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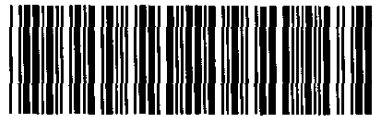
Bristol Pound CIC

Company No. 07346360

Directors' Report and Unaudited Accounts

31 December 2019

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COMPANIES HOUSE

Bristol Pound CIC
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Bristol Pound CIC
Company Information

Directors

S. Britton
N.J. Carroll
S. Clarke
M.J. Cranney
D.J. Finch
B. Heald
D. Hunter
N.J. Plant
F.I. Tejani

Company Secretary

D.J. Finch

Registered Office

Rm 314 Engine Shed Appr. Rd
Temple Meads, Bristol
BS1 6QH

Accountants

Magic Bean Counters Limited
Unit 14c, The Old Co-op
42 Chelsea Road
Bristol
BS5 6AF

Bristol Pound CIC Directors Report

The Directors present their report and accounts for the year ended 31 December 2019.

Principal activities

The principal activity of the company during the year under review was promotion and management of a local currency and payment platform.

Review of business

2019 focused on refining our business plan and operations, as we reviewed the learnings from the first seven years of operating the Bristol Pound.

At the start of the year, we were engaged in two development projects. The first was to improve the app, so that people could sign up directly from within the app. The second was to develop a zero % loan product for small businesses.

In the early spring, University of Bristol undertook research into the needs of small businesses in Bristol, to help us refine our services and better support our members. This research uncovered that the best ways we could add value to business members was to assist them in marketing, networking and business support.

In March, we moved to SETsquared, which enabled us to access a range of business advice. This included a review of our brand and marketing. As a result of this work, we undertook a brand refresh, adopting a new tone of voice, colour scheme and updated icon. The new branding was launched in the late summer, along with our new premium services for small businesses. The results have been an increased rate of acquisition of business and individual members.

In the autumn we decided to focus on the next phase of Bristol Pound. The technical platform has been increasingly unable to offer the user experience that people and businesses expect, and it was recognised that if we changed our technical infrastructure, there was an opportunity to develop a different sort of financial intervention in line with our aims of tilting the economy to be greener, fairer and stronger. The resulting vision, which we are calling Bristol Pay, will form the basis of our development work in 2020.

From a financial perspective, despite the launch of the new businesses services, the organisation has yet to reach a point of trading break even. Over the year we are grateful to have benefited from grant funding from Bristol City Council and University of Bristol, and to have received support from two major donors.

Directors

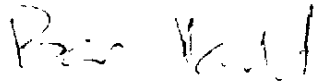
The Directors who served during the year were as follows:

S. Britton	
S. Clarke	
M.J. Cranney	(Appointed 2 December 2019)
D.J. Finch	
K. Finnegan-Clarke	(Resigned 25 March 2019)
B. Heald	
N. Hemley	(Resigned 31 August 2019)
S.J. Hilton	(Resigned 2 December 2019)
J. Hirst	(Resigned 2 December 2019)
D. Hunter	
C. Wills	(Resigned 2 December 2019)
S. Woma	(Resigned 2 December 2019)

Bristol Pound CIC
Directors Report

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006.

Signed on behalf of the board



.....
B. Heald
Director

27 May 2020

Bristol Pound CIC
Accountants Report ACCA

Report to the Board of Directors of Bristol Pound CIC on the preparation of the unaudited statutory accounts for the year ended 31 December 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Bristol Pound CIC for the year ended 31 December 2019 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at www.accaglobal.com/rulebook.

This report is made solely to the Board of Directors of Bristol Pound CIC, as a body, in accordance with the terms of our engagement letter dated 21 May 2018. Our work has been undertaken solely to prepare for your approval the accounts of Bristol Pound CIC and state those matters that we have agreed to state to the Board of Directors of Bristol Pound CIC, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at www.accaglobal.com/factsheet163. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bristol Pound CIC and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Bristol Pound CIC has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities and financial position of the company at the end of the financial year and of its deficit for the year then ended. You consider that Bristol Pound CIC is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Bristol Pound CIC. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Magic Bean Counters Limited
Chartered Certified Accountants
Unit 14c, The Old Co-op
42 Chelsea Road
Bristol
BS5 6AF
27 May 2020

Bristol Pound CIC
Income and Expenditure Account
for the year ended 31 December 2019

	2019	2018
	£	£
Turnover	13,918	15,247
Other income	70,513	269,330
Staff costs	(100,366)	(138,363)
Depreciation and other amounts written off assets	(133)	(2,905)
<i>Other charges</i>	(68,595)	(110,562)
(Deficit)/Surplus before tax for the financial year	<u>(84,663)</u>	<u>32,747</u>
Tax	66,814	(5,304)
(Deficit)/Surplus for the financial year	<u>(17,849)</u>	<u>27,443</u>

Bristol Pound CIC**Balance Sheet**

at 31 December 2019

Company No. 07346360

	2019	2018
	£	£
Fixed assets	132	265
Current assets	80,347	102,549
Prepayments and accrued income	2,370	4,515
Creditors: Amounts falling due within one year	(10,778)	(17,555)
Net current assets	<u>71,939</u>	<u>89,509</u>
Total assets less current liabilities	72,071	89,774
Provisions for liabilities	(500)	(2,000)
Accruals and deferred income	(3,105)	(1,459)
	<u>68,466</u>	<u>86,315</u>
Reserves	<u>68,466</u>	<u>86,315</u>

NOTES TO THE ACCOUNTS**1 Basis of preparation**

These accounts have been prepared in accordance with the micro-entity provisions of the Companies Act 2006 and FRS 105 The Financial Reporting Standard applicable to the Micro-entities Regime (March 2018). The March 2018 edition of the FRS 105 includes amendments arising from the Financial Reporting Council's triennial review of the standard. There is no material effect on the amounts recognised in these accounts as a result of early adopting these amendments.

2 Employees

	2019	2018
	Number	Number
The average number of persons employed during the year :	3	5

3 Charges on assets, contingent liabilities and other financial commitments**Contingent liabilities**

A provision of £500 (2018 - £2,000) has been made to cover reimbursements of expired Bristol Pound notes that may be required to be honoured after year end due to unforeseen circumstances.

4 Additional information

Bristol Pound CIC is a private company limited by guarantee and incorporated in England and Wales.

Its registered number is: 07346360

Its registered office is:

Rm 314 Engine Shed Appr. Rd

Temple Meads, Bristol

BS1 6QH

For the year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

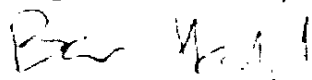
The functional and presentational currency of the company is Sterling. The accounts are rounded to the nearest pound.

Approved by the board on 15 May 2020

Bristol Pound CIC

Balance Sheet

And signed on its behalf by:

A handwritten signature in black ink, appearing to read 'B. Heald', written in a cursive style.

B. Heald

Director

27 May 2020

Bristol Pound CIC
Detailed Balance Sheet Notes
for the year ended 31 December
2019

1 Fixed assets

	2019	2018
	£	£
Tangible fixed assets	132	265
	<u>132</u>	<u>265</u>

2 Tangible fixed assets

	Fixtures, fittings and equipment	Total
	£	£
Cost		
At 1 January 2019	10,856	10,856
At 31 December 2019	<u>10,856</u>	<u>10,856</u>
Depreciation		
At 1 January 2019	10,591	10,591
Charge for the year	133	133
At 31 December 2019	<u>10,724</u>	<u>10,724</u>
Net book values		
At 31 December 2019	<u>132</u>	<u>132</u>
At 31 December 2018	<u>265</u>	<u>265</u>

3 Current assets

	2019	2018
	£	£
Cash at bank and in hand	72,615	49,271
Trade debtors	2,037	7,137
Other debtors	5,695	46,141
	<u>80,347</u>	<u>102,549</u>

4 Prepayments and accrued income

	2019	2018
	£	£
Prepayments	2,201	3,340
Accrued income	169	1,175
	<u>2,370</u>	<u>4,515</u>

Bristol Pound CIC**Detailed Balance Sheet Notes****5 Creditors:**

amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	82	345
Trade creditors	384	99
Corporation tax	-	6,410
Other taxes and social security	1,652	-
Other creditors	8,660	10,701
	<u>10,778</u>	<u>17,555</u>

6 Provisions for liabilities

	Other provisions	Total
	£	£
At 1 January 2019	2,000	2,000
Movement for the year	(1,500)	(1,500)
At 31 December 2019	<u>500</u>	<u>500</u>

7 Accruals and deferred income

	2019	2018
	£	£
Accruals	2,972	1,407
Deferred income	133	52
	<u>3,105</u>	<u>1,459</u>

8 Reserves

	Income and Expenditure account
	£
At 1 January 2019	86,315
Deficit for the period	(17,849)
At 31 December 2019	<u>68,466</u>

CIC 34**Community Interest Company Report**

For official use
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*Please
complete in
typescript, or
in bold black
capitals.*

**Company Name in
full**

Bristol Pound CIC

Company Number

07346360

Year Ending

31/12/2019

(The date format is required in full)

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

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PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

We spent 2019 reflecting on learnings from the project so far, continuing to engage with members and developing solutions to the challenges we have identified.

With usage of the currency flat and its velocity particularly affected by static business balances, we spoke to business members to understand what the issues were from their perspective. They told us that one concern was the administrative aspect of operating a second payment method, particularly for paying suppliers. Another issue was that they did not have strong relationships with other businesses in the network, so changing their supply chains was problematic.

In light of that feedback, in the first quarter of the year, University of Bristol undertook research for us into what would make a good value proposition for our business members, to encourage their engagement with the scheme. They found that small businesses would value help with digital marketing, networking and business support. We therefore started to think about how we could improve our offer to business members.

Meanwhile, thanks to our move to SETsquared in March 2019, we were able to access help with our own brand and marketing. We identified that our marketing messaging, which was campaigning in tone, only resonated with people who already understood the need to create a greener, fairer and stronger local economy.

As a result of these insights, we soft launched new branding and marketing in July 2019, and followed up with the launch of new services for small businesses in the early autumn. Since that point, the acquisition of new business members has greatly improved.

In late 2018, we had discovered that only about 10% of individuals attempting to join the digital currency scheme were successfully completing the process. We identified that the key problem was getting through the 'know your customer' (KYC) requirements. We therefore liaised with the Bristol Credit Union (BCU) to agree a new method for KYC, and launched a new version of the Bristol Pound app that enables people to complete KYC via the app in most cases. Individual member acquisition has improved significantly as a result.

We had for many years been developing a 0% business loan product, to help small business, add liquidity into the Bristol Pound system and broker new businesses into the network. Developing the functionality for this was highly complex, negotiating with BCU agree procedures for processing applications, and working with a developer on the Cyclos platform to build in the functionality. The loan product was launched in the spring, however few businesses applied and none met BCU's stringent criteria. We have therefore now closed the loan scheme, to save on professional indemnity and credit agency costs.

In July 2019, we attended the OECD Circular Economy in Cities and Regions Roundtable. Following this, we have started to build relevant relationships across the city and to apply for funding to develop projects in this area.

(Continued over.)

PART 1 - CONTINUED

From a funding perspective, things have been difficult. Whilst we were successful in our bid to Bristol City Council for core funding, receiving £50,000 primarily to support our work with small businesses, we were unsuccessful in most of the funding applications we made. However, in the late summer we submitted a Research and Development tax credit claim covering our work in 2017 and 2018, and this enabled us to end the year with more than 3 months running costs in reserves.

Towards the end of the year, we launched a crowdfunding campaign, which went on to raise over £5,600. This income was however not finalised or received until well after the year end.

As we worked to change the business model, we started to think about how to improve on the existing scheme. We recognised that even if we managed to turn the key performance indicators around and create a sustainable business model, there was a potential to create a far greater social and environmental impact with a completely different systemic intervention to the local economy. We are calling the new vision Bristol Pay. It focuses on building a peer to peer payment platform operating at scale across the city, and using this platform additionally to host a local token scheme to incentivise behaviour change in line with Bristol's One City Plan goals, such as transitioning to zero carbon, developing the circular economy and community capacity building. We ended the year preparing a funding bid to enable us to do a feasibility study, and look forward to developing our ideas for Bristol Pay in 2020.

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Early in the year, we added a feature on the website to gather feedback from members and those using the website or paper currency. This feature has been well used. Feedback received is discussed at team meetings on a weekly basis, with ideas feeding into our day to day operational practice.

Since the start of 2019, whenever our volunteer capacity has allowed, we have taken a proactive approach to contacting our business members. It is a challenge for such a small team to keep on top of over 500 business relationships. Businesses very much appreciate this sort of contact, which we often follow up with training and support from our Membership Manager.

Throughout 2019, we have continued to hold regular networking events for our business members. These events serve not only to build relationships between businesses, but also to strengthen our relationship with our business members, so we can better understand their concerns and priorities. It is largely thanks to these meetings that we have understood the administrative concerns that businesses have with using the currency, which we hope to address in future iterations of the platform.

In April we held a full member meeting which included a presentation on the issues facing the organisation, namely how to increase engagement with the currency, create a sustainable business model and develop our digital infrastructure. This was followed by an open space workshop through which we gathered ideas and feedback on how we might progress. This input, coupled with the research undertaken by University of Bristol, helped us develop the new branding, messaging and business services that we launched at our member event in July.

In September we held an open event for members and key stakeholders to celebrate seven years of operation. This provided an opportunity to start to talk about the ideas we have for the future development of the organisation and to gather ideas from a wide cross section of people.

In the summer, we were lucky to host an intern through a University of Bristol scheme, who designed two impact surveys for us, one for businesses and one for individuals. Data was collected through to the end of the year, and is now being analysed. As well as understanding what impact Bristol Pound membership has had on our members' economic activities, the surveys will provide insights into our members' priorities for our future development.

In late November, we held digital elections for new business and individual member representatives to the board. The new representatives are well connected in their communities and are bringing important insights to board decision making.

PART 3 – DIRECTORS’ REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, “There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director’s loss of office, which require to be disclosed” (See example with full notes). If no remuneration was received you must state that “no remuneration was received” below.

Total payments to directors totalled £44,460.

These consisted of payments to salaried directors of £ 32,560, and payments to directors providing technical consultancy of £ 11,900.

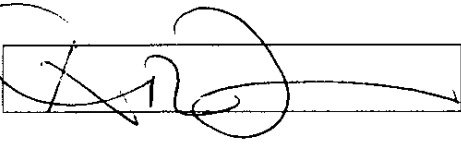
PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that “no transfer of assets other than for full consideration has been made” below.

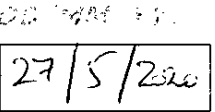
No transfer of assets other than for full consideration has been made.

(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY (Please write this must be a line signature)

The original report must be signed by a director or secretary of the company

Signed 

Date 

Please note that it is a legal requirement for the date format to be provided in full throughout the CIC34 report

Applications will be rejected if this information is incorrect.

Office held: Director

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Diana Finch, Bristol Pound CIC	
Engine Shed, Station Approach	
Bristol BS1 6QH	
	Tel 0117 929 8642
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

(N.B. Please enclose a cheque for £15 payable to Companies House)