

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

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BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS OF TRUSTEE COMPANY AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Directors of Trustee Company	Dr Daniela De Angeli Mr Tim Beale (resigned 7 July 2020) Cllr Sarah Bevan (resigned 1 September 2020) Mr Stephen Bird Mr Michael Davis Professor Jonathan Dawes Dr Henry Ford Professor Ian Gadd Mr Christopher Garcia Dr Adalgisa Giorgio (resigned 31 July 2020) Mr David Hall (appointed 4 September 2020) Dr David J Haywood (resigned 10 December 2020) Ms Geraldine Kontos Dr Penelope Law Cllr Bharat Pankhania (appointed 8 September 2020) Mrs Elizabeth Suchar Dr Joe Willson
Trustee	Bath Royal Literary & Scientific Institution Trustees Ltd
Charity registered number	304477
Principal office	16-18 Queen Square Bath BA1 2HN
Independent auditors	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their annual report together with the audited financial statements of the Charity for the year 1 April 2020 to 31 March 2021.

The Directors confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2019).

Reference and administrative details

The Bath Royal Literary and Scientific Institution (BRLSI) is an unincorporated association Registered Charity number 304477 (the Charity) run by volunteers. It is governed by the Scheme dated 29 September 1993, as amended by the Schemes dated 16 September 1997 and 20 August 2019.

The Trustee of the Charity is Bath Royal Literary and Scientific Institution Trustees (the company), a company limited by guarantee with number 2857000. The company is regulated by its Memorandum and Articles of Association (M&A) dated 27 September 1993, as amended by special resolutions dated 12 April 1995, 21 February 1996, 2 July 1997, 10 February 1999, 28 June 2000, 4 December 2002, 20 May 2010, 17 January 2017 and 23 October 2019. The Articles of Association state that the members of the Company's Board of Management (the Directors as defined by Companies Acts) are the Directors of the company. The premises and principal office of the BRLSI are at 16-18 Queen Square, Bath, BA1 2HN.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

Bath Royal Literary and Scientific Institution is a registered charity, number 304477.

The Articles of Association of the Trustee Company state that there shall be a minimum of thirteen Directors but not more than fifteen Directors consisting of:

- Two Directors to be appointed by The University of Bath
- One Director to be appointed by Bath Spa University
- One Director to be appointed by Bath and North East Somerset Council or by such other local government authority as shall take its place
- Up to three further Directors appointed by institutions within the Bath area chosen by the Directors
- Eight Directors to be elected by the Members in general meeting.

The following were Directors on the date the report was approved.

Mr Stephen Bird	Appointed (South West Federation of Museums and Art Galleries)
Mr Michael Davis (Vice Chair)	Elected
Professor Jonathan Dawes	Appointed (The University of Bath)
Dr Daniela De Angeli	Appointed (The University of Bath)
Dr Henry Ford	Elected
Mr Chris Garcia	Elected
Professor Ian Gadd	Appointed (Bath Spa University)
Mr David Hall	Appointed (Bath Preservation Trust)
Ms Gerry Kontos	Elected
Dr Penelope Law	Elected
Cllr Bharat Pankhania	Appointed (B&NES Council)
Mrs Elizabeth Suchar (Chair)	Elected
Dr Joe Willson	Elected

During the reporting year Dr Joe Willson was elected to the Board and Mr Michael Davis and Dr David Haywood re-elected to the Board at the Annual General Meeting held on 21st October 2020.

b. Methods of appointment or election of Directors

Each Director appointed by B&NES is appointed for a term of office ending on the date of the appointment of his/her successor, which may be made at any time after the ordinary day of retirement of councillors next after his/her appointment. Each of the remaining appointed Directors is appointed for a term of three years and each elected Director for a period of three years from the date of the AGM at which he/she is elected.

No Director may serve more than three consecutive terms of three years each. An elected Director who has served nine years may stand after twelve months have elapsed since he or she ceased to be a Director.

c. Director induction and training

New Directors are provided with copies of the Memorandum & Articles of the trustee company and the Governance documents (which are under continuous review), together with relevant Charity Commission documents. They are given a tour of the BRLSI premises (including the Library and Collections), introduced to the permanent staff and the general running of the BRLSI is explained to them.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Structure, governance and management (CONTINUED)

d. Risk management

Close scrutiny of the operations of the Institution through detailed reporting of activity of subcommittees through the Management committee offers the Directors a thorough understanding of risks to the charitable aims of the Institution. Delegated responsibilities are monitored closely by the Directors to ensure that the balance of risk is always in favour of the Institution's membership and the beneficiaries of its activities, while balancing that against the need to fulfil its responsibilities for preservation and conservation of its Grade 1 Listed premises and its extensive and historic collections.

The Directors oversee the Institution's compliance with statutory obligations, ensuring that the Management committee pays due attention to, for example, Health and Safety Policy, Equality and Diversity, Safeguarding and Insurance. The Directors continue to pay close attention to the potential risks associated with the governance of the Institution, including the involvement of members in the Institution's management, the appointment and declaration of interest of Directors, and the proper employment of staff and compliance with trading activities in relation to BRLSI charity status. The Directors consider that there are no significant risks to the charitable activities of the Institution and appropriate mitigation is in place for more moderate risks. In order to enhance further the Directors' appreciation for all areas of risk, a risk register incorporating mitigation measures has been established to ensure that systematic up to date monitoring of risk management strategies continues.

Objectives and activities

a. Policies and objectives

The Articles of Association of the Trustee Company describe its mission as the promotion and advancement, for the public benefit, of science, literature and art in the City of Bath and its surrounding areas by such means as the Directors of the Company think fit, including but not limited to:

- the provision and maintenance of a museum in or near the City of Bath for the display of exhibits of historical, scientific, literary or artistic significance or interest;
- the provision of a library, lectures and other facilities for education relating to literature, science and art; and,
- the promotion of research relating to literature, science and art and the publication of the useful results of that research.

The Institution therefore is a cultural centre for its members and the public, providing a wide-ranging programme of lectures, discussions, science demonstrations and regular exhibitions of historical, scientific, literary and artistic significance and interest. BRLSI also serves as a meeting place for other societies and organisations. It also promotes research, produces publications associated with its objectives, and conserves and manages its collections, some of them of national and international importance, making them accessible for study and learning.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance

a. Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Review of activities

Until March 2020, BRLSI actively engaged with its various audiences through a programme of talks, exhibitions, meetings, publications, newsletters, trails, trips and a symposium. However, in March 2020, the Institution was closed due to the pandemic and did not reopen during the 2020-21 financial year. We did not stop providing talks, however, instead of physical talks, we moved the programme online. So far, this virtual activity has generated 130 videos that are available through YouTube and we have gathered 500 subscribers. We planned two visual series, both delivered successfully, a week of Jane Austen related talks and, in March 2021, a weekend Symposium on Vienna.

We have been fortunate this year to be awarded funding from the Arts Fund and the M St J Way Charitable Trust that has permitted us to develop a Discovery App that provides 4 trails through Bath and then directs the user back to the Institution to see those items from our historic collection which are featured in the various trails. The design of these trails has been carried out by staff and students at the Bath Spa University, as part of our ongoing collaboration. The funding has also helped us develop a new website more aligned to our new online activities.

The previous £36,000 Heritage Lottery Fund grant concluded during the financial year with a review by consultants of our governance structure and preparation of a business plan. We have recently received a second grant that addresses our need to improve our digital offerings and to assist us in reaching younger audiences through social media.

The major BRLSI exhibition planned for the year, 'Jurassic Ark', had to be postponed until May 2021. Throughout the year, via Instagram, highlights from the historic collections were shared on social media and information about the collections were included weekly in Bob's Bulletin, our regular newsletter for members and the public which communicates the latest information about our events.

A number of BRLSI activities for young people, including a Geographical Association Key Stage 3 Worldwide Quiz, our annual A Level Geography afternoon, featuring lecturers from three of our local Universities and the BRLSI A Level Philosophy group, all had to be cancelled due to the pandemic. BRLSI has developed a strong working relationship with Bath Spa University and their students have been involved in various aspects of BRLSI activities such as the International Women's Day Map and publicity campaigns. New efforts in this area are currently being undertaken and will hopefully be in place for the next financial year.

The number of Members fell this year during our closure as people could only join online and some previous members had difficulty renewing electronically. We will be trying to reach out during the upcoming year to bring our membership level back up to more than 800 and are working on a new website that will make joining and renewing online easier. We kept in contact with volunteers and Members through emails and the electronic membership newsletter. The newsletter improved in quality during the year enriched by more images and features. The data shows the newsletter is now being read by a majority of the recipients.

BRLSI continues to cooperate with other organizations and this year we contacted a number of like-minded organizations inviting them to use our online platform and take advantage of the experience we had gained about managing online talks. Bath Spa University partnered with us for a number of talks and especially for the Vienna Symposium. We also started a monthly Big Read. We invited the Bath Shakespeare Society to lead one Big Read on Hamnet and additionally prepared a video of their members reading sonnets for our online platform. We are the Southwest Local Centre for the Royal Meteorological Society and have put on joint interviews and lectures with the Wales and West Country Branch of the Royal Geographical Society through the year.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance (CONTINUED)

Various internal meetings and the usual cycle of Board meetings were conducted through the year via Zoom. Directors agreed to make significant use of the Coronavirus Job Retention Scheme by placing several staff on furlough during the lockdown. Three staff left during the year through redundancy and resignation, and we are currently assessing the impact of the changes in emphasis will have on our staffing requirements. A professional bookkeeper has been hired to ensure that financial matters are properly handled.

Digital BRLSI has come on in leaps and bounds with over 2826 people attending an online talk and income generated during the pandemic of approximately 12,000 pounds. This has been possible because BRLSI volunteers have given generously of their time and talent working extremely hard. During this year and we estimate conservatively that the total number of free hours contributed by our volunteers exceeds 10,000 hours per annum. This is a remarkable effort and permitted BRLSI to continue its outreach during a difficult year.

Financial review

a. Overview

The BRLSI aims to balance its revenue generation activities against its aspiration to provide as extensive and useful a facility for educational activities as possible, while ensuring the long-term sustainability of its freehold property, 16-18 Queen Square, Bath (a Grade I listed building) and its important scientific collections and books.

Total incoming resources for the year were £351,505 (2020: £376,563) and total resources expended were £330,296 (2020: £462,413). Net outgoing resources after gains and losses on investments were £132,331 (2020: outgoing £105,846).

Total funds as at 31 March 2021 were £3,944,441 (2020: £4,076,772) which includes £3,331,114 (2020: £3,531,114) held in freehold property and investment property.

b. Reserves policy

The BRLSI Financial Reserves Policy is derived from two key sources: the BRLSI Risk Register maintained by the Board of Directors and the guidance offered by the Charity Commission through CC19. The Directors regularly review the Risk Register and this Policy will be re-examined regularly following those reviews.

BRLSI Financial Reserves are held for three main purposes:

- (i) to provide working capital to meet the needs of the Institution [the "General Fund"].;
- (ii) to provide financial stability and security by making provisions against prudent risks the Institution might encounter, including the financial risks associated with the maintenance of 16-18 Queen Square [the "Contingency Fund"].
- (iii) to provide income to pay for charitable activities [the "Income Generating Fund"].

The financial assets of the BRLSI are as follows: the building and contents, investments, and cash. Investments comprise a broad portfolio managed by Rathbones. In legal terms, part of the value of the building is considered as a straightforward asset directly supporting the aims of the Institution while the remainder is considered as an investment property that is leased out in order to raise income to pay for charitable activities.

The General Fund, item (i), provides working capital to cover cashflow requirements established at £50,000.

The Contingency Fund covers item (ii): the Directors aim to maintain it at around £200,000, this being a worst-case estimate of the total financial impact of major building maintenance occurring at the same time as the loss of six months' rental income due to a consequential tenant vacancy.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The Income Generating Fund covers item (iii) above and the Directors aim to hold £500,000 to generate income to spend on charitable activities, this balance currently stands at just over £250,000.

The 1824 Fund has been established as an Expendable Endowment Fund to further provide additional capital and income to support our charitable objectives.

c. Material investments policy

Rathbone Investment Management Limited ('Rathbones' Bristol office) manages BRLSI's investments on a discretionary basis and provides regular reports to the Finance sub-committee and to Directors.

Investments have increased in value over the year. At the year end, investments were valued at £553,537 (2020: £504,087) comprising £495,065 (2020: £448,605) in listed securities and £58,472 (2020: £55,482) in cash held for investment purposes.

d. Covid-19

In order to mitigate the financial impact of the pandemic, we severely restricted expenditure, including closure of the building from March 2020 to May 2021. We received Government support through the Small Business Grant scheme and utilising the Government's furlough scheme for our employees.

We applied for and received a Bounce Back Loan for £50,000, repayable over 10 years.

Cash flow during the year was positive at £34,305 (including the Bounce Back Loan).

During the year we lost two of our four commercial tenants because of Covid-19, one through a voluntary CVA arising from loss of business and one due their re-assessing their need for office space. We expect to replace one of those tenants in June 2021 and hope to replace the other by September 2021. We remain in close contact with CSquared our property managers in order to ensure that the balance of our use of the building between commercial lettings, room hire, and BRLSI's own activities, is appropriate.

The Institution is well-placed to weather the financial storms due to its substantial reserves, but its aims remain to flourish rather than merely survive.

Plans for future periods

Future developments

As part of our improved financial management, we now maintain a three-year rolling forecast to inform our decision making. Given the changes made during the past year in terms of savings and reduction in staff numbers, we expect to move to a small operational surplus in 2022/23 (excluding grants, donations and Government funding).

We have put considerable effort into developing a new Strategic Plan during the last year, which we will use as the basis for transformational changes of the Institution by our Bicentenary in 2024.

In April 2021 we were very fortunate to be awarded another grant from the National Lottery Heritage Fund for £92,000 to help us develop our income-generation activities. The primary foci will be on marketing our rapidly-developing digital offerings to allow us to broaden our audience base, and to upgrade our room hire IT equipment to better support our customers.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at the AGM.

Approved by order of the members of the board of Directors on
and signed on their behalf by:


Dr Joe Willson
Director of Trustee company

18th July 2021

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum of Association. 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.

Approved by order of the members of the board of Directors on
and signed on its behalf by:


Dr Joe Willson
Director of Trustee company

18th July 2021

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

OPINION

We have audited the financial statements of Bath Royal Literary and Scientific Institution (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION (CONTINUED)

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Directors' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE DIRECTORS OF THE TRUSTEE COMPANY

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the charity'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 Directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and the directors of the trustee company in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and,
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and,
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

We also communicated identified laws and regulations and potential fraud risks to the trustee of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION (CONTINUED)

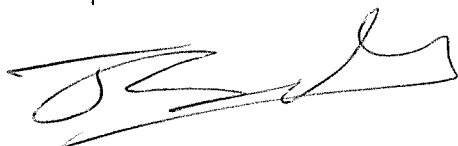
the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the directors of the trustee company, as a body in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the directors of the trustee company, as a body 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 trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Joe Scaife FCA DChA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 20/7/2021

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	84,116	54,070	-	138,186	90,984
Charitable activities		15,876	-	-	15,876	84,267
Activities for Generating Funds	4	174,591	-	-	174,591	186,451
Investments	5	22,852	-	-	22,852	14,861
TOTAL INCOME AND ENDOWMENTS		297,435	54,070	-	351,505	376,563
EXPENDITURE ON:						
Raising funds		150	-	-	150	3,551
Charitable activities		287,830	42,316	-	330,146	458,862
TOTAL EXPENDITURE		287,980	42,316	-	330,296	462,413
NET INCOME/(EXPENDITURE) BEFORE NET GAINS/(LOSSES) ON INVESTMENTS						
		9,455	11,754	-	21,209	(85,850)
Net gains/(losses) on investments		46,460	-	(200,000)	(153,540)	(19,996)
NET MOVEMENT IN FUNDS		55,915	11,754	(200,000)	(132,331)	(105,846)
RECONCILIATION OF FUNDS:						
Total funds brought forward		530,232	15,171	3,531,369	4,076,772	4,182,618
Net movement in funds		55,915	11,754	(200,000)	(132,331)	(105,846)
TOTAL FUNDS CARRIED FORWARD		586,147	26,925	3,331,369	3,944,441	4,076,772

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 32 form part of these financial statements.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	1,098,603	1,116,001
Investments	11	553,537	504,087
Investment property	10	2,250,000	2,450,000
		<u>3,902,140</u>	<u>4,070,088</u>
CURRENT ASSETS			
Debtors	12	87,184	95,718
Cash at bank and in hand		155,754	38,954
		<u>242,938</u>	<u>134,672</u>
Creditors: amounts falling due within one year	13	(155,637)	(127,988)
		<u>87,301</u>	<u>6,684</u>
NET CURRENT ASSETS			
Creditors: amounts falling due after more than one year	14	(45,000)	-
NET ASSETS EXCLUDING PENSION ASSET			
		<u>3,944,441</u>	<u>4,076,772</u>
TOTAL NET ASSETS			
		<u><u>3,944,441</u></u>	<u><u>4,076,772</u></u>
CHARITY FUNDS			
Endowment funds	15	3,331,369	3,531,369
Restricted funds	15	26,925	15,171
Unrestricted funds	15	586,147	530,232
TOTAL FUNDS			
		<u><u>3,944,441</u></u>	<u><u>4,076,772</u></u>

The financial statements were approved and authorised for issue by the Directors on and signed on their behalf by:


Dr Joe Willson
Director of Trustee company

18th July 2021

The notes on pages 16 to 32 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. GENERAL INFORMATION

Bath Royal Literary and Scientific Institution is an unincorporated charity registered in England and Wales. The registered office is 16-18 Queen Square, Bath, BA1 2HN.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Bath Royal Literary and Scientific Institution 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.

2.2 GOING CONCERN

The Directors of the Trustee Company have assessed the Balance Sheet, likely future cash flows and future activities at the date of approving these financial statements. The Directors of the Trustee Company have a reasonable expectation that the Charity has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements.

The Directors of the Trustee Company have also carefully considered the recent COVID-19 events as outlined in the Trustee's report and, with this in mind, believe that the going concern basis is still appropriate for the preparation of the financial statements.

2.3 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (continued)

2.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (continued)

2.6 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% Straight line
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No depreciation is provided on the Charity's land and buildings. In the opinion of the Directors of the Trustee Company the building will have a residual value at least equal to its cost rendering a charge for depreciation negligible

2.9 INVESTMENT PROPERTY

The investment property is included in the Balance sheet at open market value in accordance with the Financial Reporting Standard 102 and is not depreciated.

2.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments held as fixed assets are shown at cost less provision for impairment.

2.11 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (continued)

2.12 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.16 MUSEUM COLLECTION

The charity's collection, which includes geological specimens, a herbarium and a library, is not capitalised or valued. These are considered to be heritage assets where reliable cost information is not available nor would a conventional valuation be appropriate.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. INCOME FROM GRANTS, DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	42,525	235	-	42,760	90,399
Grants	-	53,835	-	53,835	-
Coronavirus Job Retention Scheme	41,591	-	-	41,591	585
	<u>84,116</u>	<u>54,070</u>	<u>-</u>	<u>138,186</u>	<u>90,984</u>
TOTAL 2020	<u>54,151</u>	<u>36,633</u>	<u>200</u>	<u>90,984</u>	

4. ACTIVITIES FOR GENERATING FUNDS

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rents Received	<u>174,591</u>	<u>174,591</u>	<u>186,451</u>
TOTAL 2020	<u>186,451</u>	<u>186,451</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from listed investments	22,747	22,747	14,411
Investment income - cash	105	105	450
	<u>22,852</u>	<u>22,852</u>	<u>14,861</u>
TOTAL 2020	<u>14,861</u>	<u>14,861</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	48,887	281,259	330,146	458,862
TOTAL 2020	124,938	333,924	458,862	

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	33,809	33,420
Other costs	3,887	79,136
Premises costs	11,191	12,382
	48,887	124,938

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	99,983	104,345
Other costs	58,271	67,045
Premises costs	91,646	130,929
Accountancy costs	10,000	6,450
Resilience project expenditure	21,359	25,155
	281,259	333,924

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**7. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2021 £	2020 £
Depreciation of owned tangible fixed assets	17,398	19,842
Auditors remuneration	6,500	6,500
Operating lease rentals	1,960	1,960
	<u>17,398</u>	<u>19,842</u>

During the year, no Directors received any remuneration or benefits in kind (2020: £Nil).

Two Directors received reimbursement of expenses amounting to £313 (2020: Two directors: £109) in the current year.

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	118,576	116,215
Social security costs	6,583	8,931
Contribution to defined contribution pension schemes	8,633	12,619
	<u>133,792</u>	<u>137,765</u>

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

	2021 No.	2020 No.
Collection	1	1
Support	5	5
	<u>6</u>	<u>6</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Collection	1	1
Support	3	3
	<u>4</u>	<u>4</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**8. STAFF COSTS (CONTINUED)**

No employee received remuneration amounting to more than £60,000 in either year.

During the year the charity received £41,591 under the Coronavirus Job Retention Scheme (CJRS) in respect of furloughed staff as disclosed in note 3.

9. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Total £
COST OR VALUATION			
At 1 April 2020	1,081,114	130,719	1,211,833
At 31 March 2021	1,081,114	130,719	1,211,833
DEPRECIATION			
At 1 April 2020	-	95,832	95,832
Charge for the year	-	17,398	17,398
At 31 March 2021	-	113,230	113,230
NET BOOK VALUE			
At 31 March 2021	1,081,114	17,489	1,098,603
At 31 March 2020	1,081,114	34,887	1,116,001

The property 16-18 Queen Square is owned by Bath Royal Literary and Scientific Institution Trustees Limited which is the trustee for the charity. This company holds this property in trust for the charity.

An element of the property 16-18 Queen Square, Bath, is leased to generate rental income. It is this element of the property which has been classified as an investment asset.

The land and buildings relate to assets which were returned from Avon County Council when the Institution was relaunched. The Directors continue to recognise the donated assets at their deemed cost of £1,081,114. Having obtained external advice, the Directors are satisfied that the current market value would be in excess of the recorded book value, but currently have elected not to adopt a policy of revaluing tangible fixed assets as permitted under FRS 102.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 April 2020	2,450,000
Deficit on revaluation	(200,000)
At 31 March 2021	<u>2,250,000</u>

The investment property was revalued as at 31 March 2021 by CSquared, RICS registered, on an open market value for existing use basis.

11. FIXED ASSET INVESTMENTS

	Listed investments £	Other investments £	Total £
COST OR VALUATION			
At 1 April 2020	448,605	55,482	504,087
Additions	-	2,990	2,990
Revaluations	46,460	-	46,460
AT 31 MARCH 2021	<u>495,065</u>	<u>58,472</u>	<u>553,537</u>
NET BOOK VALUE			
AT 31 MARCH 2021	<u>495,065</u>	<u>58,472</u>	<u>553,537</u>
AT 31 MARCH 2020	<u>448,605</u>	<u>55,482</u>	<u>504,087</u>

12. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	6,267	5,090
Other debtors	77,527	82,695
Prepayments and accrued income	3,390	7,933
	<u>87,184</u>	<u>95,718</u>

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans	5,000	-
Trade creditors	13,286	10,569
Other taxation and social security	-	1,610
Other creditors	50,708	35,017
Accruals and deferred income	86,643	80,792
	<u>155,637</u>	<u>127,988</u>
	2021 £	2020 £
Deferred income at 1 April 2020	52,207	23,374
Resources deferred during the year	25,238	52,207
Amounts released from previous periods	(52,207)	(23,374)
	<u>25,238</u>	<u>52,207</u>

Deferred income relates to rental income for the period April 2021 - June 2021 received prior to the year end.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans	45,000	-

Included within the above are amounts falling due as follows:

	2021 £	2020 £
BETWEEN ONE AND TWO YEARS		
Bank loans	5,000	-
BETWEEN TWO AND FIVE YEARS		
Bank loans	15,000	-
OVER FIVE YEARS		
Bank loans	25,000	-

Bank loans included in note 13 and 14 are in respect of a £50,000 "bounce back" loan repayable over 10 years. The loan is underwritten by the UK Government.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS						
General Fund	50,000	287,435	(260,582)	(73,313)	46,460	50,000
Contingency Fund	200,000	-	-	-	-	200,000
Fixtures and Fittings Fund	34,887	-	(17,398)	-	-	17,489
Designated Valentine Fund	10,744	-	-	-	-	10,744
Designated Cassidy Fund	30,811	-	(10,000)	-	-	20,811
Designated Youth Activities Fund	1,666	-	-	-	-	1,666
Designated Bath Society Fund	29,508	-	-	-	-	29,508
Income Generating Fund	172,616	10,000	-	73,313	-	255,929
	<u>530,232</u>	<u>297,435</u>	<u>(287,980)</u>	<u>-</u>	<u>46,460</u>	<u>586,147</u>
ENDOWMENT FUNDS						
Freehold Property Fund	3,531,114	-	-	-	(200,000)	3,331,114
1824 Fund	255	-	-	-	-	255
	<u>3,531,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>3,331,369</u>
RESTRICTED FUNDS						
Adopt a Book Collections Preservation Fund	(20)	235	(231)	-	-	(16)
Restricted Youth Activities Fund	95	-	-	-	-	95
Restricted Youth Activities Fund	2,841	-	-	-	-	2,841
Adelard Memorial Fund	1,050	-	-	-	-	1,050

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - CURRENT YEAR (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
BRLSI Resilience Project (NHLF)	10,845	-	(10,845)	-	-	-
Iminster Excavation Project	326	-	-	-	-	326
Virtual BRLSI Project	34	-	(34)	-	-	-
Forward to the Future	-	51,000	(28,371)	-	-	22,629
Recovery Funding SW Museums	-	2,835	(2,835)	-	-	-
	<u>15,171</u>	<u>54,070</u>	<u>(42,316)</u>	<u>-</u>	<u>-</u>	<u>26,925</u>
TOTAL OF FUNDS	<u><u>4,076,772</u></u>	<u><u>351,505</u></u>	<u><u>(330,296)</u></u>	<u><u>-</u></u>	<u><u>(153,540)</u></u>	<u><u>3,944,441</u></u>

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS						
General Fund	50,000	336,075	(413,621)	97,542	(19,996)	50,000
Contingency Fund	200,000	-	-	-	-	200,000
Fixtures and Fittings Fund	54,729	-	(19,842)	-	-	34,887
Designated Valentine Fund	10,744	-	-	-	-	10,744
Designated Cassidy Fund	30,811	-	-	-	-	30,811
Designated Youth Activities Fund	1,666	-	-	-	-	1,666
Designated Bath Society Fund	29,508	-	-	-	-	29,508
Income Generating Fund	270,158	-	-	(97,542)	-	172,616
	<u>647,616</u>	<u>336,075</u>	<u>(433,463)</u>	<u>-</u>	<u>(19,996)</u>	<u>530,232</u>
ENDOWMENT FUNDS						
Freehold Property Fund	3,531,114	-	-	-	-	3,531,114
1824 Fund	55	200	-	-	-	255
	<u>3,531,169</u>	<u>200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,531,369</u>
RESTRICTED FUNDS						
Adopt a Book Collections Preservation Fund	(153)	388	(255)	-	-	(20)
Restricted Youth Activities Fund	95	-	-	-	-	95
Adelard Memorial Fund	2,841	-	-	-	-	2,841
	<u>1,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,050</u>

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
BRLSI Resilience Project (NHLF)	-	36,000	(25,155)	-	-	10,845
Ilminster Excavation Project	-	2,950	(2,624)	-	-	326
Virtual BRLSI Project	-	950	(916)	-	-	34
	<u>3,833</u>	<u>40,288</u>	<u>(28,950)</u>	<u>-</u>	<u>-</u>	<u>15,171</u>
TOTAL OF FUNDS	<u>4,182,618</u>	<u>376,563</u>	<u>(462,413)</u>	<u>-</u>	<u>(19,996)</u>	<u>4,076,772</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

UNRESTRICTED FUNDS

The General Fund represents free reserves available to satisfy working capital and cashflow requirements for BRLSI's regular operations.

The Contingency Fund represents provisions against identifiable financial risks the Institution might encounter, including loss of tenancy income and the costs of maintenance of 16-18 Queen Square, as set out in the Reserves Policy above.

The fixtures and fittings fund represents the net book value of other fixed assets.

The Income Generating Fund generates income to spend on charitable activities and consists of a broad portfolio of actively-managed investments, as described in the Reserves Policy above.

The Valentine Fund represents a legacy and other funds realised from the Estate of Dr Rex Valentine. The fund will support activity related to the Visual Arts and the establishment of a modern library for the use of BRLSI Members.

The Cassidy Fund represents the value of a legacy gratefully received from the estate of the late Dr Brian Cassidy, a long-standing member of the Institution.

The Youth Activities Fund supports our Youth Activities including the Serious Fun Saturday Workshops described in the Review of Activities in the Directors' Report above.

The Bath Society Fund represented a legacy received on the winding-up of the Bath Society. The Bath Society Fund aims to support, among other activities, the following: (i) the annual John Wood Architectural Lecture, (ii) specific publications aimed at young people, e.g. BRLSI Trails, and (iii) Coordination and support for specific youth activities.

The Income Generating Fund includes the legacy gratefully received during the current financial year by BRLSI from the estate of the late Geoff Catchpole, a long-standing member of the Institution, currently valued at £10,000. Past practice has been that legacies above a threshold of £10,000 have been allocated their own designated funds, with the income generated from their contribution to the overall investments being used to support BRLSI's charitable purposes. Since the previous of these (the designated Cassidy Fund) was established in financial year 2015-16, the Charity Commission has updated its guidance on the use of designated funds (guidance document CC19). The Institution is therefore currently reviewing the optimum way for legacies to be recorded so that the contribution of each of them to the sustainability of the Institution is clearly recognised on an enduring basis and that all unrestricted legacies are treated in an equal way.

ENDOWMENT FUNDS

The 1824 Fund has been established to provide additional capital and income to support our charitable objectives over the longer term. It represents BRLSI's Expendable Endowment.

The freehold property fund represents 16-18 Queen Square which is held as a permanent endowment. Included within this fund is the revaluation reserve of £3,031,188 (2019: £3,031,188).

RESTRICTED FUNDS

The Adopt a Book Fund holds donations made for the restoration of specific antiquarian books in the Institution's collection.

The Collections Preservation Fund is used for the restoration of specific items from the Collections.

The Restricted Youth Activities Fund supports our Youth Activities including the Serious Fun Saturday Workshops described in the Review of Activities in the Directors' Report above.

The Adelard Memorial Fund exists to support the establishment and maintenance of a memorial to

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Adelard of Bath, often referred to as 'England's first scientist'.

The BRLSI Resilience Project Fund recognises an award from the National Heritage Lottery Fund (NHLF) to support external consultancy work reviewing BRLSI's governance and overall strategic direction.

The Ilminster Excavation Project Fund records donations and an award from the Curry Fund of the Geologists' Association for a pilot study of a new site in Ilminster, Somerset in August/September 2019, in collaboration with the University of Bristol.

The Virtual BRLSI Project Fund comprises a Next Generation Collections Museums Grant from Bath & North East Somerset Council for the purchase of equipment to enable photography and digitalisation of items from BRLSI's Collections.

In the year we commenced delivery on two grant and donation funded projects:

Forward to the Future - Rather than just undertake a limited (COVID restricted) reopening, this project will help deliver a 'digitally powered' campaign of revitalisation – Forward to the Future. This curated blend of new digital and traditional activity; helping BRLSI adapt to our new post COVID reality. Core to our revitalisation will be development of a new BRLSI branded App of 'Discovery Trails', with content to engage audiences designed by local creative artist-designers, linking into an improved website to provide visitors with enhanced access to our institution. In the year we were very grateful to have received a generous grant of £36,000 from the Art Fund and an exceptional donation of £15,000 from the M St J Way Charitable Trust towards this project.

Recovery Funding SW Museums - As we reopen our programmes post COVID, we propose connecting with our audiences in a new digital ways. We were delighted to be awarded this grant of £2835 by South West Museum Development with thanks to funding from Art Fund and Arts Council England for buying equipment to enable the combining of face to face events featuring our nationally important collections with live virtual streaming - enabling more diverse attendance and reducing the need to travel.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	17,489	-	1,081,114	1,098,603
Fixed asset investments	553,537	-	-	553,537
Investment property	-	-	2,250,000	2,250,000
Current assets	215,758	26,925	255	242,938
Creditors due within one year	(155,637)	-	-	(155,637)
Creditors due in more than one year	(45,000)	-	-	(45,000)
TOTAL	586,147	26,925	3,331,369	3,944,441

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	34,887	-	1,081,114	1,116,001
Fixed asset investments	504,087	-	-	504,087
Investment property	-	-	2,450,000	2,450,000
Current assets	119,246	15,171	255	134,672
Creditors due within one year	(127,988)	-	-	(127,988)
TOTAL	530,232	15,171	3,531,369	4,076,772

17. PENSION COMMITMENTS

BRLSI makes pension contributions to the Avon Pension Fund but it does not have employer status within this scheme. The assets of the scheme are held separately from those of BRLSI in an independently administered fund. The pension cost charge represents contributions payable by BRLSI to the fund and amounted to £12,619 (2019: £12,820). £Nil (2019: £Nil) was payable to the fund at the balance sheet date.

18. OPERATING LEASE COMMITMENTS

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	1,960	1,960
Later than 1 year and not later than 5 years	980	2,940
	2,940	4,900

19. RELATED PARTY TRANSACTIONS

In the year, the only related party transactions were purchases of annual memberships, all of which are in line with the normal course of business and the transactions were completed at an arm's length basis.