

Company number: 3111576
Registered Charity number: 1050291 (England & Wales)

THE BRIDGE TRUST CORPORATION

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2019**

THE BRIDGE TRUST CORPORATION

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THE BRIDGE TRUST CORPORATION

REFERENCE AND ADMINISTRATIVE INFORMATION *FOR THE YEAR ENDED 31 MARCH 2019*

Trustees	Nicolas Heslop (Chairman), Public Affairs Manager David Glynn, Chartered Civil Engineer Peter Lowe, Solicitor Bruce Pugsley, Chartered Accountant Erica Ffrench, Solicitor Helen Von Trotsenburg (appointed 29 March 2018)
Patrons	The Rt Rev James Langstaff, Bishop of Rochester The Rt Rev Simon Burton-Jones, Bishop of Tonbridge The Rt Rev John Hine, Auxiliary Bishop for Archdiocese of Southwark James Priory, Headmaster, Tonbridge School Tom Tugendhat OBE, MP for Tonbridge & Malling Mrs Sue Aldred
Company number	3111576
Charity number	1050291(England and Wales)
Registered office	17a Quarry Hill Road Tonbridge Kent TN9 2RN
Company Secretary	John Handley
Chief Executive Officer	John Handley
Independent auditor	Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	CAF Bank 25 Kings Hill Avenue, Kings Hill West Malling Tonbridge Kent, ME19 4JQ

THE BRIDGE TRUST CORPORATION

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The Bridge Trust began the year knowing that we could be facing the threat of a changing funding environment, as our contract to provide our Support service which was commissioned directly from Kent County Council, would be subject to change. In the summer KCC announced its new strategy and in October appointed one organisation to take over the responsibility for providing all, non-statutory homelessness services in west Kent. That one provider in turn started to look at how they wanted to provide those services which may or may not include them sub-contracting to The Bridge Trust. We therefore ended the year without a firm contract but with the promise of a further 6 months "transitional funding", at a lower rate than we received from KCC. We now wait whilst the new organisation decides upon its new model of service provision and whether they wish us to be part of that. We will not know until possibly late autumn or winter 2019 whether we will gain a sub-contract and if we do, what form that may take and how much income that might provide. Depending on the outcome, the Trust will be ready to re-shape its service model accordingly.

The main impact of these uncertainties was that the Board approved plans to gradually downsize our service provision as an opportunity arose to do so, until we know whether we will gain any funding to provide our homelessness support services, although plans are in progress to react quickly to increase that provision if there is a positive outcome.

The Board do recognise that whatever the new service and funding model may be, it is likely that less money will be available for our homeless services and we therefore continue to look at creative initiatives to reduce our cost base so that we are prepared as best we can be for the future. We are prepared to use some of the charity's reserves which we have accumulated for this type of eventuality, to help us over any temporary transition period whilst we establish a new operational and/or service model.

Despite the uncertainties described above, we continue to provide a valued and successful service to local homeless people. For the 5th consecutive year we have seen an increased level of demand for our service, with 188 applicants for our accommodation and support. This would have been even higher had we not been forced to close our waiting list for the last 2 months of the year due to our accommodation being full. Many applicants presented with high and complex needs, but despite this our team rose to the challenge and our success rate has remained high and our average length of stay has reduced from between 14 and 16 months to between 12 and 14 months. Move-on options continue to be challenging, with tighter financial criteria for accessing social housing and the relatively high rent levels in the private sector continuing to be a barrier for the majority of our clients. However, we supported 43 residents in the year and of the 21 who left us 17 (81%) did so successfully.

I am pleased to report that the financial performance of the Trust produced another surplus, further adding to our reserves. This was due to a combination of high occupancy in our accommodation which attracts rental and service charge income, continued success in encouraging donations and grants, and cost reductions in our retail operations and staff numbers.

Although we face the uncertainty over our support contracts, we are confident that the actions already taken and those planned for the future will enable the Trust to continue to provide a much needed service to those in our community who are in such need.

Nicolas Heslop, Chairman

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The trustees (who are also directors of the company for the purposes of the Companies Act) present their report and the audited financial statements of The Bridge Trust Corporation for the year ended 31 March 2019. This trustees report is also the directors' report and so is also prepared in accordance with section 415 of the Companies Act 2006.

The trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2015) (Charities SORP (FRS 102)).

Reference and Administrative Details

The Trust employed 5 full-time and 5 part-time staff during the year. Part-way through this year, our fundraiser changed their previously full-time role to a part-time one as our social media officer. Fundraising is now undertaken by the CEO. In addition, at least 5 volunteers assisted in helping at the Trust's office and at fundraising events.

Structure, Governance and Management

The Bridge Trust Corporation is a charitable company limited by guarantee and was established in October 1995. It is governed by up to 20, but not less than 4 trustees in accordance with the Articles of Association. There are currently 6 trustees, who are responsible for the overall direction and strategic management of the organisation.

They are elected at the Annual General Meeting (AGM) and can hold office until the second AGM following their appointment when they are eligible for reappointment. Trustees are recruited to ensure the charity has access to a comprehensive range of skills and on the basis of the specific needs of The Bridge Trust.

The Trustee Board:

- holds an Annual General Meeting to which all its Members are invited
- meets a minimum of 4 times a year where decisions are made relating to strategic issues affecting the charity
- confirms that they have, in administration of the charity, paid due regard to the public benefit guidance published by the Charity Commission.

Vision, Mission and Strategy

Our Vision:

We work to alleviate homelessness by giving people the opportunity to have a home.

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Our Mission:

Founded on Christian principles, we provide single, homeless adults with the best accommodation, support and related services that will empower them to move on into independent living.

Our Strategy:

The Trust's strategies are approved by the Board of Trustees and are reviewed on a regular basis. The Board have agreed 6 main strategic objectives as follows:

Homelessness Support

Provide homeless people with support initiatives that give them confidence, knowledge, skills and experience to change their lives, facilitating them gaining their own accommodation and sustaining independence.

Accommodation

Offer safe and secure homes as a foundation upon which homeless people can re-build their lives and prepare themselves for independent living.

Operations

Have an effective organisational structure, and staff, policies and procedures in place that enable us to fulfil the mission of the Trust.

Fundraising, Marketing and Public Relations

Devote the appropriate level of resources to fundraising activities that will meet our current and anticipated, future income needs.

Finance

Maintain strong financial management, policies and procedures that support the long-term future of the Trust.

Governance

Have a Board which will ensure that the strategic direction of the Trust meets its agreed Vision, Mission and Strategic Aims.

Significant Achievements

The Trust provides public benefit by meeting its core, charitable objective and during the year provided supported accommodation for up to 43 single homeless adults within 5 properties. The Trust continued to work, often with other community-based organisations, to provide the quality of support that single homeless people need to achieve sustained independence.

We provide an in-house Tenancy Training programme to better prepare people for moving-on and some other agencies have expressed interest in us delivering it for their residents. Our Resource Centre continues to provide a valuable contribution to our residents with access to internet P.C's, with accompanying guidance on CV's, letter-writing and job searches and the opportunity to maintain their social networks.

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

During the period we accommodated a total of 43 homeless people and saw 17 people move-on into independence.

We continue to implement a quality standard for our accommodation, based on the government's "Decent Homes Standard", which although does not apply directly to us, we believe it to be best practice against which we can self-assess to ensure the quality of our accommodation. Two of our properties fell under new regulations for defining Houses of Multiple Occupation and we therefore obtained the relevant licences accordingly. All our properties now also meet these HMO standards.

Membership of Statutory Bodies and Community Groups

The Bridge Trust seeks to be an active member of the West Kent community, lobbying and raising awareness of homelessness issues where appropriate. In particular we are active members of the Tonbridge & Malling Local Strategic Partnership, the Tonbridge Forum, the, West Kent Partnership Housing Sub-Group and the West Kent Private Landlord's Forum. We also hold membership with Homeless Link, National Council for Voluntary Organisations, Regional Action and Involvement South East, Imago and regularly attend various business networking groups.

Financial Review

Income:

Our total income for the year decreased from £529,974 to £427,917.

The principal sources of income were:

Supported Accommodation (arising from Licence and Support charges):

Increased from £252,820 in 2018 to £263,234.

Donations and Grants:

Decreased from £260,477 (including a legacy donation of £101,270) in 2018 to £156,629.

Retail Outlets:

Decreased from £12,274 in 2018 to £nil, as they are now all closed.

Expenditure:

The Trust reduced its expenditure this year from £422,955 in 2018 to £381,601, mainly due to the closure of our one remaining retail outlet and replacing one full-time staff role with a part-time one.

The principal areas of expenditure were:

Charitable Activities (arising from providing accommodation and support services):

Decreased slightly, from £329,806 in 2018 to £327,192.

Raising Funds (grants and donations):

Decreased from £31,613 in 2018 to £17,378.

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Charity retail operations:

Decreased from £60,730 in 2018 to £36,507.

Retail Operations

During the year we have completed the closure of our retail operations by closing our one remaining shop. This has reduced our retail deficit to around £2,500 per month, which we are seeking to reduce further with reassignment or sub-letting the leases.

Fundraising, PR and Marketing

The Trust employed one full-time fundraiser and together with one other member of the operational team and the Chief Executive, worked to raise charitable funds. During the year the fundraiser's role changed to a part-time social media officer and the Chief Executive took back the lead for all Fundraising, Marketing and PR activities.

Reserves

The Trust's total reserves at the end of the year were £650,301; £287,683 held as liquid reserves (net current assets), and £362,618 held as fixed assets. Although none of these reserves are restricted £396,033 is shown under Designated Reserves to recognise the need to set aside sufficient reserves to ensure continuity of our accommodation-based services.

The reserves are established over time through an accumulation of net incoming resources from the charity's activities. They are available to fund revenue or capital expenditure and are also a contingency against anticipated future funding shortfalls.

The Trust, having acknowledged the risk of losing its statutory funding via Kent County Council's Support contracts, had over the past years accumulated liquid unrestricted reserves to mitigate against this eventuality. Some of these will continue to be used to support the shortfall from our remaining retail units until the lease expires or can be reassigned. The current level of liquid reserves represents approximately 9 months average operating costs, against the policy of having between 3 and 6 months average operating costs.

Plans for the Future

Our plans for the future are set out in our rolling three-year Business Plans, which are reviewed annually by the staff, our service users and the Board. We now publish our Business Plans on our website. Our plans acknowledge the continued pressure we will have on our funding, our determination to provide excellent accommodation and support to our residents and the continued impact of welfare reforms upon our current and future clients.

In anticipation of changes to our funding as above, we have decided not to renew the leases on 2 of our properties, which in turn means supporting less homeless people. However, we hold onto the aim of replacing these properties within the future.

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Trustees' responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the trustees to prepare financial statements for each financial year. Under that 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the trustees are aware, there is no relevant audit information which has not been disclosed to the charity's auditors. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any matters which would be relevant for audit purposes, and to ensure that such information has been communicated to the charity's auditors.

This report has been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime in Part 15 of the Companies Act 2006.

Approved by the board of Trustees on 9 August 2019 and signed on its behalf by:

Nicolas Heslop
Chairman

THE BRIDGE TRUST CORPORATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE TRUST CORPORATION *FOR THE YEAR ENDED 31 MARCH 2019*

Opinion

We have audited the financial statements of The Bridge Trust Corporation (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

THE BRIDGE TRUST CORPORATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE TRUST CORPORATION *FOR THE YEAR ENDED 31 MARCH 2019*

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

THE BRIDGE TRUST CORPORATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE TRUST CORPORATION *FOR THE YEAR ENDED 31 MARCH 2019*

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Samantha Wells BA FCA CTA (Senior Statutory Auditor)
for and on behalf of Lindeyer Francis Ferguson Limited

29 August 2019

Chartered Accountants
Statutory Auditor

North House
198 High Street
Tonbridge
Kent
TN9 1BE

THE BRIDGE TRUST CORPORATION

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2019

		<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
	Notes				
Income from:					
Donations and legacies	2	29,603	127,026	156,629	260,477
Charitable activities:					
Supported accommodation	3	-	263,234	263,234	252,820
Other trading activities:					
Retail outlets	5	-	-	-	12,274
Investment income		-	8,054	8,054	4,403
Total income		29,603	398,314	427,917	529,974
Expenditure on:					
Raising funds	6	-	54,409	54,409	93,149
Charitable activities	7	30,541	296,651	327,192	329,806
Total expenditure		30,541	351,060	381,601	422,955
Net losses on investments		-	(253)	(253)	(5,729)
Net income and net movement in funds	10	(938)	47,001	46,063	101,290
Reconciliation of funds:					
Total funds brought forward		938	603,300	604,238	502,948
Total funds carried forward	15	-	650,301	650,301	604,238

All income and expenditure derive from continuing activities.

THE BRIDGE TRUST CORPORATION

BALANCE SHEET AS AT 31 MARCH 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	11		176,033		177,180
Investments	12		186,585		136,639
			<u>362,618</u>		<u>313,819</u>
Current assets					
Debtors	13	30,069		89,076	
Cash at bank and in hand		278,610		222,163	
		<u>308,679</u>		<u>311,239</u>	
Liabilities					
Creditors: amounts falling due within one year	14	(20,996)		(20,820)	
Net current assets			287,683		290,419
Total net assets			<u>650,301</u>		<u>604,238</u>
The funds of the charity					
Restricted funds			-		938
Unrestricted funds			650,301		603,300
Total funds	15		<u>650,301</u>		<u>604,238</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

Approved by the Trustees on 9 August 2019 and signed on its behalf by:

Nicolas Heslop
Trustee

Company registration number: 03111576

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

1.1 Basis of preparation

The 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 applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bridge Trust Corporation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted. The financial statements are presented in Pounds Sterling, and are rounded to the nearest pound.

1.2 Company status

The Bridge Trust Corporation is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 17a, Quarry Hill Road, Tonbridge, Kent, TN9 2RN.

1.3 Income

Income from donations, grants and legacies is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions which must be met before the charity is entitled to the funds. For legacies this is usually when notification of the legacy has been received.

Income from charitable activities is recognised to the extent that the charity has provided the contracted services. Licence charges (from residents) are recognised as receivable, and support charges (from local councils) are recognised in the period the support services are provided on an accruals basis. Income received in advance of the provision of services is deferred on a time basis until such time as the services have been performed.

Income from retail operations includes income received from the sale of donated goods to the public. Income is recognised when the economic benefit can be measured reliably which is considered to be when the goods are sold. Investment income is recognised when receivable.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on raising funds includes those costs connected with specific projects undertaken to induce others to make voluntary contributions, and those incurred in trading activities that raise funds.

Charitable activities includes expenditure associated with the provision of accommodation for single homeless people, and the provision of advice and support.

Support costs and governance costs include expenditure not directly relating to a particular activity. Staff costs are allocated to activities on the basis of staff time spent on those activities. Other overheads are allocated to activities based on actual usage or staff numbers. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

As The Bridge Trust's activities are classified as exempt or non-business activities for the purposes of value added tax, The Bridge Trust is unable to reclaim the value added tax which it suffers on its purchases.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated realisable value, over their expected useful lives, as follows:

Freehold property	1% on cost on freehold property only
Improvements to premises	10% on cost
Fixtures, fittings & equipment	20% on cost and 33.3% on cost

1.6 Fixed asset investments

Investments are recognised initially at cost, and then subsequently at their fair value at the balance sheet date, using the quoted market price. Changes in fair value are included in the Statement of Financial activities under net gains/(losses) on investments.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS *FOR THE YEAR ENDED 31 MARCH 2019*

1 Accounting policies (continued)

1.7 Financial Instruments

The charity only has financial instruments which are classified as basic financial instruments. Short-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in the Statement of Financial activities.

1.8 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds represent amounts set aside by the charity as a base reserve to cover the charity against risk and for planned expenditure on major works.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets the criteria is allocated to the fund.

1.9 Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.10 Taxation

The charity is exempt from Corporation Tax on its income to the extent that it is applied for charitable activities.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2 Income from donations and legacies

	2019 £	2018 £
Donations	106,072	91,732
Grants	33,203	47,165
Donated income from events	16,577	14,310
Legacies	777	107,270
	<u>156,629</u>	<u>260,477</u>

In the prior period, restricted income from grants amounted to £31,965.

Analysis of grants receivable:

	Restricted 2019 £	Unrestricted 2019 £	Total 2019 £	Total 2018 £
Bluebird Care	-	-	-	500
Fine and Country Foundation	583	-	583	-
Gallagher Group	-	-	-	1,000
Garfield Weston Foundation	-	-	-	10,000
KCC	-	-	-	615
Kent Community Foundation	-	-	-	3,500
Mrs and Mrs Smith & Mount Trust	-	-	-	2,500
Kippington PCC	-	500	500	400
Lloyds Bank Foundation	25,000	-	25,000	25,000
Persimmon Community Champions	1,000	-	1,000	-
The Woodroffe Benton Foundation	-	-	-	750
Sir Thomas Smythe's Charity	-	-	-	1,000
SMB Charitable Trust	-	2,500	2,500	-
St Mary's Speldhurst	-	600	600	550
The Paragon Trust	-	-	-	1,000
Tonbridge Lions	350	-	350	350
Other	2,670	-	2,670	-
	<u>29,603</u>	<u>3,600</u>	<u>33,203</u>	<u>47,165</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

3 Income from charitable activities

	2019 £	2018 £
Licence charges	140,792	130,378
Support charges	122,442	122,442
	<u>263,234</u>	<u>252,820</u>

4 Government grants

The Bridge Trust has a support contract with Kent County Council. Income from support charges is shown in Note 3.

5 Income from retail outlets

	2019 £	2018 £
Charity shop and warehouse sales	<u>-</u>	<u>12,274</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

6 Expenditure on raising funds

	2019 £	2018 £
Charity shop and warehouse expenditure:		
Rent and rates	30,164	32,128
Wages and salaries	-	9,128
National insurance	-	213
Pension costs	-	226
Volunteer expenses	-	271
Maintenance costs	787	2,137
Premises costs	1,752	6,090
Office costs	-	143
Other costs	-	389
Travel and motor expenses	-	20
Legal and professional	1,511	294
Bank charges	-	316
	<u>34,214</u>	<u>51,355</u>
Allocation of support costs (note 8)	2,293	9,375
	<u>36,507</u>	<u>60,730</u>
Expenditure on raising donations and grants:		
Wages and salaries	12,711	25,885
National insurance	837	1,957
Other costs	3,830	3,771
	<u>17,378</u>	<u>31,613</u>
Investment management fees	<u>524</u>	<u>806</u>
Total expenditure on raising funds	<u><u>54,409</u></u>	<u><u>93,149</u></u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

7 Expenditure on charitable activities

	2019 £	2018 £
Rent and rates	39,984	38,578
Wages and salaries	120,657	120,341
National insurance	9,683	9,612
Pension costs	1,525	1,492
Maintenance costs	15,514	22,563
Premises costs	16,605	19,681
Office costs	2,038	2,081
Other costs	4,448	4,383
Travel and motor expenses	2,006	2,127
Legal and professional	1,250	-
Depreciation	1,147	1,147
	<u>214,857</u>	<u>222,005</u>
Allocation of support costs (note 8)	112,335	107,801
	<u>327,192</u>	<u>329,806</u>

Expenditure on charitable activities in the comparative period included restricted expenditure of £31,627.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

8 Support costs

	2019 £	2018 £
Rent and rates	7,593	7,511
Wages and salaries	73,997	73,772
National insurance	4,145	4,099
Volunteer expenses	10	66
Maintenance costs	5,256	6,926
Premises costs	7,091	6,149
Office costs	7,240	9,714
Other costs	3,289	2,545
Travel and motor expenses	566	645
Legal and professional	192	788
Bank charges	137	131
Governance costs:		
Auditors' remuneration	2,938	2,775
Auditors' remuneration - non-audit	2,174	2,055
	<u>114,628</u>	<u>117,176</u>
Allocated as follows:		
Charity shop and warehouse expenditure	2,293	9,375
Expenditure on charitable activities	112,335	107,801
	<u>114,628</u>	<u>117,176</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9 Staff costs, Trustee remuneration and expenses

	2019 £	2018 £
Wages and salaries	207,365	229,127
National insurance	14,665	15,880
Pension costs	1,525	1,718
	<u>223,555</u>	<u>246,725</u>

The average number of employees during the year was as follows:

	2019 No.	2018 No.
Charitable activities - support services	6	6
Raising funds	1	3
Management and administration	3	3
	<u>10</u>	<u>12</u>

No employee received remuneration amounting to more than £60,000 in the year (2018: none).

During the year, no trustee received any remuneration nor any reimbursement of expenses. (2018: £Nil).

10 Net income

	2019 £	2018 £
This is stated after charging:		
Depreciation	1,147	1,147
Operating lease payments	63,656	65,717
Auditors' remuneration - for audit services	2,938	2,775
Auditors' remuneration - for non-audit services	<u>2,174</u>	<u>2,055</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

11 Tangible fixed assets

	<i>Freehold property</i>	<i>Property improve- ments £</i>	<i>Fixtures, fittings & equipment £</i>	<i>Total £</i>
Cost				
At 1 April 2018 and 31 March 2019	191,208	24,896	35,673	251,777
Depreciation				
At 1 April 2018	22,258	16,666	35,673	74,597
Charge for the year	1,147	-	-	1,147
At 1 April 2018 and 31 March 2019	23,405	16,666	35,673	75,744
Net book value				
At 31 March 2019	167,803	8,230	-	176,033
At 31 March 2018	168,950	8,230	-	177,180

Included in freehold property is the cost of freehold land of £76,483 (2018: £76,483) which is not depreciated.

12 Fixed asset investments

	<i>2019 £</i>	<i>2018 £</i>
Fair value at 1 April 2018	136,639	62,025
Additions at cost	50,199	80,343
Changes in fair value	(253)	(5,729)
Fair value at 31 March 2019	186,585	136,639

Investments comprise cash of £5,019 and quoted UK investments of £181,566.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

13 Debtors

	2019 £	2018 £
Licence charges receivable	11,728	9,725
Other debtors	3,375	3,375
Gift Aid recoverable	7,131	6,282
Prepayments and accrued income	7,835	69,694
	<u>30,069</u>	<u>89,076</u>

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,035	1,146
Other taxation and social security	4,453	4,719
Other creditors	-	445
Accruals and deferred income	15,508	14,510
	<u>20,996</u>	<u>20,820</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

15 Statement of movement in funds

<i>Current year</i>	<i>Brought forward</i> £	<i>Income</i> £	<i>Expenditure and net gains on investments</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Unrestricted funds					
General fund	206,120	398,314	(350,166)	-	254,268
Designated funds:					
Contingency fund	200,000	-	-	-	200,000
Fixed asset fund	177,180	-	(1,147)	-	176,033
Property repair fund	20,000	-	-	-	20,000
	397,180	-	(1,147)	-	396,033
	603,300	398,314	(351,313)	-	650,301
Restricted funds					
Restricted funds	938	29,603	(30,541)	-	-
Total funds	604,238	427,917	(381,854)	-	650,301

The Contingency Fund represents funds required as a cash reserve. The target is to maintain a reserve of 3-6 months' expenditure.

The Fixed Assets Fund represents the net book value of the freehold property the Trust owns to fulfil its charitable aim of providing accommodation for homeless people.

The restricted funds carried forward relate to a grant received to purchase furniture for those residents moving into independent accommodation.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

15 Statement of movement in funds (continued)

<i>Prior year</i>	<i>Brought forward</i> £	<i>Income</i> £	<i>Expenditure and gains</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Unrestricted funds					
General fund	104,021	498,009	(395,910)	-	206,120
Designated funds:					
Contingency fund	200,000	-	-	-	200,000
Fixed asset fund	178,327	-	(1,147)	-	177,180
Property repair fund	20,000	-	-	-	20,000
	398,327	-	(1,147)	-	397,180
	502,348	498,009	(397,057)	-	603,300
Restricted funds					
Restricted funds	600	31,965	(31,627)	-	938
Total funds	502,948	529,974	(428,684)	-	604,238

16 Analysis of net assets between funds

	<i>Restricted funds</i> 2019 £	<i>Unrestricted funds</i> 2019 £	<i>Total funds</i> 2019 £	<i>Total funds</i> 2018 £
Tangible fixed assets	-	176,033	176,033	177,180
Investments	-	186,585	186,585	136,639
Current assets	-	308,679	308,679	311,239
Creditors: within one year	-	(20,996)	(20,996)	(20,820)
	-	650,301	650,301	604,238

In the prior year current assets included restricted funds of £938.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

17 Operating lease commitments

At 31 March 2019 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2019 £	2018 £
Payments due:		
not later than one year	56,524	63,586
later than one year and not later than five years	119,244	159,339
later than five years	29,268	43,142
	<u>205,036</u>	<u>266,067</u>

The Bridge Trust has re-assigned a lease on its former warehouse which expires in April 2020. Under the terms of the grant of consent by the landlord, in case of any default by the assignee the Bridge Trust is required to indemnify the landlord against all reasonable loss, damage costs and expenses suffered or incurred by the landlord. The annual rental value of the lease payable by the assignee is £25,575 plus VAT.

18 Related party transactions

The total remuneration of key management personnel was £85,734 (2018: £84,559). Key management personnel include the trustees, who are not remunerated, the CEO and senior managers.

There are no other related party transactions requiring disclosure.