

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

THE BRIDGE TRUST CORPORATION

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2017**

THE BRIDGE TRUST CORPORATION

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THE BRIDGE TRUST CORPORATION

REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2017

| | |
|--------------------------------|---|
| Trustees | 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 (resigned 17 July 2016) |
| 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 2017

This report covers the financial year ending 31st March 2017; a year which once again saw a high level of demand for our service, continued efforts to enhance the quality of both our accommodation and support and ultimately a positive impact on those who we have helped. Significantly, this has been achieved against a backdrop of a difficult year financially as for the second consecutive year we experienced a significant downturn in our income which required us to make some difficult decisions resulting in the sale of one of our properties and the closure of two retail outlets. Despite the amount of time and effort it has taken to address this, it has not impacted on the successes we have had with our service users and their ability to ultimately move on into independence.

Applications into our service continued to be high and therefore occupancy of our accommodation saw another demanding year with just under 90% occupancy rates maintained. Having sold a property during the year we are now able to accommodate 4 less people which has been challenging, compounded by us only now having one property in Tonbridge; effectively halving our capacity in the town. We will only replace the house when our financial situation and the market conditions make it appropriate for us to do so. For the 23 residents we are now able to support we continue to meet our ultimate aim of moving people on into independence. 2016/17 saw us give 34 people accommodation with 15 moving on successfully (an 87% success rate); 14 of whom we continued to support over their first months of living independently.

The reduction in our income originated from the loss of our Tonbridge used furniture warehouse as far back as 2014. We subsequently tried to continue this work at a new site in Paddock Wood but unfortunately after 18 months at the new location and with no signs of the operation generating any surplus for the charity, we took the decision to close it. In addition we also closed one of our two charity shops which was also under-performing. These actions have removed the on-going running costs and by subsequently re-assigning the warehouse lease and with plans to sub-let the shop, we will have eliminated all the costs associated with these operations thereby protecting the Trust against any further on-going losses.

However, running the warehouse at a loss for 18 months impacted adversely on our Reserves as we needed to draw on them to meet the on-going costs of running our charitable activities. Hence the need to sell one of our houses to assist with our cash-flow and to bring our Reserves back up to their previous level.

The actions taken have greatly improved our end of year financial position, with the net house sale proceeds contributing to a total surplus of over £102,000. However, we still need to replace the income generated from the house and the original warehouse operation, both of which produced significant annual surpluses to help fund our charitable work.

During the year the government introduced the Homeless Reduction Act, which extends the duty of care and therefore the actions required by local authorities when dealing with homeless people to whom they have both a statutory and non-statutory duty, and it signals a positive step forward in our joint efforts to tackle homelessness. We wait to see how this will impact on the local homelessness situation when the legislation comes into force in late 2018.

THE BRIDGE TRUST CORPORATION

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

Due to the actions taken by the Trust as outlined above, the Trust ended the year with a large surplus and 7 months operating costs as liquid Reserves. The Board have agreed to maintain this level of Reserves as a contingency against this risk of losing our statutory funding in the shape of our County Council support contracts and any further losses experienced from a subdued retail market.

Although the last year has seen the Trust face a difficult period, the decisive actions taken by the Board and management have shored-up our finances allowing our charitable work to continue unabated and we can face the years to come with more optimism when we expect to see the Trust move forward once again.

On a final note, those who attended our 2016 AGM will remember the moving account given by one of our residents who became homeless through a relationship breakdown. At the time of the AGM he had found a job as an assistant head teacher in Folkestone – a long commute from Tunbridge Wells! We received a letter from him recently to say that he would be moving on from the Trust as he had secured his “dream job” as a Housemaster in Brighton College, which comes with accommodation. His letter praised the help and support that the team at The Bridge Trust had given him, saying that without the Trust he would not be where he is today.

We have a lot of success with our residents and this outcome demonstrates what the Trust can achieve, giving people the opportunity to re-build their lives and move on into true independence.

Nicolas Heslop
Chairman



August 2017

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

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 2017.

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 15 staff during the year; 8 full-time and 7 part-time. In addition, at least 10 volunteers assist in the running of our shop 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 5 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:

- 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

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

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 during the year provided 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

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

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. During the period we accommodated a total of 34 homeless people and saw 15 people move-on into independence.

We have implemented 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.

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 Sevenoaks Chamber of Commerce and Industry, and regularly attend various business networking groups.

Financial Review

Income:

Total income for the year increased from £457,930 in 2016, to £653,892 which included £194,899 profit from the sale of our Shipbourne Road house.

The principal sources of income are:

Supported Accommodation (arising from Licence and Support charges):

Decreased from £266,003 in 2016 to £254,667

Donations and Grants:

Increased from £99,011 in 2016 to £146,637

Retail Outlets:

Decreased from £92,164 in 2016 to £56,045

Other Income (arising from the sale of one freehold property):

Increased from £Nil in 2016 to £194,899

Expenditure:

The Trust decreased its expenditure this year from £585,083 in 2016 to £553,588.

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The principal areas of expenditure are:

Charitable Activities (arising from providing accommodation and support services):
Increased from £320,161 in 2016 to £328,991.

Raising Funds (grants and donations):
Decreased from £36,939 in 2016 to £31,914

Charity retail operations:
Decreased from £227,983 in 2016 to £192,683

Retail Operations

During the year we have rationalised our retail operations during the year by closing two outlets; one shop and our furniture warehouse, reducing our expenditure by £35,300 in the year. Any non-charitable operations need to contribute a surplus to use for our charitable work and we will continue to review our remaining retail operations to ensure this happens.

The retail operation is part of the charity and not an independent or subsidiary trading company.

Fundraising, PR and Marketing

The Trust employs one full-time member of staff and together with one other member of the operational team and the Chief Executive, work to raise charitable funds for the our work. 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 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 reserves to mitigate against this eventuality. During the past 2 years these had been eroded to allow us to support our retail operations but, following the sale of one of our freehold properties our liquid reserves of £262,596 at the end of the year were once again within the policy of being between 3 and 6 months of 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.

THE BRIDGE TRUST CORPORATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

We continue to concentrate our efforts on our core service of providing supported accommodation, although having sold one house this brings our total capacity down from 27 to 23.

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 are also working towards the Kent Healthy Business Award, both of which we intend to apply for accreditation in the coming year.

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.

THE BRIDGE TRUST CORPORATION

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

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 on17/8/2017..... and signed on its behalf by:

Nicolas Heslop
Chairman

A handwritten signature in black ink, consisting of a stylized 'N' followed by a vertical line and a horizontal line, resembling the letters 'NH'.

THE BRIDGE TRUST CORPORATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE TRUST CORPORATION FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of The Bridge Trust Corporation for the year ended 31 March 2017 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 Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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.

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 Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 2017**

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 2017 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.

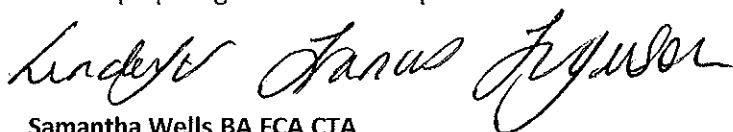
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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 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 take advantage of the small companies exemption in preparing the Trustees' Report.



Samantha Wells BA FCA CTA
Senior Statutory Auditor

For and on behalf of:
Lindeyer Francis Ferguson Limited
Statutory Auditors
Chartered Accountants

Date: *1 SEPTEMBER 2017*

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 2017

| | Notes | Restricted funds 2017 £ | Unrestricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|---|-----------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and grants | 2 | 27,600 | 119,037 | 146,637 | 99,011 |
| Charitable activities: | | | | | |
| Supported accomodation | 3 | - | 254,667 | 254,667 | 266,003 |
| Other trading activities: | | | | | |
| Retail outlets | 5 | - | 56,045 | 56,045 | 92,164 |
| Investment income | | - | 1,644 | 1,644 | 752 |
| Other income | 6 | - | 194,899 | 194,899 | - |
| Total income | | 27,600 | 626,292 | 653,892 | 457,930 |
| Expenditure on: | | | | | |
| Raising funds | 7 | - | 224,597 | 224,597 | 264,922 |
| Charitable activities | 8 | 31,125 | 297,866 | 328,991 | 320,161 |
| Total expenditure | | 31,125 | 522,463 | 553,588 | 585,083 |
| Net gains on investments | | - | 2,415 | 2,415 | 410 |
| Net income/(expenditure) and net movement in funds | 11 | (3,525) | 106,244 | 102,719 | (126,743) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 4,125 | 396,104 | 400,229 | 526,972 |
| Total funds carried forward | 16 | 600 | 502,348 | 502,948 | 400,229 |

All income and expenditure derive from continuing activities.

THE BRIDGE TRUST CORPORATION

BALANCE SHEET

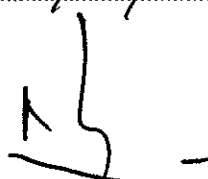
AS AT 31 MARCH 2017

| | Notes | £ | 2017 £ | £ | 2016 £ |
|--|-------|----------|-----------------------|----------------|-----------------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 178,327 | | 214,629 |
| Investments | 13 | | 62,025 | | 20,010 |
| | | | <u>240,352</u> | | <u>234,639</u> |
| Current assets | | | | | |
| Debtors | 14 | 35,746 | | 47,281 | |
| Cash at bank and in hand | | 247,931 | | 135,638 | |
| | | | <u>283,677</u> | <u>182,919</u> | |
| Liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | (21,081) | | (17,329) | |
| Net current assets | | | <u>262,596</u> | | <u>165,590</u> |
| Total net assets | | | <u><u>502,948</u></u> | | <u><u>400,229</u></u> |
| The funds of the charity | | | | | |
| Restricted funds | | | 600 | | 4,125 |
| Unrestricted funds | | | 502,348 | | 396,104 |
| Total funds | 16 | | <u><u>502,948</u></u> | | <u><u>400,229</u></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 17/03/2017 and signed on its behalf by:

Nicolas Heslop
Trustee



Company registration number: 03111576

THE BRIDGE TRUST CORPORATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

| | | 2017 | 2016 |
|--|-------|------------|------------|
| | | £ | £ |
| | Notes | | |
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | A | (73,969) | (136,827) |
| Cash flows from investing activities: | | | |
| Interest received | | 1,644 | - |
| Proceeds on disposal of tangible assets | | 224,218 | - |
| Purchase of tangible assets | | - | (850) |
| Purchase of investments | | (39,600) | (19,600) |
| Net cash provided by/(used in) investing activities | | 186,262 | (20,450) |
| Change in cash and cash equivalents for the year | | 112,293 | (157,277) |
| Cash and cash equivalents at the beginning of the year | | 135,638 | 292,915 |
| Cash and cash equivalents at the end of the year | | 247,931 | 135,638 |
| 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> | | 102,719 | (126,743) |
| Adjustments for: | | | |
| Depreciation charges | | 2,575 | 4,834 |
| Loss on disposal of assets | | 4,409 | - |
| Gains on investments | | (2,415) | (410) |
| Profit on disposal of assets | | (194,899) | - |
| Interest receivable | | (1,644) | - |
| Decrease/(increase) in debtors | | 11,535 | (16,137) |
| Increase in creditors | | 3,752 | 1,629 |
| Net cash used in operating activities | | (73,969) | (136,827) |

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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 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.

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 2017

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 |
| Improvements to premises | 10% on cost |
| Fixtures, fittings & equipment | 20% on cost and 33.3% on cost |
| Motor vehicles | 25% 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 2017

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 2017**

2 Income from donations and grants

| | 2017 | 2016 |
|----------------------------|----------------|---------------|
| | £ | £ |
| Donations | 105,696 | 79,801 |
| Grants | 31,000 | 3,000 |
| Donated income from events | 9,941 | 16,210 |
| | <u>146,637</u> | <u>99,011</u> |

Income from grants in the comparative period was all unrestricted.

Analysis of grants receivable:

| | <i>Restricted</i> | <i>Unrestricted</i> | <i>Total</i> | <i>Total</i> |
|--|-------------------|---------------------|---------------|--------------|
| | 2017 | 2017 | 2017 | 2016 |
| | £ | £ | £ | £ |
| Albert Hunt Trust | - | 3,000 | 3,000 | - |
| Cole Charitable Trust | 600 | - | 600 | - |
| Kippington PCC | - | 400 | 400 | - |
| Lloyds Bank Foundation | 25,000 | - | 25,000 | 1,000 |
| Whitehead Monckton Charitable Foundation | 2,000 | - | 2,000 | - |
| The Paragon Trust | - | - | - | 2,000 |
| | <u>27,600</u> | <u>3,400</u> | <u>31,000</u> | <u>3,000</u> |

3 Income from charitable activities

| | 2017 | 2016 |
|-----------------|----------------|----------------|
| | £ | £ |
| Licence charges | 132,225 | 143,561 |
| Support charges | 122,442 | 122,442 |
| | <u>254,667</u> | <u>266,003</u> |

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

4 Government grants

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

5 Income from retail outlets

| | 2017 | 2016 |
|----------------------------------|--------|--------|
| | £ | £ |
| Charity shop and warehouse sales | 56,045 | 92,164 |

6 Other income

| | 2017 | 2016 |
|---|---------|------|
| | £ | £ |
| Profit on disposal of freehold property | 194,899 | - |

THE BRIDGE TRUST CORPORATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

| 7 Expenditure on raising funds | 2017 | 2016 |
|--|-------------|-------------|
| | £ | £ |
| Charity shop and warehouse expenditure: | | |
| Rent and rates | 64,606 | 62,265 |
| Wages and salaries | 69,773 | 88,706 |
| National insurance | 4,377 | 5,143 |
| Volunteer expenses | 3,014 | 3,025 |
| Maintenance costs | 3,523 | 16,386 |
| Premises costs | 12,758 | 13,889 |
| Office costs | 901 | 2,056 |
| Other costs | 2,152 | 2,791 |
| Travel and motor expenses | 3,665 | 6,549 |
| Legal and professional | 2,603 | 3,897 |
| Bank charges | 1,015 | 1,186 |
| Depreciation | 1,397 | 3,164 |
| Loss on disposal of fixed assets | 4,409 | - |
| | <hr/> | <hr/> |
| | 174,193 | 209,058 |
| Allocation of support costs (note 9) | 18,490 | 18,925 |
| | <hr/> | <hr/> |
| | 192,683 | 227,983 |
| | <hr/> | <hr/> |
| Expenditure on raising donations and grants: | | |
| Wages and salaries | 25,649 | 30,457 |
| National insurance | 1,970 | 1,995 |
| Other costs | 4,295 | 4,487 |
| | <hr/> | <hr/> |
| | 31,914 | 36,939 |
| | <hr/> | <hr/> |
| Total expenditure on raising funds | 224,597 | 264,922 |
| | <hr/> <hr/> | <hr/> <hr/> |

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8 Expenditure on charitable activities

| | 2017 | 2016 |
|--------------------------------------|-------------|-------------|
| | £ | £ |
| Rent and rates | 40,381 | 34,172 |
| Wages and salaries | 124,404 | 133,946 |
| National insurance | 10,015 | 10,823 |
| Maintenance costs | 23,095 | 14,836 |
| Premises costs | 15,982 | 12,631 |
| Office costs | 2,792 | 3,925 |
| Other costs | 4,227 | 6,356 |
| Travel and motor expenses | 2,280 | 2,446 |
| Provision for bad debts | 7,570 | - |
| Depreciation | 1,178 | 1,670 |
| | <hr/> | <hr/> |
| | 231,924 | 220,805 |
| Allocation of support costs (note 9) | 97,067 | 99,356 |
| | <hr/> | <hr/> |
| | 328,991 | 320,161 |
| | <hr/> <hr/> | <hr/> <hr/> |

Expenditure on charitable activities in the comparative period included restricted expenditure of £12,105.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9 Support costs

| | 2017 | 2016 |
|--|----------------|----------------|
| | £ | £ |
| Rent and rates | 7,829 | 6,933 |
| Wages and salaries | 72,667 | 71,164 |
| National insurance | 4,115 | 4,904 |
| Volunteer expenses | 17 | 23 |
| Maintenance costs | 5,594 | 6,774 |
| Premises costs | 6,140 | 6,914 |
| Office costs | 7,660 | 9,934 |
| Other costs | 1,484 | 1,824 |
| Travel and motor expenses | 1,038 | 1,127 |
| Legal and professional | 4,098 | 3,362 |
| Bank charges | 565 | 101 |
| Governance costs: | | |
| Auditors' remuneration | 2,500 | 2,500 |
| Auditors' remuneration - non-audit | 1,850 | 2,720 |
| | <u>115,557</u> | <u>118,281</u> |
| Allocated as follows: | | |
| Charity shop and warehouse expenditure | 18,490 | 18,925 |
| Expenditure on charitable activities | 97,067 | 99,356 |
| | <u>115,557</u> | <u>118,281</u> |

THE BRIDGE TRUST CORPORATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10 Staff costs, Trustee remuneration and expenses

| | 2017 | 2016 |
|--------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 292,493 | 324,272 |
| National insurance | 20,477 | 22,865 |
| | <u>312,970</u> | <u>347,137</u> |

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

| | 2017 | 2016 |
|--|-----------|-----------|
| | No. | No. |
| Charitable activities - support services | 5 | 6 |
| Raising funds - retail | 5 | 5 |
| Management and administration | 4 | 4 |
| | <u>14</u> | <u>15</u> |

No employee received remuneration amounting to more than £60,000 in the year (2016: none).

During the year, no trustee received any remuneration nor any reimbursement of expenses. (2016: £Nil).

11 Net income/(expenditure)

| | 2017 | 2016 |
|---|--------------|--------------|
| | £ | £ |
| This is stated after charging/(crediting): | | |
| Depreciation | 2,575 | 4,834 |
| Profit on disposal of freehold property | (194,899) | - |
| Loss on disposal of fixed assets | 4,409 | - |
| Operating lease payments | 96,504 | 88,866 |
| Auditors' remuneration - for audit services | 2,550 | 2,500 |
| Auditors' remuneration - for non-audit services | 1,800 | 2,720 |
| | <u>1,800</u> | <u>2,720</u> |

THE BRIDGE TRUST CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12 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 2016 | 219,878 | 45,396 | 11,880 | 43,482 | 320,636 |
| Additions | - | - | - | - | - |
| Disposals | (28,670) | (17,598) | (11,880) | (7,102) | (65,250) |
| At 31 March 2017 | 191,208 | 27,798 | - | 36,380 | 255,386 |
| Depreciation | | | | | |
| At 1 April 2016 | 23,861 | 35,694 | 2,970 | 43,482 | 106,007 |
| Charge for the year | 1,219 | 118 | 1,238 | - | 2,575 |
| On disposals | (3,969) | (16,244) | (4,208) | (7,102) | (31,523) |
| At 31 March 2017 | 21,111 | 19,568 | - | 36,380 | 77,059 |
| Net book value | | | | | |
| At 31 March 2017 | 170,097 | 8,230 | - | - | 178,327 |
| At 31 March 2016 | 196,017 | 9,702 | 8,910 | - | 214,629 |

13 Fixed asset investments

| | <i>2017</i> £ | <i>2016</i> £ |
|-----------------------------|------------------|------------------|
| Fair value at 1 April 2016 | 20,010 | - |
| Additions at cost | 39,600 | 19,600 |
| Changes in fair value | 2,415 | 410 |
| Fair value at 31 March 2017 | 62,025 | 20,010 |

Investments comprise cash of £1,208 and quoted UK investments of £60,817.

THE BRIDGE TRUST CORPORATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

14 Debtors

| | 2017 | 2016 |
|----------------------------|---------------|---------------|
| | £ | £ |
| Licence charges receivable | 7,459 | 12,829 |
| Other debtors | 6,325 | 6,325 |
| Gift Aid recoverable | 6,545 | 4,261 |
| Prepayments | 15,417 | 23,866 |
| | <u>35,746</u> | <u>47,281</u> |

15 Creditors: amounts falling due within one year

| | 2017 | 2016 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 6,857 | 2,624 |
| Other taxation and social security | 5,207 | 5,900 |
| Other creditors | 180 | 611 |
| Accruals and deferred income | 8,837 | 8,194 |
| | <u>21,081</u> | <u>17,329</u> |

THE BRIDGE TRUST CORPORATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

16 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 | 30,087 | 626,292 | (518,829) | (33,529) | 104,021 |
| Designated funds: | | | | | |
| Contingency fund | 200,000 | - | - | - | 200,000 |
| Fixed asset fund | 146,017 | - | (1,219) | 33,529 | 178,327 |
| Property repair fund | 20,000 | - | - | - | 20,000 |
| | <u>366,017</u> | <u>-</u> | <u>(1,219)</u> | <u>33,529</u> | <u>398,327</u> |
| | <u>396,104</u> | <u>626,292</u> | <u>(520,048)</u> | <u>-</u> | <u>502,348</u> |
| Restricted funds | | | | | |
| Restricted funds | 4,125 | 27,600 | (31,125) | - | 600 |
| Total funds | <u><u>400,229</u></u> | <u><u>653,892</u></u> | <u><u>(551,173)</u></u> | <u><u>-</u></u> | <u><u>502,948</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 restricted funds carried forward relate to a donation towards two trips out for residents. These amounts will be spent in the next financial year.

THE BRIDGE TRUST CORPORATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17 Analysis of net assets between funds

| | <i>Restricted funds 2017 £</i> | <i>Unrestricted funds 2017 £</i> | <i>Total funds 2017 £</i> | <i>Total funds 2016 £</i> |
|----------------------------|--|--|---------------------------------------|---------------------------------------|
| Tangible fixed assets | - | 178,327 | 178,327 | 214,629 |
| Investments | | 62,025 | 62,025 | 20,010 |
| Current assets | 600 | 283,077 | 283,677 | 182,919 |
| Creditors: within one year | - | (21,081) | (21,081) | (17,329) |
| | <u>600</u> | <u>502,348</u> | <u>502,948</u> | <u>400,229</u> |

18 Operating lease commitments

At 31 March 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

| | <i>2017 £</i> | <i>2016 £</i> |
|---|-------------------|-------------------|
| Payments due: | | |
| not later than one year | 63,994 | 83,429 |
| later than one year and not later than five years | 208,797 | 282,139 |
| later than five years | 63,570 | 109,539 |
| | <u>336,361</u> | <u>475,107</u> |

19 Related party transactions

The total remuneration of key management personnel was £97,242 (2016: £106,721). Key management personnel include the trustees, who are not remunerated, the CEO and senior managers.

