

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

THE BRIDGE TRUST CORPORATION

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2016**

THE BRIDGE TRUST CORPORATION

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THE BRIDGE TRUST CORPORATION

REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

Council of Management	Nicolas Heslop (Chairman), Public Affairs Manager David Glynn, Chartered Civil Engineer Gemma Levett, Parliamentary Advisor Peter Lowe, Solicitor Bruce Pugsley, Chartered Accountant Sheena Field, Financial Inclusion Co-ordinator
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 STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

This report covers the year ending 31st March 2016; another year that saw an increase in the quantity and quality and of our services, with accommodation increasing and our support being further enhanced. This has been achieved during a difficult year on several fronts; ever more changes to legislation and policies which affect both the Trust and our client's and a downturn in our income due to changes with our charity retail operation. I would therefore like to begin my report by acknowledging the hard work of the staff and volunteers who have continued to deliver a quality service whilst under the additional pressures of dealing with such adverse circumstances.

Despite having to get to grips with a seemingly ever-changing environment, during the year we have implemented several new or enhanced initiatives such as in-house tenancy training, our Pathways to Independence programme and a Service User Involvement programme. This indicates that despite a difficult operating environment we continue to press ahead with our mission, seeking more and better ways to permanently relieve homelessness for our clients.

Applications for our services continued to be high and therefore occupancy of our accommodation saw another demanding year with over 97% occupancy rates maintained. We accommodated 40 people and saw 11 of these moving on to independent living, with an 88% success rate. In addition, we have delivered specific support interventions aimed at issues such as reducing criminal behaviour, managing mental health issues such as self-harming, improving budgeting skills and much more. These interventions have delivered a 74% success rate of improving our client's lives.

With regard to our finances however, we have had a difficult year due to a reduction in our income from our charity retail business, together with a lower level of grants received. The Trust has accumulated Reserves over the last few years as a hedge against the risk of losing our statutory funding from our County Council support contracts, but we took the decision to use some of those Reserves to compensate for one-off costs and loss of income from our charity retail business. The Trust's used furniture warehouse in Tonbridge had enjoyed a long-standing arrangement, providing us with favourable terms of tenancy for several years. However, due to redevelopment of that site we were forced to close, and decided to try operating it from a different location. So far, the has not yet met expectations, contributing to an uncharacteristically high deficit for the year. Having sought advice from a charity retail consultant, we are now implementing some changes which we hope will improve the performance of all our charity retail outlets.

The Bridge Trust celebrates its 25th birthday in October 2016 and we are proud not only of our record of achievements over all those years, but knowing how much our services are needed, we hope that we will be able to continue to provide these services long into the future.

Nicolas Heslop

July 2016

THE BRIDGE TRUST CORPORATION

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

The Council of Management, or 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 2016.

The Council of Management 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 employs 17 staff; 9 full-time and 8 part-time. In addition, at least 15 volunteers assist in the running of the shops and warehouse and 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 that form the Council of Management. The trustees 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:

- elects to hold an Annual General Meeting, inviting all its Members, supporters, stakeholders and any interested members of the public
- 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.

THE BRIDGE TRUST CORPORATION

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

Vision, Mission and Strategy

Our Vision:

Founded on Christian principles, we work to alleviate homelessness by giving people the opportunity to have a home.

Our Mission:

To 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 continues to provide public benefit by meeting its core objective and this year increased its capacity to provide supported accommodation for up to 27 single homeless adults within 6 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.

THE BRIDGE TRUST CORPORATION

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

We introduced our 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. During the period we accommodated a total of 40 homeless people and saw 11 people move-on into independence.

During 2015 we were awarded the Lloyds Bank Foundation "Against the Odds, South East" award for our work supporting homeless people.

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 Homelessness Strategy Group, West Kent Partnership Housing Sub-Group, KCC Supporting People Providers Forum and 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, the Charity Retail Association, the West Kent Chamber of Commerce and Industry, and regularly attend various business networking groups.

Financial Review

Income:

Total income for the year decreased from £539,772 in 2015, to £457,930.

The principal sources of income are:

Supported Accommodation (arising from Licence and Support charges):

Increased from £260,560 in 2015 to £266,003

Donations and Grants:

Decreased from £113,569 in 2015 to £99,011

Retail Outlets:

Decreased from £162,597 in 2015 to £92,164

Expenditure:

The Trust increased its expenditure this year from £513,322 in 2015 to £585,083.

The principal areas of expenditure are:

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

Decreased from £331,984 in 2015 to £320,161

THE BRIDGE TRUST CORPORATION

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

Raising Funds (grants and donations):

Increased from £18,081 in 2015 to £36,939

Charity retail operations:

Increased from £163,257 in 2015 to £227,983

Retail Operations

The retail operations were subject to many changes this year; some planned and some forced upon us. We acquired a long sought-after second charity shop and opened another shop to replace an existing, smaller and less well-placed one. Also we were unexpectedly forced to close our used furniture warehouse, which we subsequently moved to a new location at the beginning of the year.

One additional, part-time retail shop manager was recruited for the additional new shop.

The retail operations are part of the charity and not an independent or subsidiary trading company. However, separate strategic and operational aims and objectives are detailed in a separate Retail Business Plan which is agreed annually by the Board.

Fundraising, PR and Marketing

The Trust's fundraising capacity of one part-time member of staff and one full-time member of staff was reduced during the year to just one full-time member of staff. One other member of the operational team and the Chief Executive also work on Trust fundraising. The Chief Executive takes the lead in all Fundraising, Marketing and PR activities.

Reserves

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 possible 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 reserves to mitigate against this eventuality. However, this year's deficit of £126,743 has reduced liquid reserves to £165,590, which represents 3.4 months of total operating expenditure. Our policy is to maintain reserves that represent between 3 and 6 months of operating costs. As our reserves have fallen this year, steps are being taken to sell one of our freehold properties to increase liquid reserves, until such time that we can start rebuilding them.

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 at www.thebridgetrust.org.uk.

THE BRIDGE TRUST CORPORATION

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

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.

We continue to concentrate our efforts on our core service of providing supported accommodation, and have opened an additional 3 bed spaces during the year, bringing our total capacity up to 27. We intend to implement a quality standard for our accommodation, based on the government's "Decent Homes Standard", which although does not apply directly to supported accommodation like ours, we believe to be best practice against which we can self-assess to ensure the quality of our accommodation.

In order to ensure we have sufficient short-term funding to sustain our operations we will sell one of our freehold properties with the intention of leasing it back so that we can continue to accommodate the same number of homeless people.

We have continued our work to gain further external accreditation of the efficiency and effectiveness of our organisation via the Charities Evaluation Service's "PQASSO" programme and intend to apply for that accreditation in the coming year.

We have implemented measures to increase the income from our retail operations and the management and Board will continue to monitor the impact of those measures to ensure our operations are returned to profitability.

Council of Management's responsibilities

The Council of Management (who are also directors of the charity for the purposes of company law) are responsible for preparing the Council of Management's 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 Council of Management to prepare financial statements for each financial year. Under that law the Council of Management 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 Council of Management 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 BRIDGE TRUST CORPORATION

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

The Council of Management 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 Council of Management 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 Council of Management on 3 August 2016 and signed on its behalf by:

Nicolas Heslop
Council Member

THE BRIDGE TRUST CORPORATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE TRUST CORPORATION FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of The Bridge Trust Corporation for the year ended 31 March 2016 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes. 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), including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of the Council of Management and auditor

As explained more fully in the Council of Management's Responsibilities Statement set out on pages 7 and 8, the Council of Management (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.

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 (APB'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 Council of Management; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Council of Management's 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.

THE BRIDGE TRUST CORPORATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE TRUST CORPORATION FOR THE YEAR ENDED 31 MARCH 2016

Opinion on financial statements

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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Council of Management's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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 Council of Management's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management were not entitled to take advantage of the small companies exemption in preparing the Council of Management's Report.

Samantha Wells BA FCA CTA

Senior Statutory Auditor

For and on behalf of:

Lindeyer Francis Ferguson Limited

Statutory Auditors

Chartered Accountants

Date: 4 August 2016

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 2016

	Notes	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from:					
Donations and grants	2	-	99,011	99,011	113,569
Charitable activities:					
Supported accomodation	3	-	266,003	266,003	260,560
Other trading activities:					
Retail outlets	5	-	92,164	92,164	162,597
Investment income		-	752	752	1,796
Other income		-	-	-	1,250
Total income		-	457,930	457,930	539,772
Expenditure on:					
Raising funds	6	-	264,922	264,922	181,338
Charitable activities	7	12,105	308,056	320,161	331,984
Total expenditure		12,105	572,978	585,083	513,322
Net gains on investments		-	410	410	-
Net income/(expenditure) and net movement in funds	10	(12,105)	(114,638)	(126,743)	26,450
Reconciliation of funds:					
Total funds brought forward		16,230	510,742	526,972	500,522
Total funds carried forward	15	4,125	396,104	400,229	526,972

THE BRIDGE TRUST CORPORATION

BALANCE SHEET AS AT 31 MARCH 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	11		214,629		218,613
Investments	12		20,010		-
			<u>234,639</u>		<u>218,613</u>
Current assets					
Debtors	13	47,281		31,144	
Cash at bank and in hand		135,638		292,915	
		<u>182,919</u>		<u>324,059</u>	
Liabilities					
Creditors: amounts falling due within one year	14	(17,329)		(15,700)	
Net current assets			165,590		308,359
Total net assets			<u>400,229</u>		<u>526,972</u>
The funds of the charity					
Restricted funds			4,125		16,230
Unrestricted funds			396,104		510,742
Total funds	15		<u>400,229</u>		<u>526,972</u>

Approved by the Council of Management on 3 August 2016 and signed on its behalf by:

Nicolas Heslop
Council Member

Company registration number: 03111576

THE BRIDGE TRUST CORPORATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

		2016 £	2015 £
	Notes		
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	A	(136,827)	4,379
Cash flows from investing activities:			
Purchase of tangible assets		(850)	(11,880)
Purchase of investments		(19,600)	-
Net cash used in investing activities		(20,450)	(11,880)
Change in cash and cash equivalents for the year		(157,277)	(7,501)
Cash and cash equivalents at the beginning of the year		292,915	300,416
Cash and cash equivalents at the end of the year		135,638	292,915
A Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year <i>As per statement of financial activities</i>		(126,743)	26,450
Adjustments for:			
Depreciation charges		4,834	1,838
Gains on investments		(410)	-
Increase in debtors		(16,137)	(11,695)
Increase/(decrease) in creditors		1,629	(12,214)
Net cash (used in)/provided by operating activities		(136,827)	4,379

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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 Reconciliation with previous Generally Accepted Accounting Practice

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. The Committee of Management have not identified any material restatements and no changes have been made to comparative figures.

1.3 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.

1.4 Income

Income from donations and grants 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.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (continued)

1.4 Income (continued)

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.

1.5 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.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (continued)

1.6 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
Improvements to premises	10% on cost
Fixtures, fittings & equipment	20% on cost and 33.3% on cost
Motor vehicles	25% on cost

1.7 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.

1.8 Debtors

Licence charges receivable are recognised at the settlement amount due. Prepayments are recognised at the invoiced cost prepaid.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term deposits.

1.10 Creditors

Creditors are recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably. Creditors are recognised at their settlement value.

1.11 Financial instruments

The charity only has financial instruments of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at their transaction value and subsequently measured at their settlement value, except for investments measure at fair value.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (continued)

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council of Management 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, together with a fair allocation of management and administrative costs.

1.13 Operating leases

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

1.14 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 2016

2 Income from donations and grants

	2016	2015
	£	£
Donations	79,801	66,585
Grants	3,000	25,804
Donated income from events	16,210	21,180
	<u>99,011</u>	<u>113,569</u>

Income from grants in the comparative period included restricted grants of £16,230

Analysis of grants receivable:

	<i>Restricted</i>	<i>Unrestricted</i>	<i>Total</i>	<i>Total</i>
	2016	2016	2016	2015
	£	£	£	£
Brian Mitchell charitable settlement	-	-	-	3,000
The Paragon Trust	-	2,000	2,000	1,000
Raymond & Blanche Lawson Charitable Trust	-	-	-	1,000
AXA PPP	-	-	-	2,600
Lloyds Bank Foundation	-	1,000	1,000	15,000
Kent County Council	-	-	-	1,230
Local authority grant : Tonbridge & Malling Borough Council	-	-	-	1,974
	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>25,804</u>

3 Income from charitable activities

	2016	2015
	£	£
Licence charges	143,561	138,119
Support charges	122,442	122,441
	<u>266,003</u>	<u>260,560</u>

4 Government grants

The Bridge Trust has a supporting people contract with Kent County Council. Income from support charges is shown in Note 3. In the year ended 31 March 2015 the charity also received grants from Kent County Council and local authorities as disclosed in note 2.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

5	Income from retail outlets		
		2016	2015
		£	£
	Charity shop and warehouse sales	92,164	162,597
		<u>92,164</u>	<u>162,597</u>
6	Expenditure on raising funds		
		2016	2015
		£	£
	Charity shop and warehouse expenditure:		
	Rent and rates	62,265	30,475
	Wages and salaries	88,706	79,887
	National insurance	5,143	4,279
	Volunteer expenses	3,025	2,664
	Maintenance costs	16,386	8,557
	Premises costs	13,889	4,488
	Office costs	2,056	-
	Other costs	2,791	1,820
	Travel and motor expenses	6,549	7,761
	Legal and professional	3,897	2,538
	Bank charges	1,186	-
	Depreciation	3,164	-
		<u>209,058</u>	<u>142,469</u>
	Allocation of support costs (note 8)	18,925	20,788
		<u>227,983</u>	<u>163,257</u>
	Expenditure on raising donations and grants:		
	Wages and salaries	30,457	14,003
	National insurance	1,995	834
	Other costs	4,487	3,244
		<u>36,939</u>	<u>18,081</u>
	Total expenditure on raising funds	<u>264,922</u>	<u>181,338</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

7 Expenditure on charitable activities

	2016	2015
	£	£
Rent and rates	34,172	26,704
Wages and salaries	133,946	127,006
National insurance	10,823	10,993
Maintenance costs	14,836	18,547
Premises costs	12,631	19,660
Office costs	3,925	1,541
Other costs	6,356	9,914
Travel and motor expenses	2,446	2,510
Provision for bad debts	-	4,139
Depreciation	1,670	1,837
	<hr/>	<hr/>
	220,805	222,851
Allocation of support costs (note 8)	99,356	109,133
	<hr/>	<hr/>
	<u>320,161</u>	<u>331,984</u>

There was no restricted expenditure on charitable activities in the prior period.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

8 Support costs

	2016	2015
	£	£
Rent and rates	6,933	6,797
Wages and salaries	71,164	75,999
National insurance	4,904	7,193
Volunteer expenses	23	44
Maintenance costs	6,774	5,767
Premises costs	6,914	7,185
Office costs	9,934	5,057
Other costs	1,824	12,475
Travel and motor expenses	1,127	878
Legal and professional	3,362	3,006
Bank charges	101	-
Governance costs:		
Auditors' remuneration	2,500	2,550
Auditors' remuneration - non-audit	2,720	2,970
	<u>118,281</u>	<u>129,921</u>
Allocated as follows:		
Charity shop and warehouse expenditure	18,925	20,788
Expenditure on charitable activities	99,356	109,133
	<u>118,281</u>	<u>129,921</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

9 Staff costs, Committee of Management remuneration and expenses

	2016	2015
	£	£
Wages and salaries	324,272	296,896
National insurance	22,865	23,299
	<u>347,137</u>	<u>320,195</u>

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

	2016	2015
	No.	No.
Charitable activities - support services	6	6
Raising funds - retail	5	5
Management and administration	4	4
	<u>15</u>	<u>15</u>

No employee received remuneration amounting to more than £60,000 in the year (2015: none).

During the year, no committee member received any remuneration nor any reimbursement of expenses. (2015: £Nil).

10 Net (expenditure)/income

	2016	2015
	£	£
This is stated after charging:		
Depreciation	4,834	1,837
Operating lease payments	88,866	51,341
Auditors' remuneration - for audit services	2,500	2,550
Auditors' remuneration - for non-audit services	2,720	2,970
	<u>98,920</u>	<u>58,698</u>

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

11 Tangible fixed assets

	<i>Freehold property</i>	<i>Property improve- ments</i> £	<i>Motor vehicles</i> £	<i>Fixtures, fittings & equipment</i> £	<i>Total</i> £
Cost					
At 1 April 2015	219,878	44,546	11,880	43,482	319,786
Additions	-	850	-	-	850
At 31 March 2016	219,878	45,396	11,880	43,482	320,636
Depreciation					
At 1 April 2015	22,542	35,149	-	43,482	101,173
Charge for the year	1,319	545	2,970	-	4,834
At 31 March 2016	23,861	35,694	2,970	43,482	106,007
Net book value					
At 31 March 2016	196,017	9,702	8,910	-	214,629
At 31 March 2015	197,336	9,397	11,880	-	218,613

12 Fixed asset investments

	<i>2016</i> £	<i>2015</i> £
Fair value at 1 April 2015	-	-
Additions at cost	19,600	-
Changes in fair value	410	-
Fair value at 31 March 2016	20,010	-

Investments comprise quoted UK investments.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

13 Debtors

	2016	2015
	£	£
Licence charges receivable	12,829	11,992
Other debtors	6,325	3,810
Gift Aid recoverable	4,261	4,156
Prepayments	23,866	11,186
	<u>47,281</u>	<u>31,144</u>

14 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	2,624	1,719
Other taxation and social security	5,900	6,039
Other creditors	611	-
Accruals and deferred income	8,194	7,942
	<u>17,329</u>	<u>15,700</u>

THE BRIDGE TRUST CORPORATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15 Statement of movement in funds

	<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	93,406	457,930	(571,249)	50,000	30,087
Designated funds:					
Contingency fund	200,000	-	-	-	200,000
Fixed asset fund	197,336	-	(1,319)	(50,000)	146,017
Property repair fund	20,000	-	-	-	20,000
	<u>417,336</u>	<u>-</u>	<u>(1,319)</u>	<u>(50,000)</u>	<u>366,017</u>
	<u>510,742</u>	<u>457,930</u>	<u>(572,568)</u>	<u>-</u>	<u>396,104</u>
Restricted funds					
Restricted funds	16,230	-	(12,105)	-	4,125
Total funds	<u><u>526,972</u></u>	<u><u>457,930</u></u>	<u><u>(584,673)</u></u>	<u><u>-</u></u>	<u><u>400,229</u></u>

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 transfer is in partial anticipation of sale proceeds from one of the freehold properties (see note 19).

The restricted funds carried forward relate to a grant for the employment of a part time Service User Involvement Officer.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

16 Analysis of net assets between funds

	<i>Restricted funds 2016 £</i>	<i>Unrestricted funds 2016 £</i>	<i>Total funds 2016 £</i>	<i>Total funds 2015 £</i>
Tangible fixed assets	-	214,629	214,629	218,613
Investments		20,010	20,010	-
Current assets	4,125	178,794	182,919	324,059
Creditors: within one year	-	(17,329)	(17,329)	(15,700)
	<u>4,125</u>	<u>396,104</u>	<u>400,229</u>	<u>526,972</u>

17 Operating lease commitments

At 31 March 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	<i>2016 £</i>	<i>2015 £</i>
Payments due:		
not later than one year	83,429	41,213
later than one year and not later than five years	282,139	116,200
later than five years	109,539	106,547
	<u>475,107</u>	<u>263,960</u>

18 Related party transactions

During the year the charity received total donations of £120 from members of the Committee of Management. The total remuneration of key management personnel was £106,721.

19 Post balance sheet events

After the year end the charity's freehold property in Shipbourne Road was offered for sale and sold (subject to contract) for £225,000.