities as sole Trustee of William Jones's Almshouse Charity. Bristol Charities registration number is 1109141 and its Company registration number is 05402303.

Bristol Charities principal purposes are the provision of almshouse accommodation, the provision of Day Services to the elderly residents of Bristol and a Grants program to individuals and institutions. A copy of Bristol Charities' accounts, which include the William Jones's Almshouse Charity accounts, can be found on the Bristol Charities' web site www.bristolcharities.org.uk.

William Jones's Almshouse Charity

TRUSTEES, OFFICERS AND ADVISERS

for the year ended 31 March 2016

Trustee **Bristol Charities**

The Trustees of Bristol Charities are:

Andrew Hillman, A.C.A. (Chair of Trustees)
Laura Claydon, LL.B., Solicitor (Vice Chair of Trustees)
Melanie Ball M.Inst.F. (appointed 24 November 2015)
Dr Shaheen Shahzadi Chaudhry J.P. (appointed 24 November 2015)
Kamala Das, LL.M., Barrister
Richard Gore, B.A. (Joint Hons.), Solicitor
Susan Hampton, D.L., J.P., B.Sc.
Tony Harris, M.Sc., F.C.A.
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