

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022

Directors of Trustee company	Mr Dick Bateman (appointed 20 October 2021) Mr Stephen Bird Mrs Julie Cole (appointed 20 October 2021) Mr Michael Davis Dr Daniela De Angeli Professor Jonathan Dawes Dr Henry Ford (retired 20 October 2021) Professor Ian Gadd, appointed Chair 20/10/2021 Mr Christopher Garcia Professor Barry Gilbertson (appointed 20 October 2021) Mr David Hall Mr Joe Houlihan (appointed 20 October 2021) Ms Geraldine Kontos (resigned 1 September 2021) Dr Penelope Law (retired 20 October 2021) Cllr Bharat Pankhania Mr Rob Randall (appointed 20 October 2021) Mrs Elizabeth Suchar, Chair until 20/10/2021 (retired 20 October 2021) 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 2022

The Directors present their annual report together with the audited financial statements of the Charity for the year 1 April 2021 to 31 March 2022.

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 2015).

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.

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 Dick Bateman	Elected
Mr Stephen Bird	Appointed (South-West Federation of Museums and Art Galleries)
Mrs Julie Cole	Elected
Mr Michael Davis (Vice Chair)	Elected
Professor Jonathan Dawes	Appointed (The University of Bath)
Dr Daniela De Angeli	Appointed (The University of Bath)
Mr Chris Garcia	Elected
Professor Ian Gadd (Chair)	Appointed (Bath Spa University)
Professor Barry Gilbertson	Elected
Mr David Hall	Appointed (Bath Preservation Trust)
Mr Joe Houlihan	Elected
Cllr Bharat Pankhania	Appointed (B&NES Council)
Mr Rob Randall	Elected
Dr Joe Willson	Elected

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

During the reporting year Mrs Julie Cole was Co-opted to the Board on 9th September 2021. Mr Dick Bateman, Mrs Julie Cole, Professor Barry Gilbertson, Mr Joe Houlihan and Mr Rob Randall were elected to the Board at the Annual General Meeting held on 20th October 2021.

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 elected 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.

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

e. 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.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

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)'.

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

The Bath Royal Literary and Scientific Institution began the 2021/22 financial year with its doors firmly closed. We were then still in step 1 of the Government's 2021 COVID roadmap; schools had reopened but otherwise only outdoor gatherings were allowed. A year later, BRLSI was — almost — back to 'normal'. The building had reopened, staff and volunteers were back, talks were taking place in-person, clients were booking rooms, tenants were in the building again, and preparation for the annual exhibition was well underway. COVID had not disappeared (we still required masking and social distancing in the building) but crucially the Institution was in a stronger and forward-looking position than it had been in March 2021.

This was by no means inevitable and was the consequence of four key factors:

- The extraordinary commitment of our staff and volunteers
- The consolidation and strengthening of our digital offering
- Targeted external funding success
- The careful and managed changeover of the Chairs of both the Board and Management Committee

Throughout 2020/21, our staff and volunteers ensured that the Institution always remained active, even when inside gatherings were impossible. Virtual lectures continued but, as lockdown eased, were supplemented by hybrid events where in-person talks were live-streamed to an online audience, and since March 2020, we delivered c.180 talks in various forms, attracted live audiences (online and in-person) of well over 6000, and brought in £20,000 in revenue. Our Collections team successfully mounted the 'Jurassic Ark: Spectacular Fossils from an Ancient Somerset Sea' exhibition, which ran from May to October; they also housed four of our most interesting objects in purpose-built semi-permanent display cabinets next to the reception desk. Gatherings for members and others (e.g. coffee mornings, the Big Read) took place regularly online and subsequently back in person. An informal association with the Children's Literature Festival in September proved so popular with families and children that we established a formal partnership with Bath Festivals to act as a key Festival venue during May 2022. Finally, staff and key volunteers ensured that the building was kept safe both in terms of its physical infrastructure but also through regularly reviewed COVID protocols.

BRLSI's digital character has grown substantially. Recordings of many of our virtual and hybrid talks have been added to BRLSI's YouTube channel, where there are now well over 200. Among them is a recording of the Victor Suchar Christmas lecture for 2021, delivered online by the Astronomer Royal, Lord Martin Rees. In June, our new website launched, providing easier access to upcoming events and activities and enabling members to sign up and renew online; more recently, members and non-members can now book tickets for upcoming events directly through the website. That same month, we launched the BRLSI Discovery Trails: a purpose-built smartphone app that offered users four specially designed local walking trails thematically

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

linked to those four objects on display in the Jenyns room. We also employed (funded by an external grant) a specialist consultant to help us rethink our approach to BRLSI's digital marketing: through surveys and digital analytical tools we were able not only to get a much better sense of our virtual audiences but also to develop new practices and processes that have transformed BRLSI's digital 'reach'.

During 2020/21, we secured a 'Respond and Reimagine' grant of £40 000 from the Art Fund to help BRLSI adapt to our new post COVID reality through an overhaul our website, develop the BRLSI Discovery Trails, and create new display cabinets in the Jenyns room; this grant was supplemented by a donation of £15 000 from the St M Wray Trust. This project completed its work in June and July 2021. We also completed the work funded from a small Recovery Grant from SW Museums to help us connect with audiences in new ways by installing a new steerable camera and laptop and a £90,800 grant from the National Lottery Heritage Fund to help us adapt and recover post COVID with new income and reach new audiences through a digital marketing pilot, and to enhance the audio-visual and digital infrastructure in our building. We also secured a further small recovery grant from SW Museums to also help extend our audiences by purchasing podcasting equipment and constructing a new digital trail.

It has also been a period of change in the management of the Institution but it is a testament to our tradition and practice of good governance that the transition was effected so smoothly: in September, Julie Cole succeeded Gerry Kontos as Chair of the Management Committee, and in October, Ian Gadd succeeded Betty Suchar as Chair of the Board. In the latter month, four new Directors were elected to the Board. Since then, the Board has changed the pattern and frequency of its meetings in order to strengthen its capacity to make informed and timely decisions for the good of the Institution. This has included, for example, thinking carefully about the leasing terms for new tenants to ensure that the Institution retains sufficient flexibility to be able to reconfigure space in the medium term. The Board has also returned to some of the strategic planning proposals that it had been considering in 2020 but that had been thwarted by COVID. Finally, it supported a thorough budget-making process during the first three months of 2022, with one-to-one meetings with key stakeholders throughout the Institution followed by a lengthy budget approval meeting by the Board.

There remain significant challenges ahead: most notably, our finances remain under significant pressure, and we need to ensure that our revenues remain not merely sustainable but also begin to grow. But there are also significant opportunities, not least those provided by our imminent bicentenary. Thanks to the support of staff, volunteers, and members, the Institution is able to look forward with informed pragmatism and renewed optimism.

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 £310,599 (2021: £351,505) and total resources expended were £328,145 (2021: £330,296). Net incoming resources (including revaluation) were £19,384 (2021: outgoing £132,331).

Total funds as at 31 March 2021 were £3,963,825 (2021: £3,944,441) which includes £3,531,114 (2021: £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.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

BRLSI Financial Reserves have historically been 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"].

This year we have added a fourth category of fund, namely the "Planned Maintenance Programme Fund" which is intended to cover the five-year cycle costs of our planned maintenance programme.

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.

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 under £225,000.

The Planned Maintenance Programme Fund is intended to cover the significant expected maintenance costs of the building over a five year period, with the majority of the costs in Years 4 and 5 of the plan (2022/23 and 2023/24 respectively). The balance is currently £55,549 and will rise to a maximum of c. £80,000. Expenditure under this plan is recognised in the year it is incurred.

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 £591,020 (2021: £554,090) comprising £567,043 (2021: £495,065) in listed securities and £23,976 (2021: £58,472) in cash held for investment purposes.

d. Covid-19

In order to mitigate the ongoing financial impact of the pandemic, we continued to restrict expenditure, including closure of the building as required. We continued to receive 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 in the previous financial year, and are currently repaying the capital and interest over 6 years.

We lost two of our tenants during the prior year, related to the pandemic. We signed a new lease for part of our vacant space at the end of this financial year, and are in active negotiations with a potential new tenant

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

for our remaining space. We remain in close contact with Colston & Colston 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. Subject to achieving full occupancy of our commercial lease space, and the recovery of our primary other sources of income (membership fees, lecture income and room hire), we expect to reach a small surplus in 2023/24.

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 have been on marketing our rapidly-developing digital offerings allowing us to broaden our audience base, and to upgrade our room hire IT equipment to better support our customers.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the Trustee company directors, on and signed on its behalf by:



30th June 2022

Dr Joe Willson
Director of Trustee Company

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022

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

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 2022 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 2022 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 other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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)

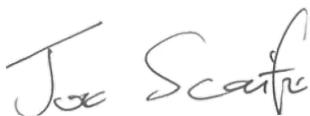
the audit.

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.



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

Date: 15 September 2022

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 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	28,596	98,271	2,000	128,867	119,785
Charitable activities		50,203	1,000	-	51,203	34,277
Activities for Generating Funds	4	109,807	-	-	109,807	174,591
Investments	5	20,722	-	-	20,722	22,852
TOTAL INCOME AND ENDOWMENTS		209,328	99,271	2,000	310,599	351,505
EXPENDITURE ON:						
Raising funds		457	-	-	457	150
Charitable activities		230,050	97,638	-	327,688	330,146
TOTAL EXPENDITURE		230,507	97,638	-	328,145	330,296
NET (EXPENDITURE)/INCOME BEFORE NET GAINS/(LOSSES) ON INVESTMENTS						
		(21,179)	1,633	2,000	(17,546)	21,209
Net gains/(losses) on investments		36,930	-	-	36,930	(153,540)
NET MOVEMENT IN FUNDS		15,751	1,633	2,000	19,384	(132,331)
RECONCILIATION OF FUNDS:						
Total funds brought forward		586,147	26,925	3,331,369	3,944,441	4,076,772
Net movement in funds		15,751	1,633	2,000	19,384	(132,331)
TOTAL FUNDS CARRIED FORWARD		601,898	28,558	3,333,369	3,963,825	3,944,441

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

The notes on pages 15 to 31 form part of these financial statements.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	9	1,093,285	1,098,603
Investments	11	591,020	553,537
Investment property	10	2,250,000	2,250,000
		<u>3,934,305</u>	<u>3,902,140</u>
CURRENT ASSETS			
Debtors	12	68,466	87,184
Cash at bank and in hand		157,132	155,754
		<u>225,598</u>	<u>242,938</u>
Creditors: amounts falling due within one year	13	(156,769)	(155,637)
NET CURRENT ASSETS		<u>68,829</u>	<u>87,301</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,003,134</u>	<u>3,989,441</u>
Creditors: amounts falling due after more than one year	14	(39,309)	(45,000)
TOTAL NET ASSETS		<u><u>3,963,825</u></u>	<u><u>3,944,441</u></u>
CHARITY FUNDS			
Endowment funds	15	3,333,369	3,331,369
Restricted funds	15	28,558	26,925
Unrestricted funds	15	601,898	586,147
TOTAL FUNDS		<u><u>3,963,825</u></u>	<u><u>3,944,441</u></u>

The financial statements were approved and authorised for issue by the Directors on 30 June 2022 and signed on their behalf by:

Dr Joe Willson
Director of the Trustee Company

The notes on pages 15 to 31 form part of these financial statements.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 2022**

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 2022**

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.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

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 2022

3. INCOME FROM GRANTS, DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	21,850	9,861	2,000	33,711	24,359
Grants	-	88,410	-	88,410	53,835
Coronavirus Job Retention Scheme	6,746	-	-	6,746	41,591
	<u>28,596</u>	<u>98,271</u>	<u>2,000</u>	<u>128,867</u>	<u>119,785</u>
TOTAL 2021	<u><u>65,715</u></u>	<u><u>54,070</u></u>	<u><u>-</u></u>	<u><u>119,785</u></u>	

4. ACTIVITIES FOR GENERATING FUNDS

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rents Received	109,807	109,807	174,591
TOTAL 2021	<u><u>174,591</u></u>	<u><u>174,591</u></u>	

5. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from listed investments	20,708	20,708	22,747
Investment income - cash	14	14	105
	<u>20,722</u>	<u>20,722</u>	<u>22,852</u>
TOTAL 2021	<u><u>22,852</u></u>	<u><u>22,852</u></u>	

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	51,704	275,984	327,688	330,146
TOTAL 2021	48,887	281,259	330,146	

ANALYSIS OF DIRECT COSTS

	Total funds 2022 £	Total funds 2021 £
Staff costs	39,056	33,809
Other costs	3,747	3,887
Premises costs	8,901	11,191
	51,704	48,887

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £	Total funds 2021 £
Staff costs	49,764	99,983
Other costs	56,385	58,271
Premises costs	85,584	91,646
Accountancy costs	7,000	10,000
Major grants project expenditure	77,251	21,359
	275,984	281,259

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>7,750</u>	<u>6,500</u>

8. STAFF COSTS

	2022 £	2021 £
Wages and salaries	82,576	118,576
Social security costs	5,677	6,583
Contribution to defined contribution pension schemes	567	8,633
	<u>88,820</u>	<u>133,792</u>

During the year no director of the Trustee company received any remuneration of benefits in kind.

Two directors received reimbursement of expenses amounting to £nil (2021: two directors £313).

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

	2022 No.	2021 No.
Collection	1	1
Support	4	5
	<u>5</u>	<u>6</u>

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

During the year the charity received £6,746 under the Coronavirus Job Retention Scheme (CJRS) in respect of furloughed staff as disclosed in note 3.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

9. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Total £
COST OR VALUATION			
At 1 April 2021	1,081,114	130,719	1,211,833
Additions	-	1,549	1,549
At 31 March 2022	<u>1,081,114</u>	<u>132,268</u>	<u>1,213,382</u>
DEPRECIATION			
At 1 April 2021	-	113,230	113,230
Charge for the year	-	6,867	6,867
At 31 March 2022	<u>-</u>	<u>120,097</u>	<u>120,097</u>
NET BOOK VALUE			
At 31 March 2022	<u>1,081,114</u>	<u>12,171</u>	<u>1,093,285</u>
At 31 March 2021	<u>1,081,114</u>	<u>17,489</u>	<u>1,098,603</u>

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 2022

10. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 April 2021	2,250,000
At 31 March 2022	<u>2,250,000</u>

The investment property was revalued as at 31 March 2022 by the directors of the trustee company. The last external valuation was undertaken on 31 March 2021 by CSquared, RICS registered, on an open market value for existing use basis.

11. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 April 2021	554,090
Revaluations	36,930
AT 31 MARCH 2022	<u>591,020</u>
NET BOOK VALUE	
AT 31 MARCH 2022	<u>591,020</u>
AT 31 MARCH 2021	<u>554,090</u>

12. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Trade debtors	19,527	6,267
Other debtors	48,890	77,527
Prepayments and accrued income	49	3,390
	<u>68,466</u>	<u>87,184</u>

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans	8,333	5,000
Trade creditors	48,361	13,286
Other taxation and social security	3	-
Other creditors	45,694	50,708
Accruals and deferred income	54,378	86,643
	<u>156,769</u>	<u>155,637</u>
	2022	2021
	£	£
Deferred income at 1 April 2021	25,238	52,207
Resources deferred during the year	42,732	25,238
Amounts released from previous periods	(25,238)	(52,207)
	<u>42,732</u>	<u>25,238</u>

Deferred income relates to £26,037 of rental income for the period April 2022 - June 2022 and £16,695 of advance room bookings for the period April 2022 to November 2022 received prior to the year end.

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

	2022	2021
	£	£
Bank loans	39,309	45,000
	<u>39,309</u>	<u>45,000</u>
Included within the above are amounts falling due as follows:		
	2022	2021
	£	£
BETWEEN ONE AND TWO YEARS		
Bank loans	8,333	5,000
	<u>8,333</u>	<u>5,000</u>
BETWEEN TWO AND FIVE YEARS		
Bank loans	25,000	15,000
	<u>25,000</u>	<u>15,000</u>
OVER FIVE YEARS		
Bank loans	5,976	25,000
	<u>5,976</u>	<u>25,000</u>

Bank loans included in note 13 and 14 are in respect of a £47,642 "bounce back" loan repayable over 6 years. The loan is underwritten by the UK Government.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS						
General Fund	50,000	209,328	(223,640)	(22,618)	36,930	50,000
Contingency Fund	200,000	-	-	-	-	200,000
Fixtures and Fittings Fund	17,489	-	(6,867)	-	-	10,622
Designated Valentine Fund	10,744	-	-	-	-	10,744
Designated Cassidy Fund	20,811	-	-	-	-	20,811
Designated Youth Activities Fund	1,666	-	-	-	-	1,666
Designated Bath Society Fund	29,508	-	-	-	-	29,508
Income Generating Fund	255,929	-	-	(32,931)	-	222,998
Planned Maintenance Programme Fund	-	-	-	55,549	-	55,549
	586,147	209,328	(230,507)	-	36,930	601,898
ENDOWMENT FUNDS						
Freehold Property Fund	3,331,114	-	-	-	-	3,331,114
1824 Fund	255	2,000	-	-	-	2,255
	3,331,369	2,000	-	-	-	3,333,369
RESTRICTED FUNDS						
Adopt a Book	(16)	361	(345)	-	-	-
Collections Preservation Fund	95	2,000	-	-	-	2,095

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - CURRENT YEAR (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Restricted Youth Activities Fund	2,841	-	-	-	-	2,841
Adelard Memorial Fund	1,050	-	-	-	-	1,050
Ilminster Excavation Project	326	-	-	-	-	326
Major Grants	22,629	85,720	(94,841)	-	-	13,508
SW Museums 2	-	2,690	(2,452)	-	-	238
Jane Austen Fund	-	7,500	-	-	-	7,500
Bath Spa Digital Marketing Internship	-	1,000	-	-	-	1,000
	26,925	99,271	(97,638)	-	-	28,558
TOTAL OF FUNDS	3,944,441	310,599	(328,145)	-	36,930	3,963,825

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR 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
Adelard Memorial Fund	2,841	-	-	-	-	2,841
	1,050	-	-	-	-	1,050

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR 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)	-	-	-
Ilminster Excavation Project	326	-	-	-	-	326
Virtual BRLSI Project	34	-	(34)	-	-	-
Major Grants	-	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 2022

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 unplanned 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.

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 legacies gratefully received over previous years. 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.

The Planned Maintenance Programme Fund represents the funds reserved for the planned 5 year maintenance programme for the building, with the majority of costs being incurred in Years 4 and 5 (2022/23 and 2023/24 respectively). The maximum value of the fund is planned to be c. £80,000. Expenditure under the plan is recognised in the year it occurs.

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. This year we gratefully received a donation of £2,000 from Brian McEleny as a contribution to the Fund.

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 (2020: £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. This year we gratefully received an anonymous donation of £2,000 for this Fund.

BATH ROYAL LITERARY AND SCIENTIFIC INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The Restricted Youth Activities Fund supports our Youth Activities.

The Adelard Memorial Fund exists to support the establishment and maintenance of a memorial to Adelard of Bath, often referred to as 'England's first scientist'.

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.

Major Grants: During 2020/21, we secured a 'Respond and Reimagine' grant of £40,000 from the Art Fund to help BRLSI adapt to our new post COVID reality through an overhaul of our website, develop the BRLSI Discovery Trails, and create new display cabinets in the Jenyns room; this grant was supplemented by a donation of £15,000 from the St M Wray Trust. This project completed its work in June and July 2021. We also completed the work funded from a small Recovery Grant from SW Museums to help us connect with audiences in new ways by installing a new steerable camera and laptop and a £90,800 grant from the National Lottery Heritage Fund to help us adapt and recover post COVID with new income and reach new audiences through a digital marketing pilot, and to enhance the audio-visual and digital infrastructure in our building. We also secured a further small recovery grant from SW Museums to also help extend our audiences by purchasing podcasting equipment and constructing a new digital trail.

The Jane Austen fund is intended to support activities dedicated to encouraging interest and appreciation of Jane Austen and her works, with funds kindly provided by the Jane Austen Bath and Bristol (JABB) society.

The Bath Spa Digital Internship fund is a grant provided to the institution by Bath Spa University as a contribution to the costs of a summer intern working on digital marketing to enhance the social media profile of the Institution.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	12,171	-	1,081,114	1,093,285
Fixed asset investments	591,020	-	-	591,020
Investment property	-	-	2,250,000	2,250,000
Current assets	194,785	28,558	2,255	225,598
Creditors due within one year	(156,769)	-	-	(156,769)
Creditors due in more than one year	(39,309)	-	-	(39,309)
TOTAL	601,898	28,558	3,333,369	3,963,825

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR 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

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 £567 (2021: £8,633). £Nil (2021: £Nil) was payable to the fund at the balance sheet date.

18. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	817	1,960
Later than 1 year and not later than 5 years	-	980
	817	2,940

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.

